

2025 CONDOMINIUM INFORMATION STATEMENT
FOR
THE VILLAS AT THE LANTANA CONDOMINIUM

PURCHASER, READ THIS CONDOMINIUM INFORMATION STATEMENT
FOR YOUR OWN PROTECTION.
IT CONTAINS INFORMATION REQUIRED BY STATUTE FOR ALL
TEXAS CONDOMINIUMS CREATED AFTER JANUARY 1, 1994.

THE VILLAS AT THE LANTANA CONDOMINIUM

Condominium Information Statement

This Condominium Information Statement (this "Condominium Information Statement") is required by and is furnished in compliance with Section 82.153 of the Texas Uniform Condominium Act (the "Act").

YOU SHOULD READ THIS DOCUMENT
BEFORE EXECUTING A PURCHASE AND SALE AGREEMENT

This Condominium Information Statement presents certain information regarding the Residential Condominium and the Residences being offered for sale by Residential Declarant. It consists of two parts, a narrative portion and an exhibits portion. The exhibits include legal documents that will be required for the creation and operation of the Residential Condominium. The exhibits will control in the event of any inconsistency between the exhibits and the narrative.

The Residential Condominium contemplated by this Condominium Information Statement is currently in the design and pre-construction phase. Consequently, this Condominium Information Statement and the documents necessary to create the Residential Condominium are subject to revision. Residential Declarant reserves the right to modify this Condominium Information Statement and such documents as may be required by law, any residential association manager, any hotel operator, any title insurance company, any mortgagee or any property insurer, and Residential Declarant reserves the right to make changes that affect the Residences, the Residential Common Elements and/or the operation of the Residential Condominium without notice to or consent of any purchaser, except as required under the Act.

This Condominium Information Statement is not intended to be all-inclusive or to address every significant feature of the Residential Condominium. Because purchasing real property is an important decision, purchaser is encouraged to review this Condominium Information Statement with an attorney and to consult other sources for information not covered by this Condominium Information Statement.

Terms used with initial capital letters but not specifically defined in this Condominium Information Statement have the meanings given to them in the Residential Condominium Declaration for The Villas at The Lantana Condominium (as may be amended, the "Residential Declaration"). As used herein, "Purchaser" means the purchaser of the Residence described in the Purchase and Sale Agreement and executed by Residential Declarant.

1. **Name and Principal Address of Residential Declarant and Residential Condominium.**

The name and principal address of Residential Declarant:

LANTANA LAND HOLDINGS LLC
303 Wildwood Drive
Fredericksburg, TX 78624
Attention: Robert Radovan and Mark Harmon

The name and principal address of the Residential Condominium is:

The Villas at The Lantana Condominium
317 Goehmann Lane
Fredericksburg, TX 78624

2. **Description of Master Project.** The Residential Condominium is the sub-unit condominium created within the Residential Unit II of The Lantana Master Condominium (the "Master Condominium") located in Gillespie County, Texas. The Residential Condominium is subject to all of the conditions, covenants and restrictions in the Governing Documents of the Master Condominium, copies of which are attached as Exhibits C, D, E, and F to this Condominium Information Statement.
3. **Description of Residential Condominium.** The Residential Condominium is anticipated to consist of individual residential units (individually, a "Residence" and collectively, the "Residences") which is anticipated to contain a *maximum* of 40 Residences. All of the Residences must be used solely for residential purposes. Pursuant to the terms of each Residence Owner's Purchase and Sale Agreement and the Residential Declaration, Residential Declarant may change the number, size and location of the Residences. The Residential General Common Elements of the Residential Condominium include: (a) the Residential Unit II's interest in certain Easements within the Master Condominium as set forth in the definition of Residential General Common Elements in the Residential Declaration; (b) the Residential Unit II's interest in the General Common Elements of the Master Condominium pursuant to the Master Declaration; (c) the Residential Unit II's interest in the Limited Common Elements of the Residential Unit II in the Master Condominium pursuant to the Master Declaration; and (d) the Land. Copies of the Residential Governing Documents are attached as Exhibits G, H and I to this Condominium Information Statement.
4. **Calculation of Residential Allocated Interests.** The methodology used to establish each Residence's Residential Allocated Interest as reflected on Exhibit A to this Condominium Information Statement also determines the estimated allocation of Residential Common Expense contributions to each Residence on an individual basis. The calculation of the Residential Allocated Interests is based on the methodology described in Section 2.2 of the Residential Declaration. Pursuant to the terms of each Residence Owner's Purchase and Sale Agreement and the Residential Declaration, Residential Declarant reserves the right to alter how the Residential Allocated Interests are calculated as set forth in the Residential Declaration.
5. **Residential Development Rights.** Pursuant to Section 3.5 of the Residential Declaration, and in accordance with and only if permitted by the Act, and at all times while Residential Declarant or any Affiliate of Residential Declarant owns any Residence or any other real property interest in the Residential Condominium, Residential Declarant reserves the right to exercise each and any combination of the following rights: (a) create, relocate or properly designate Residences or Residential Common Elements within the Residential Condominium and to make and record corrections to the Residential Map to conform the Residential Map to the actual location of the Residences and/or the proper designation of the elements of the Residential Condominium as Residences or Residential Common Elements; (b) convert Residences into Residential Common Elements or convert Residential Common Elements into Residences; (c) convert Residential General Common Elements into Residential Limited Common Elements or Residential Limited Common Elements into Residential General Common Elements; (d) exercise the rights reserved by Master Declarant in Section 3.7 of the Master Declaration;

(e) subdivide or combine Residences within the Residential Condominium; (f) add real property to the Residential Condominium; and (g) relocate the boundaries of Residences or Residential Common Elements.

6. **Special Residential Declarant Rights.** Pursuant to Section 3.5 of the Residential Declaration, Residential Declarant for itself and its successors, assigns, and Designees reserves the following rights:

- (a) **Special Residential Declarant Rights.** In accordance with, and only if permitted by the Act, Residential Declarant for itself and its assigns, successors, and Designees, reserves the right at all times while Residential Declarant or any Affiliate of Residential Declarant owns any Residence or any other real property interest in the Residential Condominium, to exercise the Special Residential Declarant Rights which include rights to (i) file a Supplemental Residential Declaration amending the Residential Map to reflect the actual size and location for each Residence and any other appropriate changes and amendments to Exhibit B of the Residential Declaration to reflect the Residential Reallocation Percentage; (ii) establish, vacate, relocate and use the Residential Easements as set forth in the Residential Declaration; (iii) include, in any instrument initially conveying a Residence, such additional reservations, exceptions and exclusions as it may deem consistent with and in the best interests of the Residence Owners and the Residential Association; (iv) have and use an easement over, under and across any and all of the Residential Property to the extent that same may be necessary or useful for the exercise of any Special Residential Declarant Rights or the performance of any obligations of Residential Declarant; and (v) authorize Master Declarant and its Designees to conduct within the Residential Property all operations necessary in Master Declarant's sole discretion to complete the construction and development of the Residential Condominium, including the entry by Master Declarant upon the Residential Common Elements and the operation thereon of such vehicles and equipment as may be necessary in the sole discretion of Master Declarant or its Designees for such purposes.
- (b) **Alteration of Residences.** Residential Declarant reserves the right, by a Supplemental Residential Declaration, to supplement or modify any Residence by adding additional facilities or deleting facilities, to designate additional portions of the Residential Condominium as part of any Residence, or to combine Residences. Residential Declarant also reserves the right, without the vote or consent of the Residential Association or any other Residence Owner, to make alterations, additions or improvements in, to and upon any Residence owned by Residential Declarant or its Affiliates, whether structural or non-structural.
- (c) **Sale or Lease Rights.** Residential Declarant reserves the right to maintain a model unit or sales office within any Residence in connection with the sale or leasing of Residences, in such location as determined by Residential Declarant. No such model unit will be larger than 10,000 square feet and Residential Declarant will have the right to relocate such model unit from time to time. Residential Declarant will have the right to authorize placement, upon the Residential Common Elements, of signs designating any such model unit and/or a sales or leasing and advertising the sale or leasing of the Residences. Such signs may be placed in such locations and will be of such size and character as Residential Declarant may determine. In the event Residential Declarant elects to lease any unsold Residences to third parties, Residential Declarant reserves the right, from time to time, at Residential Declarant's sole expense, to hire a rental management firm for the leasing and operation of such leased Residences. Residential Declarant will have the right to authorize Master Declarant and its Designees within the Residences and within the Residential Common Elements, all operations necessary in its sole discretion to complete the construction and development of the Residential Condominium and to market and sell the Residences.

- (d) Rights During Warranty Period. For as long as Residential Declarant or its successors, assigns or Designees remain liable under any warranty, whether statutory, express or implied, for any act or omission of Residential Declarant, or its successors, assigns or Designees in the development, construction, sale and marketing of any portion of the Residential Condominium, the right, in Residential Declarant's, or in its successor's, assign's or Designee's sole discretion and from time to time, to enter the Residential Common Elements and the Residences for the purpose of making necessary inspections, tests, repairs, improvements or replacements required for Residential Declarant or its successors, assigns or Designees to fulfill any of its warranty obligations, provided that no such entry into a Residence may unreasonably interfere with the use of such Residence by its Residence Owner. Failure of the Residential Association or any Residence Owner to provide such access may result in the appropriate warranty being nullified and of no further force or effect. Nothing in this Section 6 of this Condominium Information Statement or Section 3.5(e) of the Residential Declaration will be deemed or construed as Residential Declarant making or offering any warranty, all of which are disclaimed.
- (e) Limitations on Rights. Residential Declarant may not add or delete facilities from any Residence or combine Residences, unless Residential Declarant or an Affiliate of Residential Declarant is the owner of such Residence or Residences or if the Residence Owner expressly consents to such deletion or combination. Notwithstanding the foregoing, Residential Declarant is permitted to divide a Residence into separate Residences or combine one or more Residences as a single Residence in the sole discretion of Residential Declarant. No such additions to, deletions from, or changes of configuration or size of any such Residence, or combination of Residences will affect the interest in the Residential Common Elements, the share of Residential Common Expenses, or the voting rights appurtenant to the Residences. Any Residences which are combined will be treated for all such purposes as separate Residences. Residential Declarant may separate any Residences it has combined, at its sole expense, into separate and distinct Residences as originally set forth in the Residential Map. In no event will any such alteration, improvement or change interfere with any structural support of any Residence or the Residential Common Elements or the provision of utility service to any Residence or the Residential Common Elements. All work done in accordance with the provisions of Section 3.5 of the Residential Declaration will be done in compliance with the Residential Governing Documents and all applicable Legal Requirements. Nothing in the Residential Declaration or this Condominium Information Statement, however, will obligate Residential Declarant to add to the Residential Condominium or otherwise take any of the actions to which Residential Declarant is entitled pursuant to Section 3.5 of the Residential Declaration.
- (f) Master Declarant Rights. Residential Declarant on behalf of Master Declarant reserves the right to (i) exercise the Development Rights and Special Declarant Rights as permitted in Section 3.7 of the Master Declaration; (ii) include, in any instrument initially conveying a Residence, such additional reservations, exceptions and exclusions as it may deem consistent with and in the best interests of the Owners (as defined in the Master Declaration) and the Master Association; or (iii) have and use an easement over, under and across any and all of the Residential Common Elements to the extent that same may be necessary or useful in constructing, repairing or completing the Residences or the Residential Common Elements, or as may be reasonably necessary for the exercise of any Special Declarant Rights or Special Residential Declarant Rights, or the performance of any obligations of Residential Declarant or Master Declarant.

7. Additional Condominium Units. No additional Residences are intended to be included in the Residential Condominium.

8. **Copies of Condominium Governing Documents.** Copies of the Master Declaration, the Certificate of Formation, the Bylaws, the Master Regulations, the Residential Declaration, the Residential Certificate of Formation, the Residential Bylaws and any amendments thereto are attached as Exhibits C through Exhibit I to this Condominium Information Statement.
9. **Residential Association Budget.** A projected Residential Budget including the Residential Common Expenses anticipated for the first fiscal year of the Residential Association following the first conveyance of a Residence to a Residence Owner is attached hereto as Exhibit B. The information for the Residential Budget was assembled by Steve Ryan Consulting ("Preparer"), on behalf of Residential Declarant, and was prepared in accordance with generally accepted accounting principles. Unless otherwise noted on the Residential Budget, the assumptions concerning occupancy and inflation factors upon which the Residential Budget is based are: 100% occupancy and no annual compounded inflation rate. Purchaser acknowledges that such Residential Budget does not constitute a representation or warranty on the part of Residential Declarant or the Residential Association, but instead is the Residential Manager's and Preparer's best estimate of the anticipated items comprising the Residential Common Expenses as well as the costs of such items. **Although the Residential Budget is based on the best available information as of the date of its preparation, all costs and expenses are stated in 2025 dollars and Residence Owners should be aware that budgetary predications based on future costs are, by their very nature, subject to change based on market, regulatory and other factors that are beyond Residential Declarant's, Residential Manager's and Preparer's control and reasonable expectations, including anticipated increases in the cost of insurance premiums.** Purchaser agrees that Purchaser is required to pay Purchaser's share of the actual costs of the items set forth in the Residential Budget at the time of conveyance of title to Purchaser even if certain services that are listed on the Residential Budget are not yet available in the Residential Condominium.
10. **Encumbrances to Title.** Prior to the conveyance of title of a Residence to a Residence Owner, a lien to secure the cost of construction of the units in the Master Condominium will encumber the Residential Condominium, including the Residential Common Elements, but such lien will not encumber the Residences conveyed to a Residence Owner, or a Residence Owner's interest in the Residential Common Elements upon conveyance of title to a Residence Owner. In addition to the Residential Governing Documents, title to the Residences owned by a Residence Owner will be encumbered by the following encumbrances which are reflected in the following instruments recorded in the real property records of Gillespie County, Texas. As of the date of this Condominium Information Statement, such encumbrances include:
- (a) Easement and Right of Way executed by H. C. Keese to Central Power and Light Company, dated November 2, 1935, recorded in Volume 47, Pages 353-354, Official Public Records of Gillespie County, Texas.
 - (b) Right of Way Easement executed by Max Schaper and wife, Emma Jean Schaper, to Central Texas Electric Cooperative, Inc., dated April 21, 1964, recorded in Volume 85, Pages 358-359, Deed Records of Gillespie County, Texas; said assignment and assumption of easement dated August, 7, 2019, recorded under Register No. 20194574, Official Public Records of Gillespie County, Texas.
 - (c) Right of Way Easement executed by Dr. Lorence Feller and wife, Florine Feller to Central Texas Electric Cooperative, Inc., dated April 25, 1964, recorded in Volume 85, Pages 373-374, Deed Records of Gillespie County, Texas; said assignment and assumption of easement dated August, 7, 2019, recorded under Register No. 20194574, Official Public Records of Gillespie County, Texas.

- (d) Easement and Right of Way executed by Max Schaper to The Southwestern States Telephone Company, dated March 9, 1966, recorded in Volume 89, Pages 47-48, Official Public Records of Gillespie County, Texas.
- (e) Subject to the past and future action of Barons Creek by means of accretion, erosion or avulsion.

These above listed instruments should be listed in Schedule B of the title commitment that a Purchaser receives in connection with such Purchaser's purchase of a Residence. Purchaser may request the title company handling the closing of the Residence in the Residential Condominium to provide copies of the recorded instruments reflecting encumbrances to, and which affect title of the Residences, the Residential Property and the Residential Common Elements. Each Purchaser of a Residence is encouraged to review such instruments prior to closing as additional encumbrances may appear on title as a result of the development process of the Residential Condominium.

- 11. **Easements Reserved in the Master Declaration.** Master Declarant has reserved and granted in the Master Declaration certain easements for the use of various owners of units within the Master Condominium. The Residential Unit II's rights in and to certain of those easements are Residential Common Elements of the Residential Condominium and each Residence Owner has the right to utilize the Residential Common Elements in accordance with and subject to the provisions of the Residential Governing Documents.
- 12. **As-Is; Disclaimer of Warranties.** The Residences will be conveyed each Residence Owner in an "as-is" condition in accordance with the terms of such Residence Owner's Purchase and Sale Agreement. Without limiting the generality of the foregoing, Residential Declarant hereby disclaims any and all express or implied warranties as to design, construction, view, sound and/or odor transmission, furnishing and equipping of the Residential Condominium, and the existence of molds, mildew, spores, fungi and/or other toxins within the Residential Condominium. Residential Declarant does not guarantee, warrant or otherwise assure, and expressly disclaims, any right to a view from the Residential Condominium and/or natural light being available to the Residences. Further, given the climate and humid conditions in Gillespie County, Texas, molds, mildew, spores, fungi and/or other toxins may exist and/or develop within the Residential Condominium. Purchaser is hereby advised that certain molds, mildew, spores, fungi and/or other toxins may be, or if allowed to remain for a sufficient period may become, toxic and potentially pose a health risk. EACH RESIDENCE OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF THEIR RESIDENCE, HEREBY ACKNOWLEDGES THIS DISCLAIMER.
- 13. **No Limited Warranty.** As no Residences are improved, no limited warranty is being provided by Residential Declarant for the Residences.
- 14. **No Judgments or Pending Litigation.** Residential Declarant has no actual knowledge of any unsatisfied judgment against the Residential Association or of any pending suits to which the Residential Association is a party or which are material to the Residential Property, title or construction of the Residential Condominium.
- 15. **General Description of Insurance Coverage.** The Residential Association will obtain any insurance coverage required pursuant to Section 82.111 of the Texas Uniform Condominium Act in connection with the use, ownership, or maintenance of the Residential Common Elements and the Residences (but excluding any improvements and betterments to the Residences installed by Residence Owners). **RESIDENCE OWNERS WILL BE RESPONSIBLE FOR OBTAINING AND MAINTAINING, AT SUCH RESIDENCE OWNERS' SOLE COST AND EXPENSE, INSURANCE COVERING ALL ALTERATIONS, ADDITIONS, BETTERMENTS, AND IMPROVEMENTS TO THE**

RESIDENCE OWNER'S RESIDENCE AND ALL PERSONAL PROPERTY LOCATED IN OR CONSTITUTING A PART OF THE RESIDENCE OWNER'S RESIDENCE, AS WELL AS ALL LIABILITY INSURANCE WITHIN THE RESIDENCE OWNER'S RESIDENCE. IN ADDITION, THE INSURANCE OBTAINED BY THE RESIDENTIAL ASSOCIATION DOES NOT COVER OR PROVIDE PROTECTION FOR A RESIDENCE OWNER'S PERSONAL PROPERTY OR LIABILITY COVERAGE FOR ACCIDENTS THAT OCCUR WITHIN A RESIDENCE. EACH RESIDENCE OWNER SHOULD OBTAIN A SEPARATE POLICY FOR THE RESIDENCE OWNER'S PERSONAL PROPERTY WITHIN THE RESIDENCE OWNER'S RESIDENCE AND FOR ACCIDENTS THAT MAY OCCUR IN THE RESIDENCE OWNER'S RESIDENCE. Any property and commercial liability insurance policy carried by the Residential Association in connection with the use, ownership, or maintenance of the Residential Common Elements and the Residence will provide that: (a) each Residence Owner is an insured person under the policy with respect to liability arising out of the Residence Owner's ownership of an undivided interest in the Residential Common Elements or membership in the Residential Association; (b) the insurer waives its right to subrogation under the policy against a Residence Owner; (c) no action or omission of a Residence Owner, unless within the scope of such Residence Owner's authority on behalf of the Residential Association, will void the policy or be a condition to recovery under the policy; and (d) if, at the time of a loss under the policy, there is other insurance in the name of a Residence Owner covering the same property covered by the policy, the Residential Association's policy provides primary insurance.

LIABILITY EXPOSURE TO LOSS: NEITHER THE MASTER ASSOCIATION NOR THE RESIDENTIAL ASSOCIATION WILL PROVIDE LIABILITY COVERAGE FOR ACCIDENTS OR OCCURRENCES THAT OCCUR WITHIN THAT PORTION OF THE PREMISES WHICH IS RESERVED FOR A RESIDENCE OWNER'S EXCLUSIVE USE AND OCCUPANCY. EACH RESIDENCE OWNER IS ENCOURAGED TO OBTAIN AND MAINTAIN GENERAL LIABILITY INSURANCE ON SUCH RESIDENCE OWNER'S RESIDENCE AND ON ANY RESIDENTIAL LIMITED COMMON ELEMENT APPURTENANT TO SUCH RESIDENCE OWNER'S RESIDENCE.

ADDITIONAL AREAS NOT COVERED: Because of the exclusions in the Master Association's and Residential Association's policies, you should consult with your own insurance agent about purchasing a policy to cover the following exposures:

- (1) Value of household and personal property;
- (2) Additional living expense;
- (3) Personal injury;
- (4) Loss assessment coverage;
- (5) Value of jewelry, furs, silverware, and fine art;
- (6) Value of betterments and improvements made or acquired at the expense of an individual

Residence Owner.

16. **Monthly Assessments; Working Capital Contribution.** The Monthly Residential Assessments anticipated to be assessed by the Residential Association which are based upon Residential Common Expenses and to be paid by each Residence Owner during the Residential Association's first fiscal year in accordance with the Residential Allocated Interest for each Residence are set forth on Exhibit A to this Condominium Information Statement. The Residential Association may, in its sole discretion, impose additional charges for the private exclusive use of any Residential General Common Elements. The Residential Declaration will require each Residence Owner to contribute at closing three full months of the then current Monthly Residential Assessment for such Residence to the Residential Association's working capital fund as further described in Section 10.3 of the Residential Declaration.

Additionally, certain portions of the Residences designated as an Area of Common Responsibility will be maintained, repaired, and/or replaced by the Residential Association in lieu of a Residence Owner, as set

forth on the Designation of ACR Chart. Except as otherwise provided in the Residential Governing Documents, the estimated and actual costs associated with the maintenance, repair, and replacement (including replacement reserves) for the Area of Common Responsibility will be charged to each Residence as part of the Monthly Residential Assessments. Residential Declarant, during the Residential Declarant Control Period, and the Residential Association thereafter, may add or remove services from the Designation of ACR Chart by recording a new designation instrument, as reasonably determined by Residential Declarant or the Residential Association, as applicable.

17. **Restriction on Residence Owners' Right to Resell.** Residence Owners are restricted from offering their Residences for sale and may not advertise or otherwise market or attempt to market Residences for sale in any way during the Sales Restriction Period (unless waived by Residential Declarant), as defined in each Residence Owner's Purchase and Sale Agreement and the Residential Declaration.
18. **Documents to be Signed at Closing.** Except for the items listed below and such other documents as may be reasonably necessary or required for the closing of a Residence, at closing Residential Declarant will only require Purchaser to sign the following documents:
 - Purchaser Acknowledgement
 - Reverse Tax Proration Agreement
 - All other documents required to be executed by residential manager or in connection with the Hotel Unit

The title company closing the sales transaction and any lender financing the purchase of a Residence will require Purchaser to sign additional documentation.

19. **Disclosures.** Please pay close attention to the following disclosures relating to the Residential Condominium and EACH RESIDENCE OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF THEIR RESIDENCE, HEREBY ACKNOWLEDGES THESE DISCLAIMERS:
 - (a) **Transmission Disclaimer.** The Residences are not constructed to be soundproof or free from vibrations. Sounds and vibrations can also be generated from sources located within a particular Residence or the other portions of the Residential Condominium, including elevator motors, heating and air conditioning equipment, pump rooms, other mechanical equipment, dogs barking and the playing of certain kinds of music. EACH RESIDENCE OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF THEIR RESIDENCE, HEREBY ACKNOWLEDGES AND AGREES THAT SOUND AND IMPACT NOISE TRANSMISSION IN A DEVELOPMENT SUCH AS THE RESIDENTIAL CONDOMINIUM IS VERY DIFFICULT TO CONTROL, AND THAT NOISES FROM ADJOINING OR NEARBY RESIDENCES, THE COMMERCIAL FACILITIES IN THE RETAIL UNIT, THE HOTEL UNIT, THE RESIDENTIAL UNIT I, THE RESIDENTIAL UNIT II, AND THE SURROUNDING DEVELOPMENT AND/OR MECHANICAL EQUIPMENT CAN AND WILL BE HEARD IN RESIDENCES. ADDITIONALLY, EACH RESIDENCE OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF THEIR RESIDENCE, HEREBY ACKNOWLEDGES AND AGREES THAT THE TRANSMISSION OF ODORS, FUMES OR SMELLS THROUGHOUT A MIXED-USE DEVELOPMENT SUCH AS THE RESIDENTIAL CONDOMINIUM IS VERY DIFFICULT TO CONTROL, AND THAT SUCH ODORS, FUMES OR SMELLS FROM ADJOINING OR NEARBY RESIDENCES, THE COMMERCIAL FACILITIES IN THE RETAIL UNIT, THE HOTEL UNIT, THE RESIDENTIAL UNIT I, THE RESIDENTIAL UNIT II, AND THE SURROUNDING DEVELOPMENT COULD TRANSMIT INTO RESIDENCES. NEITHER RESIDENTIAL DECLARANT, MASTER DECLARANT, THE OWNERS, NOR THEIR DESIGNEES MAKE

ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SOUND OR IMPACT NOISE TRANSMISSION OR THE LEVEL OF ODORS OR IMPACT OF THE TRANSMISSION OF ODORS BETWEEN AND AMONG RESIDENCES AND THE OTHER PORTIONS OF THE RESIDENTIAL PROPERTY AND EACH RESIDENCE OWNER HEREBY WAIVES AND EXPRESSLY RELEASES, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW AS OF THE DATE OF THE RESIDENTIAL DECLARATION, ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM SOUND OR IMPACT NOISE TRANSMISSION OR ODOR TRANSMISSION.

- (b) Erosion; Flooding. While the drainage system for surface water runoff on the Residential Condominium will be constructed in accordance with applicable governmental standards, the Residential Condominium may still be subject to erosion and/or flooding during unusually intense or prolonged periods of rain.
- (c) Sprinklers. The Residential Common Elements may be equipped with a sprinkler system. If a Residence Owner, Residential Tenant or an occupant of a Residence causes the sprinkler system to be activated (except in the case of a fire) or damages or destroys any part of the sprinkler system, the Residence Owner of the Residence will be responsible for any costs the Residential Association incurs in repairing the system and for all other losses or damages resulting from such actions, including, without limitation, damages to any portion of the Residential Common Elements or other Residences.
- (d) Mixed-Use Development. The Residential Condominium is located in a mixed-use development and contains both residential and commercial uses. Sound and vibrations may be audible and felt from such things as sirens, whistles, horns, the playing of music, people speaking loudly, trash being picked up, deliveries being made, equipment being operated, dogs barking, construction activity, building and grounds maintenance being performed, automobiles, buses, trucks, ambulances, airplanes, trains and other generators of sound and vibrations typically found in a mixed-use development. In addition to sound and vibration, there may be odors (from restaurants, food being prepared and dumpsters) and light (from signs, streetlights, other buildings, car headlights and other similar items) in mixed-use developments and these things are part of the reality and vibrancy of such developments.
- (e) Location of Facilities. The Residential Declaration makes no representation as to the location of mailboxes, utility boxes, street lights, fire hydrants or storm drain inlets or basins.
- (f) Light Emission. Light may emit from structures located on adjacent properties. THE RESIDENTIAL DECLARATION DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF GLARE THAT MAY AFFECT PORTIONS OF THE RESIDENTIAL CONDOMINIUM, AND EACH RESIDENCE OWNER HEREBY WAIVES AND EXPRESSLY RELEASES ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM ANY SUCH GLARE.
- (g) Construction. During construction activities, from time to time, the following conditions may be produced in the Residential Condominium: (i) noise or sound that is objectionable because of its volume, duration, frequency or shrillness; (ii) smoke; (iii) noxious, toxic or corrosive fumes or gases; (iv) obnoxious odors; (v) dust, dirt or flying ash; (vi) unusual fire or explosion hazards; (vii) temporary interruption of utilities; and/or (viii) other conditions that may threaten the security or safety of Persons on the Residential Condominium. Notwithstanding the foregoing, all Residence Owners, Residential Tenants and occupants of the Residences agree that such

conditions in the Residential Condominium resulting from construction activities, including activities of Designees, will not be deemed a nuisance.

- (h) Natural Light and Views. **THE MASTER CONDOMINIUM WILL BE COMPRISED OF MULTIPLE BUILDINGS, THE CONSTRUCTION OF WHICH WILL PARTIALLY BLOCK, OBSTRUCT, SHADOW OR OTHERWISE AFFECT THE NATURAL LIGHT AVAILABLE TO OR THE VIEW LINES FROM ANY PARTICULAR RESIDENCE OR FROM PARTS OF THE RESIDENTIAL CONDOMINIUM (THE "NATURAL LIGHT AND VIEWS"), WHICH MAY CURRENTLY BE AVAILABLE TO OR VISIBLE FROM A RESIDENCE OR FROM THE RESIDENTIAL CONDOMINIUM. ADDITIONALLY, BECAUSE THE RESIDENTIAL CONDOMINIUM IS LOCATED IN A MIXED-USE DEVELOPMENT, DEMOLITION AND CONSTRUCTION OF BUILDINGS AND OTHER STRUCTURES WITHIN THE IMMEDIATE AREA OF THE RESIDENTIAL CONDOMINIUM MAY FURTHER BLOCK, OBSTRUCT, SHADOW OR OTHERWISE AFFECT THE NATURAL LIGHT AND VIEWS. NATURAL LIGHT AND VIEWS ARE NOT PROTECTED. RESIDENTIAL DECLARANT AND ITS SUCCESSORS AND ASSIGNS ARE NOT RESPONSIBLE FOR ANY LOSSES, CLAIMS, DEMANDS, DAMAGES, COSTS AND EXPENSES OF WHATEVER NATURE OR KIND RELATING TO NATURAL LIGHT AND VIEWS OR THE DISRUPTION, NOISE, COMMOTION, AND OTHER UNPLEASANT EFFECTS OF NEARBY DEVELOPMENT OR CONSTRUCTION.**

- (i) Waiver of Environmental Conditions. NEITHER RESIDENTIAL DECLARANT, THE RESIDENTIAL MANAGER, NOR THE RESIDENTIAL ASSOCIATION IS AN INSURER OR GRANTOR OF ENVIRONMENTAL CONDITIONS OR INDOOR AIR QUALITY WITHIN THE RESIDENTIAL CONDOMINIUM. NEITHER RESIDENTIAL DECLARANT, THE RESIDENTIAL MANAGER, NOR THE RESIDENTIAL ASSOCIATION IS LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF OR FAILURE TO PROVIDE ADEQUATE INDOOR AIR QUALITY OR ANY ADVERSE ENVIRONMENTAL CONDITIONS. NEITHER RESIDENTIAL DECLARANT, THE RESIDENTIAL MANAGER, NOR THE RESIDENTIAL ASSOCIATION REPRESENT OR WARRANT THAT ANY CONSTRUCTION MATERIALS, AIR FILTERS, MECHANICAL, HEATING, VENTILATING OR AIR CONDITIONING SYSTEMS AND CHEMICALS NECESSARY FOR THE CLEANING OR PEST CONTROL OF THE RESIDENTIAL CONDOMINIUM WILL PREVENT THE EXISTENCE OR SPREAD OF BIOLOGICAL ORGANISMS, COOKING ODORS, ANIMAL DANDER, DUST MITES, FUNGI, POLLEN, TOBACCO SMOKE, DUST OR THE TRANSMISSION OF INTERIOR OR EXTERIOR NOISE LEVELS. NEITHER RESIDENTIAL DECLARANT, THE RESIDENTIAL MANAGER, NOR THE RESIDENTIAL ASSOCIATION IS AN INSURER AND EACH RESIDENCE OWNER AND OCCUPANT OF ANY RESIDENCE AND EACH RESIDENTIAL TENANT, GUEST AND INVITEE OF ANY RESIDENCE OWNER ASSUMES ALL RISKS FOR INDOOR AIR QUALITY AND ENVIRONMENTAL CONDITIONS AND ACKNOWLEDGES THAT NEITHER RESIDENTIAL DECLARANT, THE RESIDENTIAL MANAGER, NOR THE RESIDENTIAL ASSOCIATION HAVE MADE ANY REPRESENTATIONS OR WARRANTIES NOR HAS RESIDENTIAL DECLARANT, THE RESIDENTIAL MANAGER, THE RESIDENTIAL ASSOCIATION, ANY RESIDENCE OWNER, OCCUPANT, RESIDENTIAL 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 THE AIR QUALITY WITHIN THE RESIDENTIAL CONDOMINIUM.

- (j) Water Quality Facilities, Drainage Facilities and Drainage Ponds. One or more water quality facilities, sedimentation, drainage and detention facilities, or ponds may serve all or a portion of the Residential Condominium. The Residential Association will be obligated to inspect, maintain and administer such water quality facilities, drainage facilities, and drainage ponds located on the Residential Condominium in good and functioning condition and repair. Each Residence Owner is advised that any such water quality facilities, sedimentation, drainage and detention facilities and ponds are an active utility feature integral to the proper operation of the Residential Condominium and may periodically hold standing water. Each Residence Owner is advised that entry into the water quality facilities, sedimentation, drainage and detention facilities or ponds may result in injury and is a violation of the Residential Governing Documents.
- (k) Adjacent Thoroughfares. The Residential Condominium is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved and/or widened in the future.
- (l) Zoning. No representations are made regarding the zoning of adjacent property. The zoning and use of adjacent property may change in the future.
- (m) Dispute Resolution. Please note that Article XI of the Residential Declaration contains certain restrictions on how "Residential Disputes" and "Construction Disputes" will be handled in the Residential Condominium.
- (n) Changes. RESIDENTIAL DECLARANT RESERVES THE RIGHT TO AMEND, IN WRITING, THE TERMS OF THIS CONDOMINIUM INFORMATION STATEMENT. IF THE CHANGE MAY ADVERSELY AFFECT A PURCHASER WHO HAS PREVIOUSLY RECEIVED A CONDOMINIUM INFORMATION STATEMENT BUT WHO HAS NOT YET CLOSED, RESIDENTIAL DECLARANT WILL FURNISH A COPY OF THE AMENDMENT TO THAT PURCHASER BEFORE CLOSING. THIS CONDOMINIUM INFORMATION STATEMENT MAY NOT BE CHANGED OR MODIFIED ORALLY.
- (o) Residential Manager. Purchaser acknowledges that a luxury brand is anticipated to act as the initial residential manager for the Residential Condominium (the "Residential Manager") in accordance with the terms and conditions contained in the applicable management agreement. There are no guarantees that the initial Residential Manager will perpetually manage the Residential Condominium. Residential Declarant will not at any time have any liability to Purchaser regarding the cessation of the anticipated Residential Manager as a manager for the Residential Condominium.
- (p) Relationship with the Hotel Unit. Purchaser should be aware that the Residence has been marketed to, and is being sold to, Purchaser solely by Residential Declarant and not by the Owner of the Hotel Unit or any Manager or operator of the Hotel Unit. Neither the Owner of the Hotel Unit nor any Manager or operator of the Hotel Unit shall have no liability or obligation in connection with the marketing and sale of the Residence to Purchaser. In addition, Purchaser should be aware that neither the Owner of the Hotel Unit nor any Manager or operator of the Hotel Unit (including any representative or agent thereof) has not made any representation or warranty of any nature whatsoever (express or implied) in connection with the sale of the Residence to Purchaser. There are no guarantees that the Hotel Unit will be operated by the Owner of the Hotel Unit or any Manager or operator of the Hotel Unit at any time or that the Hotel Unit will offer certain services to the Residential Condominium. Purchaser has not and will not acquire any right or interest in the intellectual property of the Owner of the Hotel Unit or any Manager or operator of the Hotel Unit, which shall at all times remain the sole and exclusive

property of the Owner of the Hotel Unit or any Manager or operator of the Hotel Unit, as applicable. There is no assurance that the Hotel Unit will be an operating hotel or branded as any specific luxury brand. Neither Residential Declarant, the Owner of the Hotel Unit nor any Manager or operator of the Hotel Unit will at any time have any liability to Purchaser regarding the cessation of operation of the Hotel Unit as a hotel or for the cessation of the operation of the Hotel Unit by any hotel operator, manager or their affiliates or related persons.

**INDEX TO EXHIBITS TO
CONDOMINIUM INFORMATION STATEMENT
THE VILLAS AT THE LANTANA CONDOMINIUM**

<u>Exhibit A</u>	-	Size of Residences, Percentage Residential Allocated Interests and Estimated Monthly Residential Assessments
<u>Exhibit B</u>	-	Initial Residential Budget for The Villas at The Lantana Condominium Association, Inc.
<u>Exhibit C</u>	-	Master Condominium Declaration and Master Map
<u>Exhibit D</u>	-	Certificate of Formation
<u>Exhibit E</u>	-	Bylaws
<u>Exhibit F</u>	-	Master Regulations
<u>Exhibit G</u>	-	Residential Condominium Declaration and Residential Map
<u>Exhibit H</u>	-	Residential Certificate of Formation
<u>Exhibit I</u>	-	Residential Bylaws

EXHIBIT A

**SIZE OF RESIDENCES, RESIDENTIAL
ALLOCATED INTERESTS AND ESTIMATED MONTHLY RESIDENTIAL ASSESSMENTS**

Residence Numbers	Acreage of Residences	Square Footage of Residences	Percentage Residential Allocated Interests	Estimated Monthly Residential Assessments*
V1	0.2896	12,616.69	2.76%	\$ 7,349.98
V2	0.2955	12,870.17	2.82%	\$ 7,509.76
V3	0.2909	12,670.38	2.77%	\$ 7,376.61
V4	0.2852	12,422.08	2.72%	\$ 7,243.46
V5	0.2802	12,206.02	2.67%	\$ 7,110.31
V6	0.2802	12,204.77	2.67%	\$ 7,110.31
V7	0.2975	12,956.95	2.84%	\$ 7,563.02
V8	0.2807	12,228.71	2.68%	\$ 7,136.94
V9	0.2975	12,956.95	2.84%	\$ 7,563.02
V10	0.2802	12,204.40	2.67%	\$ 7,110.31
V11	0.2974	12,956.48	2.84%	\$ 7,563.02
V12	0.2805	12,216.57	2.67%	\$ 7,110.31
V13	0.2707	11,790.40	2.58%	\$ 6,870.63
V14	0.2778	12,101.42	2.65%	\$ 7,057.05
V15	0.2975	12,956.95	2.84%	\$ 7,563.02
V16	0.2880	12,547.33	2.75%	\$ 7,323.35
V17	0.2919	12,714.44	2.78%	\$ 7,403.24
V18	0.2925	12,741.25	2.79%	\$ 7,429.87
V19	0.2821	12,288.58	2.69%	\$ 7,163.57
V20	0.2862	12,467.40	2.73%	\$ 7,270.09
V21	0.2844	12,387.42	2.71%	\$ 7,216.83
V22	0.2926	12,743.50	2.79%	\$ 7,429.87
V23	0.2839	12,367.29	2.71%	\$ 7,216.83
V24	0.2974	12,955.92	2.84%	\$ 7,563.02
V25	0.2889	12,585.72	2.75%	\$ 7,323.35
V26	0.2964	12,911.83	2.83%	\$ 7,536.39
V27	0.2637	11,488.49	2.51%	\$ 6,684.22
V28	0.2807	12,228.71	2.68%	\$ 7,136.94
V29	0.2734	11,911.32	2.61%	\$ 6,950.52
V30	0.2798	12,188.04	2.67%	\$ 7,110.31
V31	0.2763	12,037.50	2.63%	\$ 7,003.78
V32	0.2747	11,963.88	2.62%	\$ 6,977.15
V33	0.2807	12,228.71	2.68%	\$ 7,136.94
V34	0.2787	12,142.07	2.66%	\$ 7,083.68
V35	0.2456	10,698.77	2.34%	\$ 6,231.50
V36	0.2772	12,076.73	2.64%	\$ 7,030.42
V37	0.2700	11,759.39	2.57%	\$ 6,844.00
TOTALS	10.4865	456,793.23	100.00%	\$ 266,303.62

*** Estimated Monthly Residential Assessments are based upon the Residential Allocated Interests of each Residence Owner reflected in the Residential Declaration and the proposed Residential Budget.**

EXHIBIT A - Size of Residences, Percentage Residential Allocated Interests and Estimated Monthly Residential Assessments – Solo Page

EXHIBIT B

INITIAL RESIDENTIAL BUDGET

THE VILLAS AT THE LANTANA CONDOMINIUM ASSOCIATION, INC.
Summary of Proposed 12 Month Operating Budget

OPERATING REVENUES		
Revenue from Residential Assessments	\$	3,195,643
<i>(Estimated Residential Common Expenses plus Annual Reserve Contribution)</i>		
TOTAL REVENUES	\$	3,195,643

EXPENSES		
Labor, Employee costs including Payroll Taxes & Benefits	\$	855,839
Concierge, Guest Services, Public Area Cleaners, Maintenance & Administrative		
Utilities	\$	81,720
Residential Common Electricity, Water and Sewer		
Repairs, Maintenance & Cleaning	\$	333,203
Building Maintenance, HVAC, Life and Safety, Pest Control, Landscaping, Villa Pools, Public Area Cleaning, Exterior Window Cleaning Waste Removal		
Administrative & General	\$	64,817
Audit Fee, Bank Fees, Board Expenses, Legal Fees, Office Supplies, IT/Telecom, Systems, Residential Operating Expenses, Telephone and Owners Website		
Hotel Amenity Fees	\$	155,400
Insurance	\$	487,590
Property Insurance, General Liability, Excess Liability, Umbrella, Crime/Fidelity, D&O insurance		
Contingency	\$	103,715
Contingency on Residential Expenses		
Master Condominium Expenses	\$	660,461
Master Condominium Assessments & Hotel Managed Amenity Areas		
Management Fees	\$	219,346
TOTAL ESTIMATED OPERATING EXPENSES	\$	2,962,091
Annual Reserves For Replacement Contribution	\$	233,552
TOTAL ESTIMATED RESIDENTIAL COMMON EXPENSES:	\$	3,195,643
<i>(ANNUAL RESIDENTIAL ASSESSMENT AMOUNT)</i>		
OPERATING NET INCOME / LOSS	\$	-

EXHIBIT C

MASTER CONDOMINIUM DECLARATION AND MASTER MAP

[Master Condominium Declaration and Master Map follow this cover page.]

DRAFT

Upon Recording: Return to:

Winstead PC
500 Winstead Building
2728 N. Harwood Street
Dallas, Texas 75201
Attention: Jeanne Caruselle Katz, Esq.

MASTER CONDOMINIUM DECLARATION
FOR
THE LANTANA MASTER CONDOMINIUM

Made and Established on _____, 2025

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MASTER CONDOMINIUM DECLARATION FOR
THE LANTANA MASTER CONDOMINIUM

This Master Condominium Declaration for The Lantana Master Condominium is made and established effective as of _____, 2025, by Declarant.

RECITALS:

- A. Declarant is the fee simple owner of the Property.
- B. Declarant desires to create the Condominium pursuant to the provisions of the Act.
- C. Declarant intends hereby to establish a plan for the individual ownership of estates in real property consisting of the Units and the appurtenant undivided interests in the Common Elements.
- D. Declarant desires to provide for the unified development of the Condominium and, in accordance with such desires, Declarant reserves all Development Rights and Special Declarant Rights as set forth in this Master Declaration.

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

ARTICLE I

Definitions

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

"ACC." The architectural control committee as defined in Section 3.5(b) of this Master Declaration.

"Access Easement." An easement as more particularly described in Section 3.8(a) of this Master Declaration.

"Acquired Property." As defined in Section 12.3 of this Master Declaration.

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

"Additional Assessments." Assessments established by the Master Association to cover sums owed to the Master Association by one or more Owners or owed to one Owner by one or more other Owners, pursuant to the Governing Documents.

"Affiliate." Any Person who controls, is controlled by, or is under common control with another Person.

"Affiliate of Declarant." "Affiliate of a declarant" as defined in Section 82.003(a)(1) of the Act.

"Allocated Interest." Individually, the undivided interest of each Owner in the Common Elements and the Common Expenses allocated to each Unit as described on Exhibit B attached to this Master Declaration (except as Common Expenses may otherwise be allocated pursuant to the Allocation Document), or as may be reallocated in accordance with the Reallocation Percentages, as required from time to time, pursuant to the provisions of this Master Declaration, and collectively, the "Allocated Interests."

"Allocation Budget." As defined in Section 7.2 of this Master Declaration.

"Allocation Document." The document entitled "The Lantana Master Condominium Maintenance and Expense Allocations" executed by Declarant and which is incorporated herein by reference for all purposes, as amended from time to time.

"Amenity Area." Certain portions of the Hotel Unit designated by the Owner of the Hotel Unit for use by the other the Owners and the Sub-Unit Owners from time to time.

"Amenity Assessment." As defined in Section 7.3 of this Master Declaration.

"Amenity Costs." The costs and expenses as may be incurred with respect to the proper maintenance, care, repair, operation (including Condominium-wide social media, holiday lighting and decorations, programming, events, and other amenities consistent with the Maintenance Standard and the Project Standard), administration, and management of the Amenity Areas, including utility costs, security, pest control, insurance, management fees, administrative costs, and reserves for repairs, capital repairs, replacements or additions to the Amenity Areas and any other costs and expenses relating to the exercise of the Amenity Rights.

"Amenity Easement." An easement as more particularly described in Section 3.8(c) of this Master Declaration.

"Amenity Rights." Rights reserved for the benefit of the Hotel Unit Owner to: (a) remove any Improvements in the Amenity Areas; (b) relocate any Improvements in the Amenity Areas to any other location within the Hotel Unit; (c) install any Improvements within the Hotel Unit as determined by the Hotel Unit Owner; (d) hire or contract for the services of a third party as may be necessary to manage the Amenity Areas and to enforce the restrictions set forth herein and in any other Governing Document relating to the Amenity Areas; (e) convert any portion of the Amenity Areas to part of a Unit or Common Elements; (f) take any other action in relation to the Amenity Areas as determined by the Hotel Unit Owner in the ordinary course of the Hotel Unit Owner's operation of the Hotel Unit; and (g) cause the Master Association to use funds collected from Assessments or reserves or to levy Special Assessments to pay for any Amenity Costs in accordance with this Master Declaration.

"Architectural Reviewer." The party holding the rights to approve Improvements within the Property; which will be Declarant or its Designee until the expiration or earlier termination of the Development Period. Upon the expiration or earlier termination of the Development Period, the rights of the Architectural Reviewer will automatically be transferred to the Master Association or an ACC, as set forth in Section 3.5 of this Master Declaration.

"Assessments." The Monthly Assessments, Special Assessments, Additional Assessments, and Amenity Assessments.

"Balcony Area." All areas within exterior balconies, patio areas or terraces that are part of a Unit or any Sub-Units or that are Limited Common Elements appurtenant to a Unit or any Sub-Units.

"Board of Directors." The board of directors of the Master Association named in the Certificate of Formation and their successors as duly appointed and qualified from time to time.

"Buildings." The buildings located on the Land and all elements thereof, each a "Building".

"Business Day." A weekday, Monday through Friday, except a legal holiday or a day on which banking institutions in Texas are authorized or required by law to be closed.

"Bylaws." The bylaws of the Master Association, adopted by the Board of Directors, as amended from time to time.

"Certificate of Formation." The certificate of formation of the Master Association filed with the Secretary of State of Texas, as amended from time to time.

"Charges." Any costs, expenses, dues, interest, fees, late fees, fines, collection costs, attorneys' fees and any other sums arising under the Governing Documents owing to the Master Association or an Owner from one or more Owners or a Tenant, other than Common Expenses assessed directly by the Master Association, and expressly including all amounts assessed pursuant to the Allocation Document.

"Common Elements." All portions of the Condominium, including both the General Common Elements and the Limited Common Elements, but excluding the Units.

"Common Elements Easement." An easement as more particularly described in Section 3.8(b) of this Master Declaration.

"Common Expenses." Expenses for which the Master Association is responsible or for which an Owner is responsible pursuant to the Allocation Document, including those related to: (a) maintenance, repair, replacement, care, operation and management of the Common Elements and other Improvements in accordance with the Governing Documents (including those budgeted in accordance with the Allocation Budget) and consistent with the Maintenance Standard and the Project Standard; (b) property, commercial general liability and other insurance coverages required or permitted to be maintained by the Master Association under the Governing Documents; (c) Governmental Impositions levied and assessed against the Common Elements; (d) utilities relating to the Common Elements and other Improvements in accordance with the Governing Documents; (e) professional services for the Master Association, such as management, accounting, reserve study and legal services; (f) Amenity Costs; (g) Condominium-wide social media, programming, events, and holiday lighting and decorations; (h) such other costs and expenses as may be incurred with respect to the proper maintenance, repair, care, operation and management of the Common Elements and other Improvements consistent with the Maintenance Standard and the Project Standard and in accordance with the Governing Documents and the administration of the Master Association, including any costs due and payable by the Owners in accordance with the Use Restrictions, which may include late charges, attorneys' fees, fines, and

interest charged by the Master Association; (i) contingencies established by the Master Association; and (j) such reasonable reserves as may be established by the Master Association, whether held in trust or by the Master Association or by an Owner on behalf of two or more Owners pursuant to the Allocation Document, for repairs, capital repairs, replacements or additions to the Common Elements or any other real or personal property acquired or held or maintained (under an Easement, license or contract) by the Master Association or an Owner pursuant to the Allocation Document, as applicable.

"Condominium." The form of real property established by this Master Declaration with respect to the Property, in which portions of the Property are designated for individual ownership or occupancy and the remainder of the Property is designated for common ownership or occupancy by the Owners of such portions, and initially consisting of four Units, being the Hotel Unit, the Retail Unit, the Residential Unit I, and the Residential Unit II, and containing a maximum of up to 15 Units.

"Construction Dispute." Any claim, grievance or other dispute involving Declarant or any Affiliate of Declarant, between Owners, or between Owners and the Master Association and arising out of or relating to the engineering, design or construction of the Property, including the interpretation or enforcement of any warranty.

"County." Gillespie County, Texas.

"Damaged Sub-Unit." One or more Sub-Units damaged or destroyed by fire or other casualty.

"Damaged Unit." Any portion of a Unit, excluding any portion of the Condominium for which the Master Association is required to maintain insurance in accordance with Section 82.111(a) and (b) of the Act, that is damaged or destroyed by fire or other casualty, including any improvements or betterments installed by the Owner of such Unit (other than Declarant) and any personal property contained in such Unit.

"Declarant." Wine Country Hospitality Partners, LLC, a Delaware limited liability company, and any successor or assignee of Declarant as evidenced by a written instrument filed for record in the Real Property Records assigning the rights, powers, authority and obligations of Declarant under this Master Declaration.

"Declarant's Mortgagee." Any Person that is the holder of any Priority Lien Indebtedness, which is the result of an arm's length negotiation and is secured by a first lien or encumbrance upon any portion of the Condominium owned by Declarant.

"Declarant Parking Rights." Rights reserved for the benefit of Declarant to: (a) relocate any parking spaces designated as the Limited Common Elements appurtenant to one or more Units to any other location within the Condominium; (b) re-designate parking spaces that are Limited Common Elements of one or more Units as Limited Common Elements of another Unit or General Common Elements, re-designate parking spaces that are General Common Elements of as Limited Common Elements of one or more Units, or designate any or all parking spaces that may be created subsequent to the date of this Master Declaration for the use of any Unit, including any Units owned by Declarant; (c) install any access gates, arms, enclosures or other improvements as may be necessary to prohibit or discourage the parking of vehicles within the Condominium by persons unauthorized to do so; (d) hire or contract for the services of a third party as may be necessary to patrol the parking areas within the Condominium to enforce the

parking restrictions set forth herein and within the Governing Documents; and (e) cause the Master Association to use funds collected from Assessments or reserves, or to levy Special Assessments to pay for any costs and expenses incurred in connection with Declarant's exercise of Declarant Parking Rights in accordance with Section 3.7(b)(v) of this Master Declaration.

"Designee." A Person acting at the request of another Person, including officers, directors, contractors, subcontractors, employees, agents, representatives and licensees.

"Design Guidelines." The standards for design and construction of Improvements, landscaping and exterior items proposed to be placed on any Unit or Sub-Unit, which may be adopted pursuant to Section 3.5(f) of this Master Declaration as the same may be amended from time to time, including any supplemental guidelines which may be adopted from time to time for portions of the Property. The Design Guidelines may consist of multiple written design guidelines applying to specific portions of the Property. The Architectural Reviewer may adopt, and amend from time to time, the Design Guidelines applicable to the Property, or any portion thereof. Notwithstanding anything in this Master Declaration to the contrary, Declarant will have no obligation to establish Design Guidelines for the Property or any portion thereof.

"Development Period." A period of time commencing on the date this Master Declaration is recorded in the Real Property Records and expiring upon the date that Declarant and all Affiliates of Declarant cease to own any real property interest in the Condominium.

"Development Rights." Rights or a combination of rights reserved for the benefit of Declarant during the Development Period to: (a) create additional Units, General Common Elements, or Limited Common Elements within the Condominium; (b) create Sub-Unit Condominiums and Sub-Units and appurtenant common elements within such Sub-Unit Condominiums; (c) convert Units into Common Elements or convert the Common Elements into Units; (d) convert General Common Elements into Limited Common Elements and any Limited Common Elements into General Common Elements; or (e) withdraw or add real property from or to the Condominium.

"Dispute." Any claim, grievance or other dispute, other than a Construction Dispute: (a) arising out of or relating to the interpretation, application or enforcement of the Governing Documents; (b) between or among two or more Owners other than Declarant or an Owner and Declarant, including any disagreement or inability to agree in connection with a Major Decision or a Unilateral Decision; (c) arising out of or relating to the proper party to bear a maintenance cost or expense or expenditure (including capital expenditures) or the proper amount of the expense, fee or Assessment to be charged or collected; (d) arising out of or relating to the rights, obligations and duties of any Owner, the Master Association or Declarant under the Governing Documents; (e) arising out of or relating to the authority of the Master Association or Declarant under any Legal Requirement or under the Governing Documents to: (i) require any Owner to take any action or not to take any action involving such Owner's Unit or the Limited Common Elements appurtenant thereto; or (ii) alter, subtract from or add to the Common Elements or the Condominium; or (f) arising out of or relating to the failure of the Master Association, in accordance with Legal Requirements and the Governing Documents to: (i) properly conduct elections; (ii) give adequate notice of meetings or actions; (iii) properly conduct meetings; or (iv) allow inspection of books or records. The following will not be considered a "Dispute" unless all parties otherwise agree to submit the matter to the dispute resolution provisions of Article X of this Master Declaration: (1) any suit by the Master Association to obtain a temporary restraining order and such ancillary relief as the court may determine to be necessary to maintain the status quo or prevent a Material Adverse Effect and preserve the Master

Association's ability to enforce the provisions of the Governing Documents; (2) any suit by any Owner to obtain a temporary restraining order and such ancillary relief as the court may determine to be necessary to maintain the status quo or prevent a Material Adverse Effect in relation to such Owner or such Owner's Unit; (3) any action permitted under Article VII of this Master Declaration in connection with the enforcement of any Owner's obligation to pay Assessments under this Master Declaration or collection of any past due or unpaid Assessments; (4) any dispute between Owners which does not include Declarant or the Master Association, if such dispute would constitute a cause of action independent of any of the Governing Documents; (5) any dispute that primarily involves title to any Unit or the Common Elements; (6) any claim, grievance or other dispute between Declarant and an Owner, if such claim, grievance, or other dispute constitutes a cause of action independent of any of the Governing Documents; or (7) any suit in which the applicable statute of limitations would expire within 180 days of the giving of notice as provided in Article X of this Master Declaration unless the Persons against whom the Dispute is made agree to toll the statute of limitations for a period of time necessary to comply with Article X of this Master Declaration.

"Easement Area." An area of the Condominium subject to one or more Easements.

"Easements." Collectively, those easements described in Section 3.8 and Section 3.9 of this Master Declaration.

"Environmental Laws." Any federal, state or local law, statute, ordinance or regulation, whether now or hereafter in effect, pertaining to health, industrial hygiene or the environmental conditions on, under, or about the Land or the Improvements, including without limitation, the following, as now or hereafter amended: Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C.A. § 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613; Resource, Conservation and Recovery Act, 42 U.S.C.A. § 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C.A. § 2601 et seq.; Emergency Planning and Community Right to Know Act of 1986, 42 U.S.C.A. § 11001 et seq.; Clean Water Act, 33 U.S.C.A. § 1251 et seq.; Clean Air Act, 42 U.S.C.A. § 7401 et seq.; and any corresponding state laws or ordinances including, without limitation, the Texas Water Quality Control Act, Texas Water Code Chapter 26; Texas Solid Waste Disposal Act, Texas Health & Safety Code Chapter 361; Texas Clean Air Act, THSC Chapter 382; and regulations, rules, guidelines or standards promulgated pursuant to such laws, statutes and regulations, as such statutes, regulations, rules, guidelines and standards are amended from time to time.

"General Common Elements." All portions of the Common Elements that are not Limited Common Elements, including those more particularly described in Section 2.2(e) of this Master Declaration.

"Governing Documents." Individually and collectively, the Act, the Allocation Document, the Bylaws, the Certificate of Formation, this Master Declaration, the Regulations, the Use Restrictions, the Design Guidelines, and the Policy Guidelines.

"Governmental Authority." Any and all applicable courts, boards, agencies, commissions, offices or authorities of any nature whatsoever for any governmental entity (federal, state, County, district, municipal, city or otherwise) whether now or hereafter in existence.

"Governmental Impositions." All real estate and personal property taxes, assessments, license fees, standby fees, excises and levies, and any interest, costs or penalties with respect thereto, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which at any time prior to or after the execution of this Master Declaration, may be assessed, levied or imposed upon the Condominium or any Unit therein by any Governmental Authority.

"Hotel Unit." The Unit as more particularly described in Section 2.2(b) of this Master Declaration, as shown on the Map.

"Improvements." The Buildings and related infrastructure, and the pavement, fencing, landscaping, facilities, Systems and man-made objects of every type, existing or in the future placed on the Land, including any infrastructure, Systems, parking lots, parking structures, roadways, driveways, ramps, loading areas, mechanical equipment, window coverings, signs, utilities, fences, antennae, walls, screens, landscaping, streetscapes, grading changes, plazas, amphitheaters, park areas, walkways, bridges, recreational facilities, exterior lighting facilities, drainage structures, curbs, retaining walls, grates and all cable television, cellular phone, internet and other utility or communication installations or equipment.

"Insurance Proceeds." Any and all proceeds that an Owner or the Master Association is entitled to receive from an insurance company as a result of a casualty loss, including such proceeds in connection with a casualty loss to a Unit, to the Common Elements or to Improvements within an Easement Area established pursuant to this Master Declaration.

"Insurance Trustee." The Master Association, acting in the capacity of a trustee, or any successor trustee, in accordance with the provisions of Section 6.4 of this Master Declaration to negotiate losses under any property insurance policies required to be maintained by the Master Association in this Master Declaration.

"Internal Drives." Those certain private roads or drives that are designated as General Common Elements on the Map from time to time.

"Land." The surface estate only of that certain real property more particularly described in Exhibit A attached to this Master Declaration, together with all and singular the rights and appurtenances pertaining thereto, including any additional real property that becomes part of the Property, but excluding the Mineral and Water Estate and, to the extent appurtenant, the Easements.

"Lease." Any lease or occupancy agreement entered into by and between an Owner and a Tenant in effect at any time and from time to time.

"Legal Requirements." Any and all present and future judicial decisions, matters of record, statutes, rulings, rules, regulations, permits, certificates or ordinances of any Governmental Authority in any way applicable to any Owner's use and enjoyment of the Condominium, any Unit or the Property, including zoning ordinances, subdivision and building codes, flood disaster laws and applicable architectural barrier, health and Environmental Laws and regulations, including the Use Restrictions.

"Limited Common Elements." Those portions of the Common Elements that are allocated by this Master Declaration and the Map for the exclusive use of less than all of the Units, including those more particularly described in Section 2.2 of this Master Declaration.

"Maintenance Standard." Good repair in a first class condition, including the operation, upkeep, repair and restoration, ordinary wear and tear excepted, to the extent necessary to maintain the Condominium, the Common Elements, the Improvements or the Units, as applicable, in a condition consistent with the Project Standard and otherwise reasonably suitable for its intended purpose.

"Major Decision." Any action with respect to any matter coming before the Master Association, whether initiated by any Owner or the Master Association, but expressly excluding Declarant and Hotel Unit Owner's exercise of the Amenity Rights, relating to (a) architectural or aesthetic changes to the exterior of the Improvements within Residential Unit I or Residential Unit II that could have a Material Adverse Effect on another Owner or another Owner's Unit, in which case such affected Owners will have the right to approve such changes in accordance with Section 4.6 of this Master Declaration; (b) material structural changes to the Improvements and/or the Systems within Residential Unit I or Residential Unit II that could have a Material Adverse Effect on another Owner or another Owner's Unit, in which case such affected Owners will have the right to approve such changes in accordance with Section 4.6 of this Master Declaration; (c) changes to the Governing Documents that could have a Material Adverse Effect on another Owner or another Owner's Unit, in which case such affected Owners will have the right to approve such changes in accordance with Section 4.6 of this Master Declaration; (d) any matter affecting a General Common Element that could have a Material Adverse Effect on an Owner or an Owner's Unit, in which case such affected Owners will have the right to approve such matters in accordance with Section 4.6 of this Master Declaration; (e) any matter affecting a Limited Common Element, in which case such affected Owners will have the right to approve such changes in accordance with Section 4.6 of this Master Declaration; and (f) any other matter that might have a Material Adverse Effect on an Owner or an Owner's Unit, in which case such affected Owners will have the right to approve such changes in accordance with Section 4.6 of this Master Declaration; provided, however, the foregoing expressly (i) excludes Declarant's exercise of Special Declarant Rights and any other rights reserved for the benefit of Declarant in this Master Declaration, and (ii) excludes Hotel Unit Owner's exercise of the Amenity Rights in accordance with this Master Declaration.

"Majority." More than half.

"Manager." Any and all professional managers or management companies (including any Affiliate of any Owner or any partner or limited liability company member thereof) with whom the Master Association (or an Owner designated by the Master Association to do the same on behalf of the Master Association) contracts for the day to day management of any portion of the Property or the administration of the Master Association and the Condominium.

"Map." The plats and plans attached as Exhibit C to this Master Declaration and made a part of this Master Declaration, including a survey plat of the Land and dimensional drawings that horizontally and vertically identify and describe the Units and the Common Elements, as amended from time to time.

"Master Association." The Lantana Master Condominium Association, Inc., a Texas nonprofit corporation organized under the Act and the TNCL and created for the purposes and possessing the rights, powers and authority set forth in the Governing Documents.

"Master Budget." A budget prepared by the Master Association and delivered to each Owner that includes the anticipated Common Expenses and any Additional Assessments for the ensuing fiscal year.

"Master Declaration." This Master Condominium Declaration for The Lantana Master Condominium, and all amendments to this Master Declaration, which will be recorded in the Real Property Records.

"Material Adverse Effect." Any act, event, condition or circumstance that could materially and adversely affect (a) the business, operations, condition (financial or otherwise), or value of a Unit; or (b) the prospects, liabilities, assets, results of operations, capitalization, or liquidity of an Owner, taken as a whole, other than with respect to a Unit.

"Mineral and Water Estate." The oil, gas, other minerals, and groundwater (being all underground water, percolating water, artesian water, and other waters from any and all reservoirs, formations, depths, and horizons beneath the surface of the earth), located in, upon, and under the Land and the right to search for, develop and remove oil, gas, other minerals and groundwater from the Land or to receive a royalty or other payments based on the production of oil, gas, and minerals and underground water.

"Monthly Assessment." The assessments established and collected by the Master Association pursuant to Section 7.1 of this Master Declaration for payment of the Common Expenses when due.

"Mortgagee." Any Person, including Declarant's Mortgagee, that is the holder of Priority Lien Indebtedness and which has provided the Master Association with written notice of its name, address and a description of the Unit encumbered by such Priority Lien Indebtedness.

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

"Past Due Rate." The maximum lawful rate of interest under Texas law or, if no maximum lawful rate exists, the rate of 18% per annum.

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

"Policy Guidelines." Those certain policy guidelines as may be adopted by Declarant and as otherwise may be adopted by the Board of Directors, as amended from time to time in accordance with the Governing Documents, relating to the appearance, use and occupancy of the Property.

"Priority Lien Indebtedness." Any bona fide indebtedness that is the result of an arm's-length negotiation, that is secured by a first lien deed of trust upon the Property and/or a Unit.

"Project Standard." The standard required to maintain and operate the Condominium in a condition and a quality consistent with a world class luxury condominium for the uses set forth in Article III of this Master Declaration and with the standards of physical quality and service consistent with other comparable high quality mixed-use projects then operating within comparable regional market areas and at all times consistent with the standard by which the Hotel Unit is managed and operated from time to time, including all standards required by the Manager of the Hotel Unit.

"Property." The Land and the Improvements located thereon.

"Reallocation Percentage." The percentage of the undivided interest of each Owner in the Common Elements as set forth on a Supplemental Declaration (if applicable), determined by the same formula or basis as the original Allocated Interests set forth in Section 2.4 of this Master Declaration to establish the initial Allocated Interests set forth on Exhibit B attached to this Master Declaration.

"Real Property Records." The records of the office of the county clerk of the County where instruments concerning real property are recorded.

"Regulations." The rules and regulations of the Master Association initially adopted by the Board of Directors and as amended from time to time, including any posted rules and any seasonal or temporary rules communicated to the Owners, and any rules and regulations initially adopted by the Board of Directors related to the Units, and as amended from time to time, including any posted rules and any seasonal or temporary rules communicated to the Owners.

"Rents." Any and all rental or other income received by an Owner in connection with the leasing of such Owner's Unit or the granting or licensing of a right to use all or any portion of such Unit.

"Residential Declarant." A "Residential Declarant" under a Sub-Unit Declaration to be established upon the Residential Unit I or the Residential Unit II, and any successor or assignee of any such Residential Declarant as evidenced by a written instrument filed for record in the Real Property Records assigning the rights, powers, authority and obligations of such Residential Declarant under the applicable Sub-Unit Declaration.

"Residential Unit I." The Unit as more particularly described in Section 2.2(c) of this Master Declaration, as shown on the Map.

"Residential Unit II." The Unit as more particularly described in Section 2.2(d) of this Master Declaration, as shown on the Map.

"Retail Unit." The Unit as more particularly described in Section 2.2(a) of this Master Declaration, as shown on the Map.

"Roof Easement." An easement as more particularly described in Section 3.8(d) of this Master Declaration.

"Roof Easement Area." The roofs of the Buildings that are part of the General Common Elements, Hotel Unit, Residential Unit II, and Retail Unit.

"Signage." Any signage, lettering, decorations, banners, advertising or marketing media, awnings, canopies, window covering, or any other form of expression (a) on the Skin, windows, or roof of a Building, (b) on the Land (e.g., pylon and monument signs), or (c) in the interior of the Improvements if the same is visible from the exterior of the Improvements.

"Signage Rights." The right to affix Signage to certain areas of the Property and as described in Section 3.4 of this Master Declaration.

"Skin." The exterior surface of the Buildings that are part of the General Common Elements, Hotel Unit, Residential Unit II, and Retail Unit, but excluding the roofs thereof.

"Skin Easement." An easement covering a portion or the entirety of the Skin Easement Area, as more particularly described in Section 3.8(e) of this Master Declaration.

"Skin Easement Area." The Skin of the Buildings that are part of the General Common Elements, Hotel Unit, Residential Unit II, and Retail Unit.

"Special Assessments." The assessments established and assessed pursuant to Section 7.1(c) of this Master Declaration.

"Special Declarant Rights." Rights reserved for the benefit of Declarant to: (a) complete the Improvements indicated on the Map or any other Improvements in the Condominium; (b) exercise any Development Right; (c) make the Condominium a part of a larger condominium or planned community; (d) maintain the sales, management, and other administrative offices and models described in Section 3.7(b) of this Master Declaration and use signs advertising the Units, Sub-Units or the Condominium; (e) use any Easement for the purpose of making improvements within the Condominium, on the Property; and (f) exercise any other rights reserved to Declarant in this Master Declaration, including, without limitation, the rights described in Section 3.7 of this Master Declaration.

"Structure." All foundations, footings, columns, flat slabs, sheer walls, girders, support beams, post tension cables or rods and including any and all other structural components that support, uphold or are a part of the Buildings or other Improvements.

"Sub-Unit." A portion of any Unit designated for separate ownership as created and identified in a Sub-Unit Declaration for a Sub-Unit Condominium executed by the Owner of such Unit and recorded in the Real Property Records.

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

"Sub-Unit Condominium Association." A Texas nonprofit corporation created as a part of a Sub-Unit Condominium to act on behalf of the Sub-Unit Owners under and pursuant to a Sub-Unit Declaration.

"Sub-Unit Declaration." A condominium declaration, and all recorded amendments thereto, executed by an Owner for the purpose of forming a Sub-Unit Condominium which is recorded in the Real Property Records.

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

"Supplemental Declaration." A written instrument executed by Declarant or the Master Association, as applicable, and recorded in the Real Property Records for the purpose of (a) modifying the Allocated Interests, (b) adding real property to the Condominium,

(c) withdrawing any portion of the Condominium from the effect of this Master Declaration, or
(d) any other action as provided in the Governing Documents.

"Support Easement." An easement as more particularly described in Section 3.8(f) of this Master Declaration.

"Systems." All fixtures, utilities, equipment, pipes, lines, wires, computer cables, conduits, circuits, junction boxes, hangers, pull boxes, terminal points, electronic devices, air compressors, air handlers, chillers and other systems used in the production, heating, cooling and/or transmission of air, water, gas, electricity, communications, waste water, sewage, lighting, audio and video signals, fire and life safety, and other utility services including the main switch gear conduits, plumbing chases and mechanical shafts on the Property.

"Systems Easement." An easement as more particularly described in Section 3.8(g) of this Master Declaration.

"Taking." The taking or threat of taking of all or a portion of the Property for any public or quasi-public use, by eminent domain proceedings or otherwise, by a Governmental Authority or by an action in the nature of eminent domain (whether permanent or temporary) or the sale or other transfer of the Property in lieu thereof.

"Telecommunications Easement." An easement as more particularly described in Section 3.8(i) of this Master Declaration.

"Telecommunications Easement Area." All roof surfaces of the Buildings that are part of the General Common Elements, Hotel Unit, Residential Unit II, and Retail Unit, the airspace located above such roof surfaces to a height of 50 feet above such roof surfaces, and such other portions of a Building that Declarant and its successors, assigns, and Designees need to access in order to utilize the Telecommunications Easement.

"Telecommunications Equipment." As defined in Section 3.8(i) of this Master Declaration.

"Tenant." Any Person having the right to occupy a Unit or a portion of a Unit pursuant to a Lease or other occupancy agreement granted by an Owner, or pursuant to a sublease, to the extent allowed by the Governing Documents.

"Timeshare Uses." Any timeshare, fractional ownership, interval exchange or other membership plan or arrangement through which a participant acquires an ownership or other interest in any portion of a Unit (or a portfolio of properties of which any portion of a Unit is included) with rights of periodic use.

"TNCL." The Texas Nonprofit Corporation Law, as amended from time to time.

"Transmission Items." As defined in Section 11.11 of this Master Declaration.

"Unaffected Owners." As defined in Section 4.7 of this Master Declaration.

"Unilateral Decision." Any action with respect to any matter coming before the Master Association, whether initiated by Declarant, any Owner, or any other Person who has the right to take such action which is governed by the Governing Documents and is not a Major Decision.

"Unit." A physical portion of the Condominium that is designated for separate ownership or occupancy (the boundaries of which are depicted on the Map), which, to the extent applicable, is contained within the perimeter walls, floor, ceiling, windows and doors of a Unit depicted on the Map, and includes: (a) all the Systems and Structure that exclusively serve such Unit and portions of the Skin that exclusively serve such Unit; and (b) the finish materials, floor covering, wall covering, fixtures and appliances contained in the Unit, but excludes any (i) portions of the Structure and Skin that serve more than one Unit; and (ii) Systems that serve more than one Unit, all as subject to and further described in Section 82.052 of the Act, but not including the individual Sub-Units of a Sub-Unit Condominium unless specifically so provided.

"Use Restrictions." Those certain covenants, conditions and restrictions applicable to the Property, regardless of whether this Master Declaration is in force and effect, including any easement rights, obligations, and public financing covenants that benefit or burden the Property.

"Utility Easement." An easement as more particularly described in Section 3.8(h) of this Master Declaration.

"Vertical Access Easement." An easement as more particularly described in Section 3.8(j) of this Master Declaration.

ARTICLE II

General Provisions

Section 2.1 Creation of Units; Map.

(a) The Units. The Property is hereby divided into fee simple estates composed of four separately designated Units, being the Retail Unit, the Hotel Unit, the Residential Unit I, and the Residential Unit II, and each Unit's undivided interest in and to the Common Elements. Each Unit, together with such Unit's undivided interests in the Common Elements is for all purposes a separate parcel of and estate in real property. The separate parcels of and estates in real property designated hereby will be created on the date of filing of this Master Declaration in the Real Property Records, and will continue until this Master Declaration is revoked or terminated in the manner provided in this Master Declaration. This Master Declaration is not a time share declaration and Declarant expressly declares that it is not submitting the Property to a time share regime.

(b) The Map. The Map sets forth the following: (i) a general description and diagrammatic plan of the Condominium; (ii) the location and dimension of all real property subject to the Development Rights; (iii) all major Improvements and each Unit, showing its location and the Limited Common Elements appurtenant thereto; and (iv) such other information as is desirable or required pursuant to Section 82.059 of the Act, including a certification as to compliance with Section 82.059 of the Act. The measurements set forth on the Map as to each Unit are approximate values taken from the plans and specifications for the Property and may not be precisely accurate as to any Unit due to variances in construction and interior floorplans. NEITHER DECLARANT NOR ANY OWNER WILL BE LIABLE TO ANY OTHER OWNER AS A RESULT OF ANY DISCREPANCIES IN ACTUAL UNIT MEASUREMENTS FROM THOSE SET FORTH ON THE MAP OR IN ANY CONDOMINIUM PURCHASE CONTRACT TO WHICH DECLARANT OR ANY OWNER IS OR WAS A PARTY, AND EACH OWNER, BY ACCEPTING A DEED TO A UNIT OR SUB-UNIT, WAIVES ANY SUCH CLAIM OR CAUSE OF ACTION. Upon completion of the construction of the Improvements, Declarant

(without the joinder of any other Owner) will file, if necessary, an amendment to this Master Declaration, amending the Map to reflect the actual measurements for each Unit and any other changes, and amending Exhibit B attached to this Master Declaration to reflect the Reallocation Percentage based upon completion of construction.

Section 2.2 Description of Units and Common Elements. Subject to the reservations and Easements created by Declarant in this Master Declaration, the Units will consist of the following and any logical extension thereof as determined in Declarant's reasonable judgment:

(a) Retail Unit. The Retail Unit consists of:

(i) all areas designated as the Retail Unit on the Map, including any Balcony Areas;

(ii) all other walls, floors, ceilings, hallways, lobbies, windows, doors, elevators and other Improvements that serve the Retail Unit exclusively, including the Skin, Systems and Structure that exclusively serve the Retail Unit; and

(iii) Retail Unit Limited Common Elements: All areas depicted on the Map as Limited Common Elements of the Retail Unit, if any.

(b) Hotel Unit. The Hotel Unit consists of:

(i) all areas designated as the Hotel Unit on the Map, including the Amenity Areas and any Balcony Areas;

(ii) all other walls, floors, ceilings, hallways, lobbies, windows, doors, elevators and other Improvements that serve the Hotel Unit exclusively, including the Skin, Systems and Structure that exclusively serve the Hotel Unit; and

(iii) Hotel Unit Limited Common Elements: All areas depicted on the Map as Limited Common Elements of the Hotel Unit, if any.

(c) Residential Unit I. The Residential Unit I consists of:

(i) all areas designated as the Residential Unit I on the Map; and

(ii) Residential Unit I Limited Common Elements: All areas depicted on the Map as Limited Common Elements of the Residential Unit I, if any.

(d) Residential Unit II. The Residential Unit II consists of:

(i) all areas designated as the Residential Unit II on the Map, including any Balcony Areas;

(ii) all other walls, floors, ceilings, hallways, lobbies, windows, doors, elevators and other Improvements that serve the Residential Unit II exclusively, including the Skin, Systems and Structure that exclusively serve the Residential Unit II; and

(iii) Residential Unit II Limited Common Elements: All areas depicted on the Map as Limited Common Elements of the Residential Unit II, if any.

(e) General Common Elements. The General Common Elements consists of:

- (i) the Internal Drives;
- (ii) the Land; and
- (iii) the Systems and Structure that serve all of the Units.

(f) Vertical (Perimeter) Boundaries. The vertical or perimeter boundaries of each Unit are the vertical planes located on the lines showing the dimensions and location of each Unit as shown on the Map. The vertical boundaries extend from the horizontal boundaries of the Unit as described in Section 2.2(g) of this Master Declaration. Specifically, to the extent not shown on the Map, the vertical boundaries of each Unit will be: (i) for portions of a Unit which adjoin an exterior wall of a Building, the vertical plane created by the exterior surface of the Skin of the Building; (ii) for portions of a Unit which adjoin a wall separating the Unit from other Units, the vertical plane created by the centerline of such wall separating the Unit from other Units; and (iii) for portions of a Unit which adjoin other Units or Common Elements, but are not separated by a wall, a vertical plane along the common boundary line (as shown on the Map) of the Unit and such other Units or Common Elements.

(g) Horizontal (Lower and Upper) Boundaries. The upper and lower boundaries of each Unit will be horizontal planes extended to intersect the vertical boundaries of the Unit as described in Section 2.2(f) of this Master Declaration. If a Unit comprises multiple floors or portions of the same Unit are located on the same floor but are not contiguous, the horizontal boundary of each portion of the Unit is defined pursuant to this Section 2.2(g) independently of the portion of the same Unit located on the same or a different floor. The horizontal interstitial spaces between Units not otherwise contained within another Unit are part of the General Common Elements, e.g., the area between the horizontal boundary of one Unit and the horizontal boundary of another Unit is part of the General Common Elements. The elevations of each horizontal plane described in this Section 2.2(g) are defined on the Map.

(h) Additional Information to Interpret Unit Boundaries. Except as may be otherwise provided for herein, the Unit boundaries will include any and all attachments to, protrusions from and appurtenances attached to and exclusively serving such Unit and will exclude any portion of the Common Elements that may be located within such Unit's boundaries (as shown on the Map). Additionally, to the extent that any Structure, Systems or Improvements exclusively serve or support a Unit, as may be designated as exclusively serving such Unit on the Map, such items will be deemed a part of such Unit whether located within, outside, or below the Unit, and whether or not attached to or contiguous with the Unit. Unless otherwise designated as Limited Common Elements, elevator systems (including elevators, elevator shafts, elevator lobbies and all related mechanical and electrical systems) and stairs that serve a single Unit (including any part of any system or stairs located outside the boundaries of the Unit), as may be designated as exclusively serving such Unit on the Map, will be deemed part of such Unit. Furthermore, if any chutes, flues, ducts, conduits, wires, pipes, chases or other apparatus lies partially within and partially outside of the designated boundaries of the Unit, any portion thereof which serve only that Unit will be deemed to be a part of that Unit, while any portions thereof which serve or may serve more than one Unit but less than all Units will be designated as Limited Common Elements appurtenant to such Units, and any portions thereof which serve or may serve all Units will be a part of the General Common Elements unless otherwise designated as Limited Common Elements on the Map.

(i) Descriptions Subject to Map. The descriptions of the Units and the Common Elements set forth in this Section 2.2 represent the general intention of Declarant; provided, however, if a discrepancy exists between this Section 2.2 and the Map, the Map will control. It is the express intent of Declarant that the property described as being part of each Unit will for all purposes herein be treated as and constitute a lawfully described "Unit" as that term is defined in the Act. If there is a final judicial determination by a court of competent jurisdiction that the boundaries of a Unit or any portion thereof are so indefinite and vague so as to not create a legally constituted "Unit" within the meaning of the Act, then that portion of the Unit that has not been adequately described will be severed from the property deemed a part of the Unit (if the remainder of the Unit, excluding the severed portion thereof, constitutes a properly described "Unit" under the Act) and will thereafter be deemed to be Limited Common Elements reserved to the exclusive use of said Unit, subject to the rights and obligations of other Owners with respect to said property. Notwithstanding anything to the contrary herein, nothing in this Section 2.2(i) prohibits or restricts Declarant and any one or more Owners from reforming, revising or otherwise modifying the Map to correct inaccuracies or discrepancies reflected on the Map, and Declarant, the Master Association, and each of the Owners agree to act in good faith when determining whether such a reformation, revision or modification is necessary to comply with the intent of Declarant as stated herein.

Section 2.3 Subsequent Sub-Unit Condominiums.

(a) Creation of Sub-Units. Each Owner will have the option and right to create a Sub-Unit Condominium within the boundaries of such Owner's Unit without the requirement of approval by any other Owner, the Master Association, or Declarant, subject to the satisfaction of the requirements of the Act. The creation of any Sub-Unit Condominium will not modify any obligations, limitations, rights, benefits or burdens established in this Master Declaration, except as set forth in Section 2.3(c) of this Master Declaration.

(b) Sub-Unit Condominium Association. If an Owner elects to form a Sub-Unit Condominium Association upon the creation of a Sub-Unit Condominium, all rights of the Sub-Unit Owners in and to the Allocated Interests of the Unit from which the Sub-Unit Condominium is created will be as specified in the Sub-Unit Declaration. If an Owner elects not to form a Sub-Unit Condominium Association upon the creation of a Sub-Unit Condominium, all rights of the Sub-Unit Owners in and to the Allocated Interests of the Unit from which the Sub-Unit Condominium is created will be as specified in the Sub-Unit Declaration, as limited in this Section 2.3. If not so specified, a Majority of the Allocated Interests of the Unit from which the Sub-Unit Condominium is created (calculated for the Sub-Units in the same manner as the Allocated Interests) will exercise all rights of the Sub-Unit Owners provided that only one Sub-Unit Owner will be designated to act as their representative, which designated representative will be the member of the Master Association representing such Sub-Unit Condominium. The Master Association is required to deal only with such designated representative, and if a Majority of the Allocated Interests of the Unit represented by the Sub-Unit Owners is unable to agree, or if they fail to designate a representative to act on their behalf, such Sub-Unit Condominium will not be entitled to have a representative as a member of the Master Association and the Allocated Interests of the Unit from which the Sub-Unit Condominium is created will have no vote or ability to exercise any rights under this Master Declaration, including bringing legal action against the Master Association, until such time as a Majority of such interests have agreed and so designated their representative.

(c) Obligations of Sub-Unit Owners and Sub-Units. Upon the filing of a Sub-Unit Declaration, any and all obligations (including the obligations to pay the Assessments), liabilities,

limitations, rights, waivers, benefits, or burdens as established in this Master Declaration and that are vested or that may in the future become vested in the Owner filing such Sub-Unit Declaration and upon such Owner's Unit, will automatically become the obligations (including the obligations to pay the Assessments), liabilities, limitations, rights, waivers, benefits or burdens of any Sub-Unit Owner and its Sub-Unit to the extent of such Sub-Unit Owner's allocated interest in the Sub-Unit Condominium's common elements or as otherwise provided in the Sub-Unit Declaration. The Owner that files such Sub-Unit Declaration and the Unit that is subdivided will be relieved of all of such obligations (including the obligations to pay the Assessments), liabilities, limitations, rights, waivers, benefits or burdens in relation to each Sub-Unit acquired by a Person from an Owner or Sub-Unit Owner. Any Owner that files a Sub-Unit Declaration agrees to include a provision in such declaration, which will materially state the following:

"Upon the filing of this [Sub-Unit Declaration] and acceptance of a deed to a [Sub-Unit], any and all obligations (including the obligations to pay the Assessments as provided in the Master Declaration), liabilities, limitations, rights, waivers, benefits or burdens that are vested or that may in the future become vested in or upon the [Sub-Unit Declarant] in relation to the [Sub-Units], pursuant to the Master Declaration are hereby assumed by such [Sub-Unit] Owners and will automatically be the obligations (including the obligations to pay the Assessments as defined in the Master Declaration), liabilities, limitations, rights, waivers, benefits or burdens of the [Sub-Unit] Owners and the [Sub-Units]. EACH [SUB-UNIT] OWNER AGREES TO INDEMNIFY AND HOLD HARMLESS THE [SUB-UNIT DECLARANT] FROM SUCH [SUB-UNIT] OWNER'S SHARE OF ANY AND ALL LIABILITIES, COSTS, EXPENSES (COMMON OR OTHERWISE), MONTHLY ASSESSMENTS, ADDITIONAL ASSESSMENTS, AMENITY ASSESSMENTS, AND SPECIAL ASSESSMENTS RELATING OR APPERTAINING TO SUCH SUB-UNIT OWNER'S SUB-UNIT IN PROPORTION TO SUCH SUB-UNIT OWNER'S ALLOCATED INTEREST UNDER THE SUB-UNIT DECLARATION."

Section 2.4 Allocation of Interests in Common Elements. The undivided interest of the Owners in and to the Common Elements will be allocated based on the percentages set forth in Exhibit B of this Master Declaration, which have been initially determined pursuant to the following formula: dividing the acreage of each Unit as shown on the Map by the total acreage of all Units as shown on the Map. The percentages set forth on Exhibit B of this Master Declaration will serve as each Unit's Allocated Interest. The Common Elements will remain undivided.

Section 2.5 Inseparability of Units; No Partition. Each Unit will be inseparable and will be acquired, owned, conveyed, transferred, leased and encumbered only as an entirety, except for: (a) the creation of one or more Sub-Unit Condominiums as permitted in this Master Declaration; (b) as expressly permitted pursuant to the provisions of Section 3.2 and Section 3.8 of this Master Declaration; or (c) as otherwise expressly permitted in the Governing Documents. In no event will a Unit be subject to physical partition, except by amendment to this Master Declaration, and no Owner will bring or be entitled to maintain an action for the partition or division of a Unit or the Common Elements, unless in accordance with the terms of this Master Declaration for the creation of Sub-Unit Condominiums. Any purported conveyance, judicial sale or other voluntary or involuntary transfer of an undivided interest in the Common Elements without the Unit to which such Common Elements are allocated is void *ab initio*, with the exception of the conveyance of any Sub-Unit in a Sub-Unit Condominium in accordance with the terms and conditions of the Sub-Unit Declaration establishing the Sub-Unit Condominium, if and when same is created.

Section 2.6 Permissible Relationships; Description.

(a) Ownership of Units. A Unit may be acquired and held by one or more Persons in any form of ownership recognized by the Legal Requirements.

(b) Description of Units. Any contract or other instrument relating to the acquisition, ownership, conveyance, transfer, lease or encumbrance of a Unit will legally describe such Unit as follows: "____ Unit of The Lantana Master Condominium, located in Gillespie County, Texas," with further reference to the recording data for this Master Declaration (including the Map and any amendments to this Master Declaration). Every such description will be good and sufficient for all purposes to acquire, own, convey, transfer, lease, encumber or otherwise deal with such Unit, and any such description will be construed to include all incidents of ownership relating to a Unit. Any contract or other instrument relating to the acquisition, ownership, conveyance, transfer, lease or encumbrance of a Sub-Unit in any Sub-Unit Condominium created pursuant to the terms of Section 2.3 of this Master Declaration will legally describe such Sub-Unit as follows: "____ Unit of [Insert Appropriate Sub-Unit Condominium Name], a Condominium located in the [insert Unit name] Unit within The Lantana Master Condominium, located in Gillespie County, Texas", with further reference to the recording data for this Master Declaration.

Section 2.7 Mortgage of Unit. An Owner will be entitled from time to time to mortgage or encumber such Owner's Unit by creating a lien or liens covering a Unit under the provisions of a mortgage or deed of trust, but any lien created thereby will be subject to the terms and provisions of this Master Declaration, and any mortgagee or other lienholder which acquires an Owner's Unit through judicial foreclosure, public sale or any other means will be subject to the terms and provisions of this Master Declaration. An Owner that mortgages its Unit will notify the Master Association, giving the name and address of said Owner's mortgagee and all other information required by Section 82.157(e) and (f) of the Act from time to time, and the Master Association will maintain such information.

ARTICLE III

Uses, Reservations and Restrictions

Section 3.1 Permitted Uses.

(a) Retail Unit. The Retail Unit, and each Sub-Unit thereof, will be used solely for such commercial purposes that: (i) are lawful and permitted by applicable zoning ordinances, if any, and (ii) conform to all of the use restrictions set forth in the Governing Documents as well as any other covenants, rules and regulations created by the Owner of the Retail Unit. Any and all operators of restaurant or other retail operations within the Retail Unit that are selling or serving liquor or alcoholic beverages of any type or nature will be required, as a condition precedent to the sale or distribution of any such liquor or alcoholic beverages from any space within the Retail Unit, to obtain such dram shop and/or other liquor liability insurance coverage as is then customary for comparable restaurant or other retail establishments situated in comparable first class, mixed use developments in the local geographical area naming the Master Association (for the benefit of the Owners) as additional insured thereunder. Without limiting the foregoing, the following uses are prohibited in the Retail Unit: (A) dry cleaning plant (provided, however, this prohibition is not applicable to nominal supportive facilities for on-site service oriented to pickup and delivery by the ultimate consumer as long as no cleaning services utilizing hazardous materials are conducted at such location); (B) flea market or swap shop; (C) place of worship; (D) pawn shops; (E) check cashing services; (F) massage parlor (provided, however, that this

restriction will not prohibit or restrict the providing of massages in a first class operation such as Massage Envy, or as ancillary to any salon, health or fitness club), adult book/pornographic materials store (or any other type of store with a preponderance of sexually explicit material for sale) or the showing of hardcore pornographic films (provided, however, that this restriction will not prohibit customary national and regional video operators), or any other sexually oriented business such as an adult theater or a facility that features nude or topless dancing; (G) beauty or barber college or other place of instruction, or any other operation catering primarily to students or trainees rather than to customers; (H) funeral parlor; (I) an business engaged in the sale of any drug paraphernalia, marijuana (or marijuana-based products) or illegal narcotics, a so-called "head shop", or any business engaged in the sale of liquor; (J) gaming, gambling, betting or games-of-chance business parlor or casino; (K) carnival, amusement park or circus; (L) gas station; (M) auto repair shop or car wash; (N) any animal medical services establishment; (O) coin operated laundry; (P) lumberyard; (Q) tattoo or piercing parlor; (R) cell phone tower; (S) auto parts store; (T) federal, state or municipal agency, affiliate or related entity; and (U) any other purposes that by their nature violate any Legal Requirements. Any uses prohibited under the Use Restrictions will be prohibited within the Retail Unit.

(b) Hotel Unit. The Hotel Unit, and each Sub-Unit thereof, will be used or occupied for the operation of an upscale hotel or other related commercial purposes that: (i) are lawful and permitted by applicable zoning ordinances, if any, and (ii) conform to all of the use restrictions set forth in the Governing Documents as well as any other covenants, rules and regulations created by the Owner of the Hotel Unit. Any uses prohibited under the Use Restrictions will be prohibited within the Hotel Unit. Timeshare Uses are expressly prohibited in the Hotel Unit.

(c) Residential Unit I. The Residential Unit I, and each Sub-Unit thereof, will be used or occupied solely for residential purposes and related uses associated with the operation of the Residential Unit I as a high-end residential condominium project consistent with the Project Standard, that: (i) are lawful and permitted by applicable zoning ordinances, if any, and (ii) conform to all of the use restrictions set forth in the Governing Documents as well as any other covenants, rules and regulations created by the Owner of Residential Unit I. Any uses prohibited under the Use Restrictions will be prohibited within the Residential Unit I. Timeshare Uses are expressly prohibited in Residential Unit I.

(d) Residential Unit II. The Residential Unit II, and each Sub-Unit thereof, will be used or occupied solely for residential purposes and related uses associated with the operation of the Residential Unit II as a high-end residential condominium project consistent with the Project Standard, that: (i) are lawful and permitted by applicable zoning ordinances, if any, and (ii) conform to all of the use restrictions set forth in the Governing Documents as well as any other covenants, rules and regulations created by the Owner of Residential Unit II. Any uses prohibited under the Use Restrictions will be prohibited within the Residential Unit II. Timeshare Uses are expressly prohibited in Residential Unit II.

(e) Special Restrictions for Balcony Areas. Nothing will be placed on a Balcony Area that is visible from the exterior of a Building that, in Declarant's sole discretion during the Development Period, detracts from the overall aesthetic quality of the Property or is inconsistent with the Maintenance Standard and the Project Standard. Additionally, if the Master Association determines that a Balcony Area is unsightly (including the need for any cleaning of windows or doors and the presence of any balcony decorations visible from outside a Unit), the Master Association may give the applicable Owner notice of such condition and a reasonable time period in which to correct it. Although items or objects such as doormats, furniture, plants and decorative items may be placed on the Balcony Areas, the Master Association reserves the right

to determine whether a Balcony Area is unsightly or cluttered and may request the removal of such items. A Balcony Area will be presumed to be unsightly if the Master Association receives written notice concerning a Balcony Area that is in violation of the Governing Documents from any neighboring property owner. In such event, the Master Association will give the Owner of such Balcony Area notice and a reasonable time period in which to correct the violation in accordance with this Section and will thereafter, if not remedied by the Owner within the specified time period, take such reasonable actions as are necessary as to bring the Balcony Area into compliance with the Governing Documents and recover any costs associated with such corrections in accordance with Section 5.2 of this Master Declaration.

Section 3.2 Leases of Units. Units (or portions thereof) may be leased. Any Lease must be in writing and will state that it is subject in all respects to the provisions of the Governing Documents. Each Lease of a Sub-Unit will also be subject to those leasing restrictions set forth by the Master Association and the respective Sub-Unit Condominium Association, as described in the Policy Guidelines, the Regulations, the Sub-Unit Declaration, the Governing Documents or the rules and regulations promulgated thereunder, as applicable; provided, however, that all Leases must subject a Tenant to all pertinent provisions of the Governing Documents to the same extent as if Tenant were an Owner, including all insurance requirements. Notwithstanding the foregoing or any provision of a Lease between an Owner and a Tenant, the Owner will not be relieved of any obligation under the Governing Documents and will remain primarily liable thereunder.

Section 3.3 Parking. All parking within the Condominium will be in accordance with the Governing Documents.

Section 3.4 Signage Rights. All Signage erected on the Property in accordance with the Governing Documents will be (a) in compliance with the Project Standard, the Governing Documents and the Legal Requirements; and (b) approved in writing by Declarant, in Declarant's sole discretion, during the Development Period and the Master Association thereafter. Each Owner will be responsible, at its sole expense, for: (x) obtaining and maintaining all necessary permits and approvals required under all applicable Legal Requirements with respect to the erection and maintenance of any Signage; (y) keeping and maintaining, or causing to be kept and maintained any such Signage in accordance with the Project Standard and Section 5.1 of this Master Declaration; and (z) keeping or causing to be kept all lighting and other equipment in connection with any such Signage in good working order and condition. The Master Association may remove any such Signage, as necessary, in connection with any of its maintenance and repair or other obligations under this Master Declaration or may require the Unit Owner to do so. The Owner of the Unit utilizing the Signage Rights will be responsible for the cost of repairing the Common Elements or Units if such repairs are necessitated by use or misuse of such Owner's respective Signage Rights. The Master Association will not be responsible for insuring fixtures, Signage and other Improvements installed pursuant to the Signage Rights and will not be liable to any Owner or any other Person for any loss or damage from any cause to the fixtures, Signage and other Improvements installed pursuant to the Signage Rights. **THE OWNERS AGREE TO INDEMNIFY THE MASTER ASSOCIATION PARTIES, INDIVIDUALLY AND COLLECTIVELY, AGAINST LOSSES DUE TO ANY AND ALL CLAIMS FOR DAMAGES OR LAWSUITS, BY ANYONE, ARISING FROM THE USE OR MISUSE OF THEIR RESPECTIVE SIGNAGE RIGHTS, EXCEPT TO THE EXTENT OF THE GROSS NEGLIGENCE OR WILLFUL ACT OR INTENTIONAL OMISSION OF THE MASTER ASSOCIATION PARTIES.** The Owners of the Retail Unit and the Hotel Unit are hereby permitted to assign their respective Signage Rights to their Tenants and Sub-Unit Owners. The Owners of the Residential Unit I and Residential Unit II are hereby permitted to assign each of their respective Signage Rights only to the applicable Sub-Unit Condominium Association. Such Signage Rights will bind and inure to the benefit of the assigning Owner and its successors and assigns.

Section 3.5 Architectural Control.

(a) Architectural Control by Declarant. 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 that during the Development Period no Improvements will be started or progressed without the prior written approval of the Architectural Reviewer, which approval may be granted or withheld at the Architectural Reviewer's sole discretion. During the Development Period, neither the Master Association nor a committee appointed by the Master Association may involve itself in the approval of any Improvements. Until the expiration or earlier termination of the Development Period, the Architectural Reviewer is Declarant or its Designee. No Improvements constructed or caused to be constructed by Declarant will be subject to the terms and provisions of this Section 3.5 and are not required to be approved by the Architectural Reviewer. In reviewing and acting upon an application for approval, Declarant may act solely in its self-interest and owes no duty to any other person or any organization. Declarant may designate one or more persons from time to time to act on its behalf in reviewing and responding to applications.

During the Development Period, Declarant may from time to time, but is not obligated to, designate one or more persons from time to time to act on its behalf and may delegate all or a portion of its reserved rights under this Section 3.5(a) to an architectural control committee appointed by the Master Association or a committee comprised of architects, engineers, or other Persons. Any such delegation must be in writing and must specify the scope of delegated responsibilities. Any such delegation is at all times subject to the unilateral rights of Declarant to: (i) revoke such delegation at any time and reassume jurisdiction over the matters previously delegated; and (ii) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason. Declarant is not responsible for: (i) errors in or omissions from the plans and specifications submitted to Declarant; (ii) supervising construction for the Owner's compliance with approved plans and specifications; or (iii) the compliance of the Owner's plans and specifications with applicable law.

(b) Architectural Control by the Master Association. Unless and until such time as Declarant delegates all or a portion of its reserved rights to the Master Association, or the Development Period is terminated or expires, the Master Association has no jurisdiction over architectural matters. On termination or expiration of the Development Period, or earlier if delegated in writing by Declarant, the Master Association, acting through an architectural control committee (the "ACC") will assume jurisdiction over architectural control and have the powers of the Architectural Reviewer hereunder.

The ACC will consist of at least three persons appointed by the Board of Directors. Members of the ACC serve at the pleasure of the Board of Directors and may be removed and replaced at the Board of Directors' discretion. At the Board of Directors' option, the Board of Directors may act as the ACC, in which case all references in the Governing Documents to the ACC will be construed to mean the Board of Directors. Members of the ACC need not be Owners, and may but need not include architects, engineers, and design professionals whose compensation, if any, may be established from time to time by the Board of Directors.

The ACC has sole discretion with respect to taste, design, and all standards specified in this Section 3.5. The members of the ACC have no liability for the ACC's decisions made in good faith, and which are not arbitrary or capricious. The ACC is not responsible for: (i) errors in or omissions from the plans and specifications submitted to the ACC; (ii) supervising construction

for the Owner's compliance with approved plans and specifications; or (iii) the compliance of the Owner's plans and specifications with applicable law.

(c) **RELEASE.** EACH OWNER, BY ACCEPTING TITLE TO A UNIT, HEREBY RELEASES AND HOLDS HARMLESS DECLARANT, THE MASTER ASSOCIATION, THE ARCHITECTURAL REVIEWER, THE ACC, AND THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, PARTNERS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ARCHITECTURAL REVIEWER'S ACTS OR ACTIVITIES UNDER THIS MASTER DECLARATION AND THE OTHER GOVERNING DOCUMENTS.

(d) Prohibition of Construction, Alteration, and Improvement. No Improvements shall be constructed on, and no addition, alteration, improvement, installation, modification, redecoration, or reconstruction thereof may occur, unless approved in advance and in writing by the Architectural Reviewer. The Architectural Reviewer has the right but not the duty to evaluate every aspect of construction, landscaping, and property use that may adversely affect the general value or appearance of the Property. Notwithstanding the foregoing, unless otherwise provided in the Design Guidelines, an Owner shall have the right to modify, alter, decorate, redecorate, or improve the interior of any Improvement within such Owner's Unit, provided that such modification, alteration, decoration, or improvement cannot be seen in the sight line of normal visual range of a person on a public street, private street, thoroughfare, or sidewalk.

(e) Submission and Approval of Plans and Specifications. Construction plans and specifications or, when an Owner desires solely to plat, re-subdivide or consolidate Units, a proposal for such plat, re-subdivision or consolidation, will be submitted in accordance with the Design Guidelines, if any, or any additional rules adopted by the Architectural Reviewer together with any review fee which may be imposed by the Architectural Reviewer in accordance with Section 3.5(f). No plat, re-subdivision or consolidation will be made, nor any Improvement placed or allowed on any Unit, until the plans and specifications and the contractor or builder which the Owner intends to use to construct the proposed Improvement have been approved in writing by the Architectural Reviewer. The Architectural Reviewer reserves the right to adopt preconditions or requirements for the approval of contractors or builders proposed by the Owner to construct such Improvements. The Architectural Reviewer may, in reviewing such plans and specifications consider any information that it deems proper; including any permits, environmental impact statements or percolation tests that may be required by the Architectural Reviewer or any other entity; and harmony of external design and location in relation to surrounding structures, topography, vegetation, and finished grade elevation. The Architectural Reviewer may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which the Architectural Reviewer, in its sole discretion, may require. Site plans must be approved by the Architectural Reviewer prior to the clearing of any Unit or the construction of any Improvements. The Architectural Reviewer may refuse to approve plans and specifications for proposed Improvements, or for the plat, re-subdivision or consolidation of any Unit on any grounds that, in the sole and absolute discretion of the Architectural Reviewer, are deemed sufficient, including purely aesthetic grounds. Notwithstanding any provision to the contrary in this Master Declaration, the Architectural Reviewer may issue an approval to a Residential Declarant for the construction of Improvements based upon the review and approval of plan types and adopt a procedure which differs from the procedures for review and approval otherwise set forth in this Master Declaration.

(f) Design Guidelines. Declarant will have no obligation to establish Design Guidelines for the Property, or any portion thereof. If adopted, however, the Architectural Reviewer will have the power, from time to time, to adopt, amend, modify, or supplement the Design Guidelines which may apply to all or any portion of the Property. In the event of any conflict between the terms and provisions of the Design Guidelines and the terms and provisions of this Master Declaration, the terms and provisions of this Master Declaration will control. In addition, the Architectural Reviewer will have the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of this Master Declaration. Such charges will be held by the Architectural Reviewer and used to defray the administrative expenses and any other costs incurred by the Architectural Reviewer in performing its duties hereunder; provided, however, that any excess funds held by the Architectural Reviewer will be distributed to the Master Association at the end of each calendar year. The Architectural Reviewer will not be required to review any plans until a complete submittal package, as required by this Master Declaration and the Design Guidelines, is assembled and submitted to the Architectural Reviewer. The Architectural Reviewer will have the authority to adopt such additional or alternate procedural and substantive rules and guidelines not in conflict with this Master Declaration (including the imposition of any requirements for a compliance deposit, certificates of compliance or completion relating to any Improvement, and the right to approve in advance any contractor selected for the construction of Improvements), as it may deem necessary or appropriate in connection with the performance of its duties hereunder.

(g) Failure to Act. In the event that any plans and specifications are submitted to the Architectural Reviewer as provided herein, and the Architectural Reviewer fails to either approve or reject such plans and specifications for a period of 60 days following such submission, the plans and specifications will be deemed disapproved.

(h) Variances. The Architectural Reviewer, in its sole and absolute discretion, may grant variances from compliance with any of the provisions of the Governing Documents. All variances must be evidenced in writing and, if Declarant has delegated its rights to the Master Association, must be approved by Declarant until expiration or termination of the Development Period. If a variance is granted, no violation of any of the provisions of the Governing Documents will be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance will not operate to waive or amend any of the terms and provisions of the Governing Documents for any purpose, except as to the particular Unit, or portion thereof, or Improvement thereon or therein, and in the particular instance covered by the variance, and such variance will not be considered to establish a precedent for any future waiver, modification, or amendment of the terms and provisions of the Governing Documents.

(i) Duration of Approval. The approval of any final plans and specifications, and any variances granted in accordance with the Governing Documents, will be valid for a period of 180 days only. If construction in accordance with such plans and specifications or variance is not commenced within such 180 day period and diligently prosecuted to completion thereafter, the Owner will be required to resubmit such final plans and specifications or request for a variance in accordance with the Governing Documents, and Declarant, or the Master Association if applicable, will have the authority to re-evaluate such plans and specifications in accordance with this Section 3.5(i) and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval.

(j) No Waiver of Future Approvals. The approval of the Architectural Reviewer to any plans or specifications for any work done or proposed in connection with any matter requiring the approval or consent of the Architectural Reviewer will not be deemed to constitute a

waiver of any right to withhold approval or consent as to any plans and specifications on any other matter, subsequently or additionally submitted for approval by the same or a different person, nor will such approval or consent be deemed to establish a precedent for future approvals by the Architectural Reviewer.

(k) **NO LIABILITY OF THE ARCHITECTURAL REVIEWER.** DECLARANT, THE MASTER ASSOCIATION, THE ARCHITECTURAL REVIEWER, AND THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, PARTNERS, EMPLOYEES AND AGENTS WILL NOT BE LIABLE TO ANY OWNER OR TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE ARCHITECTURAL REVIEWER'S DUTIES UNDER THIS SECTION 3.5.

Section 3.6 Compliance with the Governing Documents. Each Owner, by accepting a deed conveying title to a Unit, any Sub-Unit Owner by accepting a deed conveying title to a Sub-Unit and any Tenant by execution of a Lease or by occupancy of a Unit or a Sub-Unit automatically agrees to strictly comply with the provisions of the Governing Documents and all the Legal Requirements. A failure or refusal of an Owner, a Sub-Unit Owner or a Tenant to so comply with provisions of Governing Documents and all Legal Requirements, after written notice, will constitute a Dispute (to the extent so included within the definition of "Dispute" set forth in Section 1.1 of this Master Declaration) that will be resolved in accordance with Article X of this Master Declaration. In addition, during any period of such noncompliance with all of the Governing Documents and Legal Requirements, an Owner's (a) voting rights in the Master Association may by written notice be suspended by the Master Association; and (b) right to use the Common Elements or the Amenity Areas may by written notice be suspended by the Master Association or the Hotel Unit Owner, as applicable.

Section 3.7 Rights of Declarant.

(a) **Reservations.** In accordance with, and only if permitted by, the Act, Declarant reserves the right to exercise Special Declarant Rights during the Development Period, which include rights, subject to Section 3.7(c) of this Master Declaration, to: (i) upon completion of construction of the Improvements, make and record corrections to the Map to conform the same to the actual location of the Improvements, the actual size and location of the Units and/or the proper designation of the elements of the Improvements as Units, the General Common Elements or the Limited Common Elements, including the actual location of the constructed Internal Drives; (ii) establish, vacate, relocate and use the Easements as set forth in this Master Declaration; (iii) include, in any instrument initially conveying a Unit, such additional reservations, exceptions and exclusions as Declarant may deem consistent in its reasonable judgment with and in the best interests of the Owners and the Master Association; (iv) include any portion of the Condominium or a Unit in one or more of the other Units; (v) create additional Units; (vi) have and use an Easement over, under and across any and all of the Property to the extent that same may be necessary or useful in constructing, repairing or completing the Units, or the Common Elements, or as may be reasonably necessary for the exercise of any Special Declarant Rights or the performance of any obligations of Declarant; and (vii) any time, adopt any Policy Guidelines in any manner determined by Declarant, including in any manner necessary to meet the requirements of the Maintenance Standard and the Project Standard. To the extent permitted by the Act, Declarant will have the right to file a Supplemental Declaration as may be necessary in the exercise of the Special Declarant Rights. Each Owner, by acceptance of the deed to its Unit, hereby acknowledges and agrees that Declarant and any Owner of the Hotel Unit and any Owner of the Retail Unit reserves the following rights at the sole discretion of Declarant or such Owner, as applicable, without a vote of the other Owners or the Mortgagees or

approval of the Master Association the right to: (A) convert landscaping, curbs, sidewalks and other Improvements to Limited Common Elements or General Common Elements, and to modify the Governing Documents to reflect the same; or (B) designate portions of the Condominium as Limited Common Elements or General Common Elements, or subject to the Easements, and to modify the Governing Documents to reflect the same.

(b) Additional Declarant Rights. In addition to all other rights reserved to Declarant pursuant to this Master Declaration, in accordance with, and only if permitted by, the Act, Declarant reserves the following rights:

(i) the right (but not the obligation), by a Supplemental Declaration, to supplement or modify any Unit by adding additional facilities or deleting facilities, to designate additional portions of the Condominium as part of any Unit, or to combine Units; provided, however, Declarant may not add or delete facilities from any Unit or combine Units, unless Declarant or an Affiliate of Declarant is the Owner of such Unit or Units. No such addition or deletion to any such Unit or combination of Units will affect the interest in the Common Elements, the share of Common Expenses or the voting rights appurtenant to the Units. Any Units which are combined will be treated for all such purposes as separate Units. Declarant may separate any Units it has combined, at its sole expense, into separate and distinct Units as originally set forth in the survey and the Map. Nothing in this Master Declaration, however, obligates Declarant to add to the Condominium or otherwise take any of the actions to which Declarant is entitled pursuant to this Section 3.7(b);

(ii) the right to maintain a model unit and a sales, leasing or management office, or all three, within any Unit or Sub-Unit or on the Common Elements in connection with the sale, leasing and/or management of Sub-Units, in such location as determined by Declarant. No such model unit or office will be larger than 10,000 square feet and Declarant has the right to relocate such model unit and/or office from time to time. Declarant has the right to authorize placement, upon the Common Elements, of signs designating any such model unit or sales, leasing or management office, or all three, and advertising the sale or leasing of the Sub-Units. Such signs may be placed in such locations and will be of such size and character as Declarant may determine;

(iii) the right, without the vote or consent of the Master Association or any other Owner, to: (A) make alterations, additions or improvements in, to and upon any Units owned by Declarant or its Affiliates (including the Amenity Areas), whether structural or non-structural; and (B) change the floor plan and layout of any Unit owned by Declarant or its Affiliates. However, no such alteration, improvement or change will interfere with any structural support of any Unit or the Common Elements or the provision of utility service to any Unit or the Common Elements. All work done in accordance with the provisions of this Section 3.7(b) will be done in compliance with the Governing Documents and all applicable Legal Requirements;

(iv) the right for itself and for Declarant's architect, engineer, other design professionals, builder, and general contractor, but not the duty, to inspect, monitor, test, redesign, correct, and relocate any Systems, Structure, Improvement, or condition that may exist on any portion of the Condominium, including the Common Elements and the Units, and a perpetual nonexclusive easement of access throughout the Condominium to the extent reasonably necessary to exercise this right. The party exercising the easement reserved hereunder will promptly repair, at its sole expense, any damage resulting from

the exercise of this right. This Section 3.7(b)(iv) may not be construed to create a duty for Declarant, or for Declarant's architect, engineer, other design professionals, builder, and general contractor, 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 Declarant's architect, engineer, other design professionals, builder, and general contractor an easement of access and entry over, across, under, and through the Condominium, including all Common Elements and each Unit for the purposes contained in this Section 3.7(b)(iv); and

(v) the right to exercise the Declarant Parking Rights without the prior, written consent of Mortgagee, the Master Association or any Owner, provided that such exercise will not: (A) cause any Unit to fail to be in compliance with any applicable Legal Requirements; (B) reduce the number of parking spaces that are currently a Limited Common Element of a Unit (except with the express consent of the Owner of such Unit, in such Owner's sole discretion); (C) materially alter the nature of any parking spaces that are currently a Limited Common Element of a Unit (except with the express consent of the Owner of such Unit, in such Owner's sole discretion), including the general size of the parking spaces (compact or full size) or covered or uncovered parking spaces; (D) relocate any parking spaces that are currently a Limited Common Element of a Unit (except with the express consent of the Owner of such Unit, in such Owner's sole discretion); or (E) violate the terms of any Easement. To the extent that the exercise of the Declarant Parking Rights benefits a particular Unit, the costs associated with Declarant Parking Rights will be allocated as an Additional Assessment to the Owner of such Unit.

(c) Rights During Warranty Period. For as long as Declarant or its Designees remains liable under any warranty, whether statutory, express or implied, for any act or omission of Declarant or its Designees in the development, construction, sale and marketing of any portion of the Condominium, Declarant and its Designees will have the right, in Declarant's sole discretion and from time to time, whether during the Development Period or after, to enter the Common Elements and the Units for the purpose of making necessary inspections, tests, repairs, improvements or replacements required for Declarant to fulfill any of its warranty obligations. Failure of the Master Association or any Owner to grant such access may result in the applicable warranty being nullified by Declarant and of no further force or effect. Nothing in this Section 3.7(c) will be deemed, implied or construed as Declarant making or offering any warranty, all of which deemed, construed or implied warranties are hereby disclaimed.

(d) Exemptions. In order that the development of the Condominium may be undertaken and established as a fully operating mixed-use development, the Owners, the Master Association, any Sub-Unit Owner and any Sub-Unit Condominium Association will refrain from interfering with Declarant's activities during the Development Period except to the extent such activities may be prohibited or limited by the Governing Documents, including any act or failure to act preventing Declarant: (i) or its Designees from conducting any activity or operations on or in connection with the Condominium that Declarant determines in its reasonable judgment to be necessary or advisable in connection with the completion of the development of the Condominium or the alteration of its construction plans and designs as Declarant determines in its reasonable judgment advisable in the course of development, enlargement or subsequent alteration of any Improvements; (ii) or its Designees from erecting, constructing and maintaining on any of the Property owned or controlled by Declarant or its Designees, such structures as may be reasonably necessary for the conduct of its or their business of completing said development

and establishing the Condominium as a community and disposing of the same by sale, lease or otherwise; (iii) or its Designees from conducting on the Property its business of developing, subdividing, grading and constructing the Improvements in the Condominium or disposing of Units thereon by sale, lease or otherwise; (iv) from determining in its sole discretion the nature of the types of Improvements to be constructed as part of the Condominium; (v) or its Designees from filing any amendments or Supplemental Declarations to this Master Declaration; or (vi) or its Designees from modifying, changing, re-configuring, removing or otherwise altering any Improvements located on the Common Elements. Declarant and its Designees will have the right to enter upon the Property and operate thereon such vehicles and equipment as will be necessary in the sole discretion of Declarant or its Designees for such purposes. In general, Declarant will be exempt from all restrictions set forth in this Master Declaration to the extent such restrictions interfere in any manner with Declarant's plans for construction, development, modification, use, sale, lease or other disposition of all or any portion of the Property, including any use restrictions contained in this Article III, which Declarant may waive or vary from time to time in Declarant's sole and absolute discretion.

(e) Limitation on Rights. The Special Declarant Rights may be exercised by Declarant during the Development Period only, to the extent and only if permitted by the Act, and only if such exercise does not cause a Material Adverse Effect on a Unit(s), as applicable, not owned by Declarant or an Affiliate of Declarant. The rights of Declarant under this Section 3.7 may be exercised as to different portions of the Property at different times. Declarant provides no assurance whether any right or rights under this Section 3.7 will be exercised, the portions of the Property as to which such rights may be exercised or as to the order of exercise of any of such rights. The exercise of any right or rights as to any portion of the Property does not obligate Declarant to exercise such right or rights in any other portion of the Property.

Section 3.8 Easements. Each Owner accepts a deed conveying title to its Unit subject to the Easements granted and reserved, as applicable, in this Section 3.8 and Section 3.9 of this Master Declaration, which Easements (and all related rights and obligations related to such Easements arising on or after the date of any transfer) will run with the Condominium.

(a) Access Easement. Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Access Easement over, on, under, and across each Unit as may reasonably be necessary for its own benefit and for the benefit of each Unit and the Master Association, as applicable, for: (i) the maintenance, repair or replacement of any of the Common Elements thereon or accessible therefrom; (ii) the use of a Unit by its Owner, provided no other reasonable means of access exists or as necessitated by any Legal Requirement; (iii) the exercise by Declarant of the Special Declarant Rights or the performance of any obligations of Declarant under the Governing Documents; (iv) the making of emergency repairs therein necessary to prevent damage to the Common Elements or to any Unit; (v) the evacuation of all or any part of the Property in the event of an emergency; and (vi) such other reasonable purposes as are decided by the Master Association to be necessary for the performance of the obligations of the Master Association as described in the Governing Documents.

The Master Association, the Manager, and each Owner may enter a Unit or Sub-Unit to the extent reasonably necessary in case of an emergency originating in or threatening the Unit or any other Unit whether or not the Owner, Sub-Unit Owner or Tenant of such Unit is present at the time. The Person making such entry will take reasonable precautions to protect such premises and any inventory, fixtures and other personal property contained therein from damage and theft. This right of entry may be exercised by any Manager, the Owners, the Master Association and their directors, officers, agents and employees, and by all police officers, firefighters and other

emergency personnel in the performance of their respective duties. Also, the Master Association may enter a Unit to perform installations, alterations or repairs to the mechanical, electrical or utility services which, if not performed, would affect the use of other Units or the Common Elements; provided that, if possible, requests for any entry will be made in advance and at a time convenient to the Owner or manager of the affected Unit and further subject to the foregoing limitations. In case of an emergency, the right of entry is immediate and if an Owner refuses to provide entry, such Owner is liable for the cost of repairs to the Unit or the Common Elements caused by the Master Association's, any Manager's, or another Owner's chosen method of access under such circumstances.

(b) Common Elements Easement. Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Common Elements Easement over, on and across the Common Elements, including the Internal Drives, for its own benefit and for the benefit of each Unit (which is an intended beneficiary of such Common Element) and the Master Association for ingress to and egress from each Unit and for the use of the Common Elements in accordance with the Governing Documents. Except as provided in the Allocation Document, the Common Elements Easement will be maintained by the Master Association as provided in Section 5.1 of this Master Declaration.

(c) Amenity Easement. Declarant hereby grants and reserves a perpetual and non-exclusive easement for ingress and egress by pedestrian traffic over, on and across the Amenity Areas for its own benefit and for the benefit of each Unit and the Master Association, provided that the Hotel Unit Owner may temporarily close or restrict access to the Amenity Areas or parts of the Amenity Areas by such methods as the Hotel Unit Owner deems necessary or advisable (subject to applicable Legal Requirements) (i) in order to protect the safety and security of persons and property located on or in the Hotel Unit (but without any obligation to do so), and/or (ii) in connection with construction activities or the maintenance, repairs, and replacements to Improvements in, on, or under the Hotel Unit.

(d) Roof Easement. Declarant hereby grants and reserves a perpetual, assignable, and non-exclusive Roof Easement over, on and across the Roof Easement Area for its own benefit for any purpose, including the exclusive right to use the Roof Easement Area for electric, satellite, telecommunications, transmitting and similar equipment and Signage, and for the placement, use and maintenance of such equipment and Signage thereon. Except as provided for herein, Declarant has the right to all Rents associated with any such use described above. Declarant will have the unrestricted right to move or remove equipment and/or improvements, as necessary in connection with its rights granted herein with respect to the Roof Easement. Declarant is not required to insure equipment or improvements installed pursuant to the Roof Easement and is not liable to the Master Association, any Owner, or any other Person for any loss or damage from any cause to the equipment or improvements in the Roof Easement Area. The portion of the Roof Easement Area used by Declarant will be maintained by Declarant in accordance with the Maintenance Standard and Section 5.1 of this Master Declaration. Except as provided in the Allocation Document, the remainder of the Roof Easement Area will be maintained by the applicable Owner as provided in Section 5.1 of this Master Declaration.

(e) Skin Easement. Declarant hereby reserves a perpetual, assignable and exclusive (except for the Signage Rights) Skin Easement over, on and across the Skin Easement Area for its own benefit for use of the Skin, for the purposes described below in this subsection. Declarant's use of the Skin Easement will not materially and adversely obstruct the view from any window of any Building. The area of the Improvements used by Declarant for the purposes described below will be maintained by Declarant in accordance with Section 5.1 of this Master Declaration.

Except as provided in the Allocation Document, the other areas of the Skin will be maintained by the Owner of the Unit containing such portion of the Skin in accordance with Section 5.1 of this Master Declaration. Declarant reserves the right to all Rents associated with any such use. Declarant may use the Skin for electric, satellite, telecommunications, transmitting and similar equipment and Signage, and for the placement, use and maintenance of such equipment and Signage, and similar purposes. Declarant will have the unrestricted right to move or remove equipment and/or improvements, as necessary in connection with its rights granted herein with respect to the Skin Easement, provided the same causes no unreasonable interference with the use or operation of a Unit. Declarant is not required to insure equipment or improvements installed pursuant to the Skin Easement and is not liable to the Master Association, any Owner, or any other person for any loss or damage from any cause to the equipment or improvements in the Skin Easement Area.

(f) Support Easement. Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Support Easement over, on and across any Structure that is a Common Element for its own benefit and the benefit of each Unit for support of all portions of the Improvements.

(g) Systems Easement. Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Systems Easement over, on and across the Common Elements and the Units for its own benefit and for the benefit of each Owner and the Master Association for the use of and the connection to any portion of the Systems that constitute a Common Element. Except as provided in the Allocation Document, the area of the Common Elements subject to the Systems Easement will be maintained by the Master Association as provided in Section 5.1 of this Master Declaration.

(h) Utility Easement. Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Utility Easement over, on and across the Common Elements for: (i) its own benefit during the Development Period; (ii) the benefit of utility companies; and (iii) the benefit of the Master Association upon the expiration of the Development Period for supplying utility service to any part of the Condominium. Declarant may record an easement agreement or easement relocation agreement in the Real Property Records, specifically locating or relocating any Utility Easement subsequent to the recordation of this Master Declaration, and each Owner, by acceptance of the deed to a Unit, hereby grants Declarant during the Development Period, and to the Master Association thereafter, an irrevocable power of attorney, coupled with an interest, with full power and authority to locate or relocate any Utility Easement. Except as provided in the Allocation Document, the area of the Common Elements subject to Utility Easements will be maintained by the Master Association as provided in Section 5.1 of this Master Declaration.

(i) Telecommunications Easement. Declarant hereby grants and reserves for itself an exclusive, assignable, perpetual and irrevocable easement, license and right to use the Telecommunications Easement Area for licensing to others the right to install and operate Telecommunications Equipment (as herein defined). Declarant, for itself and its assigns and Designees, hereby reserves the right to use, sell, lease or assign all or any portion of the Telecommunications Easement Area, for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of telecommunications, video and digital equipment, including without limitation, broadcast antennae and related equipment, cell tower equipment, or other wireless communication antennae and related equipment, cable or satellite television equipment and equipment for high-speed internet access (hereinafter collectively referred to as the "Telecommunications Equipment"). In addition, Declarant, for itself and its assigns and Designees, reserves a non-exclusive, perpetual and irrevocable easement over the

Property for access to and from the Telecommunications Easement Area and to construct, install, use, maintain, repair, replace, improve, remove, operate and license or allow others to do the same, any utility lines servicing the Telecommunications Equipment, including the right to utilize electrical power from any Unit, but subject to the right of the Owner of such Unit charging for the actual costs of such electrical power and any sub-metering costs associated with determining electrical usage and provided that such electrical usage will not cause such Unit's electrical capacity to be limited for its own use, and in such event, Declarant and its assigns and Designees will cease such use of electrical power or provide additional capacity to the affected Owner's electrical system, at the sole expense of the party exercising the easement and use rights set forth in this subsection. Declarant also reserves the right to select and contract with Designees to install, operate, and/or maintain the Telecommunications Equipment and to provide any telecommunication, video or digital service associated therewith, which contracts may be assignable to the Master Association or to any Sub-Unit Condominium Association. Declarant has and hereby reserves unto it and its assigns and Designees the sole and exclusive right to collect and retain any and all income received from or in connection with the rights described in this subsection. The Telecommunications Easement will be maintained by Declarant in accordance with the Maintenance Standard. Declarant is not required to insure equipment or improvements installed pursuant to the Telecommunications Easement and is not liable to the Master Association, any Owner, or any other person for any loss or damage from any cause to the equipment or improvements in the Telecommunications Easement Area. The rights reserved to Declarant under this subsection will benefit only Declarant and its assigns and Designees. No other Owners or successors-in-title to any portion of the Property has any rights to income derived from or in connection with the easements granted in this subsection, except as expressly approved in writing by Declarant. The provisions of this subsection will not be amended without the written consent of Declarant.

(j) Vertical Access Easement. Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Vertical Access Easement over, on and across the access through the stairways, the elevators, the elevator shafts, fire rooms, fire systems and lobbies located within each Building for its own benefit and for the benefit of each Unit (which is an intended beneficiary of such areas) and the Master Association, as needed. Except as provided in the Allocation Document, the Vertical Access Easement will be maintained in accordance with the Maintenance Standard and Section 5.1 of this Master Declaration by the Owner of such areas or by the Master Association if such areas are Common Elements.

(k) Sub-Unit Easements to Benefit Sub-Units. Upon and simultaneously with the filing of a Sub-Unit Declaration in the Real Property Records, the Unit Owner will, in accordance with the Sub-Unit Declaration, designate all or a portion of the Unit Owner's rights in and to the Easements, to the Sub-Unit Owners as the common elements of such Sub-Unit Condominium, to the extent such Easement is expressly assignable according to this Section 3.8.

(l) Miscellaneous. None of the Easements granted or reserved in this Section 3.8 will be used in a manner which adversely affect the structural integrity of the Buildings. Notwithstanding the assignability of the Easements, no Easement may be assigned to any Person that is not the Owner, Sub-Unit Owner or Tenant of the Unit or tenant of a Sub-Unit that is benefited by the respective Easement, nor will any Owner that is benefited by an Easement grant a sub-easement or a license to any area covered by any Easement, unless such assignment is expressly provided for in this Section 3.8 or except as consented to by the Master Association; provided, however, that this prohibition will not prohibit Declarant from granting leases, licenses or sub-easements to the Skin Easement, the Telecommunications Easement, or the Roof

Easement. Use and availability of any facilities or areas covered by any of the Easements are subject to the Regulations and the Legal Requirements.

Section 3.9 Encroachments. If, as a result of the original construction, reconstruction, repair, shifting, settlement or other circumstance, any portion of the Common Elements encroaches upon an Owner's Unit, an irrevocable and perpetual easement over, on and across such Unit for such encroachment and for the maintenance of such easement is hereby granted and conveyed to the Master Association by each Owner at the time each Owner's Unit is conveyed to the Owner. If as a result of the original construction, reconstruction, repair, shifting, settlement or other circumstance any portion of an Owner's Unit encroaches upon the Common Elements, or upon any adjoining Owner's Unit, an irrevocable and perpetual easement for such encroachment and for the maintenance of such easement over, on and across each Owner's Unit is hereby granted to the Owner of such Unit. Such encroachments and easements will not be considered or determined to be encumbrances either upon a Unit or upon the Common Elements.

Section 3.10 Rights of an Owner. An Owner will have the right, at its sole discretion, to sell, transfer, assign, or convey such Owner's Unit or any portion of or interest in such Unit to any third party, subject to the terms of this Master Declaration.

Section 3.11 Amenity Areas.

(a) Use. The Amenity Areas will be subject to the procedures and regulations set forth in any regulations, policies or other operations plans, as may be adopted by the Hotel Unit Owner. Declarant hereby reserves the Amenity Rights for the Hotel Unit Owner with respect to the Amenity Areas, and the Hotel Unit Owner will have the right to record an amendment or supplement to this Master Declaration and the Map, without the consent or joinder of any other party, memorializing the terms and conditions relating to the Amenity Areas and the exercise of the Amenity Rights as set forth in this Master Declaration, including the right to convert any portion of the Amenity Areas to part of a Unit or Common Elements. Each Owner, by acceptance of the deed to a Unit, hereby agrees and acknowledges that Hotel Unit Owner reserves the right to convert any portion of the Amenity Areas to part of a Unit or Common Elements at the discretion of the Hotel Unit Owner.

(b) General Waivers and Releases. ANY PARTY USING THE AMENITY AREAS (THE "AMENITY USERS") HEREBY WAIVES ALL CLAIMS AGAINST THE HOTEL UNIT OWNER AND ITS ASSIGNS, SUCCESSORS, AND DESIGNEES (INCLUDING ITS OPERATORS AND LICENSORS) (COLLECTIVELY, THE "AMENITY OWNER PARTIES") RELATING TO SUCH USE OF THE AMENITY AREAS, EXCEPT TO THE EXTENT OF THE GROSS NEGLIGENCE OR WILLFUL ACT OR INTENTIONAL OMISSION OF AN AMENITY OWNER PARTY. THE AMENITY USERS HEREBY ACKNOWLEDGE THAT THE HOTEL UNIT OWNER DOES NOT HAVE AN OBLIGATION TO PROVIDE ANY SECURITY SERVICES TO THE AMENITY AREAS AND THE AMENITY USERS ARE USING THE AMENITY AREAS AT THEIR OWN RISK.

(c) INDEMNIFICATION. THE AMENITY USERS WILL DEFEND, INDEMNIFY, AND HOLD THE AMENITY OWNER PARTIES HARMLESS FROM ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR PERSONAL INJURY, DEATH, OR PROPERTY DAMAGE, SUSTAINED IN CONNECTION WITH THE AMENITY USERS' USE OF THE AMENITY AREAS, INCLUDING, WITHOUT LIMITATION, THOSE

CAUSED BY THE AMENITY USERS' ACTUAL OR ALLEGED NEGLIGENCE OR WILLFUL ACTS OR OMISSIONS. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, IN NO EVENT WILL THE AMENITY USERS BE OBLIGATED TO DEFEND, INDEMNIFY AND HOLD THE AMENITY OWNER PARTIES HARMLESS FOR ANY CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR PERSONAL INJURY, DEATH, OR PROPERTY DAMAGE, SUSTAINED IN CONNECTION WITH THE AMENITY USERS' USE OF THE AMENITY AREAS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL ACT OR INTENTIONAL OMISSION OF AN AMENITY OWNER PARTY.

(d) Injuries to Persons. The Amenity Users waive and release the Amenity Owner Parties from any liability, cost or expense incurred by the Amenity Users related to the death or injury to the Amenity Users EVEN IF THE DAMAGE OCCURRED AS A RESULT OF THE NEGLIGENCE IN WHOLE OR IN PART OF AN AMENITY OWNER PARTY, EXCEPT TO THE EXTENT OF THE GROSS NEGLIGENCE OR WILLFUL ACT OR INTENTIONAL OMISSION OF AN AMENITY OWNER PARTY. This release and waiver include a release and waiver from any and all direct damages as well as any liability for indirect, special or consequential damages. As a condition to the issuance of any access control device, Hotel Unit Owner may require a written acknowledgment and consent to this release and waiver of liability for injury or death by any Amenity User.

ARTICLE IV

Matters Regarding the Master Association

Section 4.1 General. The Master Association is incorporated as a nonprofit corporation under the TNCL. In addition to the powers conferred on the Master Association under the TNCL, the Master Association may take all actions authorized by the Governing Documents. Any and all actions taken by the Master Association pursuant to the Governing Documents are binding on all Owners. This Master Declaration is not intended to place any limitations or restrictions on the power of the Master Association or the Board of Directors except as set forth in this Master Declaration or the other Governing Documents.

Section 4.2 Allocation of Votes in the Master Association. Each Owner will automatically be a member of the Master Association and will possess a vote with respect to each Unit owned by such Owner as reflected on Exhibit B attached to this Master Declaration with respect to any matter on which members of the Master Association will be entitled to vote. If a Unit is subdivided pursuant to the provisions of Section 2.3 of this Master Declaration, the Sub-Unit Condominium will have only the number of votes in the Master Association that the subdivided Unit was entitled to as a member of the Master Association prior to the Unit being subdivided. The board of directors of any Sub-Unit Condominium Association will, at the organizational meeting of the board of directors of the Sub-Unit Condominium Association, appoint one of its members as the sole representative of the Sub-Unit Condominium as a member of the Master Association. The Master Association is required to deal only with such appointed representative and if no member of the board of directors of a Sub-Unit Condominium Association is appointed by the board of directors of the Sub-Unit Condominium Association, neither the Sub-Unit Condominium nor any Sub-Unit will have any vote or ability to exercise any rights under this Master Declaration, including bringing legal action against the Master Association until such time as the board of directors of the Sub-Unit Condominium Association has

agreed and so designated their representative or a representative is otherwise designated as described in Section 2.3(b) of this Master Declaration.

Section 4.3 Board of Directors. The Board of Directors will be initially established by Declarant as set forth in the Bylaws and the Certificate of Formation. If the office of any Director will become vacant by reason of death, resignation, retirement, disqualification, removal from office, expiration of term or otherwise, the Owner, which selected such Director will select a successor in accordance with the Bylaws. Any decision to be made by the Board of Directors pursuant to the terms of the Governing Documents for which a threshold for voting is not expressly provided therein will require an affirmative vote by a Majority of the Board of Directors.

Section 4.4 Release. Subject to the Master Association's obligations under this Master Declaration, each Owner, any Sub-Unit Condominium Association and Sub-Unit Owner hereby releases, acquits and forever discharges the Master Association, and its Affiliates, parents, members, subsidiaries, officers, directors, agents, employees, predecessors, successors, contractors, consultants, managers, insurers, sureties and assigns and agrees to hold such Persons harmless of and from any and all claims, damages, liabilities, costs and/or expenses (including reasonable attorneys' fees) relating to the construction of, repair or restoration of, or the sale to the Owners or Sub-Unit Owners of the Units, any Sub-Unit or the Common Elements. This release will release and forever discharge the Master Association and its Affiliates, parents, members, subsidiaries, officers, directors, agents, employees, predecessors, successors, contractors, consultants, managers, insurers, sureties and assigns, from all claims and causes of action, whether statutory or under the common law, known or unknown, now accrued, or that arise in the future.

Section 4.5 Limitation of Liability of Officers, Directors, Employees and Agents of the Master Association. No officer, director, employee or agent of the Master Association is liable to any Owner of any Unit or any Tenant, for any claims, actions, demands, costs, expenses (including attorneys' fees), damages or liability, of any kind or nature, except as otherwise expressly set forth in the Governing Documents and such officers, directors, employees and agents will be indemnified in accordance with the provisions of the Governing Documents.

Section 4.6 Major Decisions. The rights of each Owner with respect to Major Decisions are identical and each Owner is entitled to consent to Major Decisions requiring such Owner's consent as set forth in the definition of "Major Decisions" set forth in Section 1.1 of this Master Declaration, and neither the Master Association, the Board of Directors nor any other Person acting on behalf of the Master Association has the authority to act on any matter constituting a Major Decision that has an effect on such Owner's Unit, without the prior written approval of such Owner. If an Owner does not indicate its approval or denial of a Major Decision within 15 days after the submission of such Major Decision to such Owner in writing, the submitting Owner may submit a request for consent from such Owner in writing a second time. If an Owner does not indicate its approval or denial of a Major Decision with 15 days after receipt of the second request, the Major Decision will be deemed approved by such Owner. Upon any Owner's receipt of a submission requesting consent to a Major Decision, such Owner, or Person acting on behalf of such Owner, may request additional information (including documents, agreements, plans, etc.), and such additional information will be promptly delivered to the requesting Owner.

Section 4.7 Unilateral Decisions. An Owner may make any Unilateral Decision without notifying the other Owners, and the Owner making or effecting such Unilateral Decision will be solely liable for all costs and expenses relating to such Unilateral Decision. If an Owner desires to confirm whether an act is a Unilateral Decision, such Owner may notify the other Owners (the "Unaffected Owners") in writing of the action to be taken or other effect of the proposed decision. The Unaffected Owners will have 15 days after receipt of the original notice to deliver written notice to the proposing

Owner if the proposed decision is a Unilateral Decision and if not, the reason or explanation of why the proposed decision is not a Unilateral Decision. If no objection is received by the proposing Owner within the 15 day time period, the proposing Owner may notify the Unaffected Owner in writing a second time of the action to be taken or other effect of the proposed decision. The Unaffected Owners will have 15 days after receipt of the second notice to deliver written notice to the proposing Owner if the proposed decision is a Unilateral Decision and if not, the reason or explanation of why the proposed decision is not a Unilateral Decision. If no objection is received by the proposing Owner within the second 15 day time period, the proposing Owner may take all appropriate action necessary or desired to accomplish the purpose of the Unilateral Decision. If the Owners cannot agree on whether a decision is a Unilateral Decision pursuant to this Section 4.7, such disagreement will be considered a Dispute, which Dispute will be resolved in accordance with the provisions of Article X of this Master Declaration. Additionally, if such Unilateral Decision requires an amendment to this Master Declaration, all Unaffected Owners hereby agree to provide an executed and notarized counterpart consenting to such amendment within 30 days after receipt of a written request for such counterpart from the proposing Owner.

Section 4.8 Suspended Voting Rights. All voting or approval rights of an Owner may be suspended during any period that such Owner is delinquent in the payment of any Assessment duly established pursuant to this Master Declaration, or is otherwise in default under the terms of the Governing Documents.

ARTICLE V

Maintenance, Alterations, Taxes and Utilities

Section 5.1 Maintenance.

(a) Maintenance of Units. Except as otherwise provided in the Regulations or the Allocation Document, all maintenance, repairs and replacements of, in or to any Unit, ordinary or extraordinary, foreseen or unforeseen, including maintenance, repair and replacement of all Structure, Systems, Skin and Balcony Areas which are part of such Unit, will be performed by the Owner of such Unit in accordance with the Maintenance Standard.

(b) Maintenance of Signage. Each Owner will be responsible, at each Owner's sole expense, for keeping and maintaining any Signage with respect to the Unit owned by such Owner in accordance with the Maintenance Standard, which includes, without limitation, keeping all lighting and other equipment in connection with such Signage in good working order and condition.

(c) Maintenance of Common Elements. Except as otherwise provided in the Regulations or the Allocation Document, all of the Common Elements will be maintained by the Master Association in accordance with the Maintenance Standard, the cost and expense of which will constitute a Common Expense and will be payable as may be set forth in this Master Declaration or in the Allocation Document for which an allocation is provided. The Master Association will establish and maintain an adequate reserve fund for such purposes, to be funded by Monthly Assessments rather than by Special Assessments; provided, however, that the Master Association may require Special Assessments for such purposes, in accordance with Section 7.1(c) of this Master Declaration. Nothing in this Master Declaration will be deemed or construed as relieving any Owner from liability or responsibility for damage to the Common Elements caused by the negligence or misconduct of or a violation of the Governing Documents by an Owner or an Owner's Designees, Tenants, occupants or invitees.

(d) Maintenance of Easements. Except as otherwise provided in this Master Declaration or in the Allocation Document, all maintenance, repairs and replacements of, in or to any Easement Area, ordinary or extraordinary, foreseen or unforeseen, including maintenance, repair and replacement of all Systems which are part of such Easement Area, will be performed by the Owner of such Unit, or Limited Common Element appurtenant thereto, in which the Easement Area is located and in accordance with the Maintenance Standard. If the Easement Area is located in a General Common Element, then all maintenance, repairs and replacements of, in or to any Easement Area, ordinary or extraordinary, foreseen or unforeseen, including maintenance, repair and replacement of all Systems which are part of such Easement Area, will be performed by the Master Association and be a Common Expense, unless otherwise provided in the Allocation Document.

(e) Allocation Document. Declarant and the Owners have determined that certain maintenance functions and expenditures are the responsibility of the designated Owners or the Master Association and that certain Common Expenses are allocated in a manner other than by the Allocated Interests. Declarant and the Owners have allocated such expenses and designated the responsible Owner or the Master Association in the Allocation Document. A copy of the Allocation Document will be maintained in the records of the Master Association and is binding upon all the Owners, Sub-Unit Owners, Tenants, Mortgagees and any other party at any time having any interest in the Condominium. The Owners may agree to file the Allocation Document in the Real Property Records. The Owner or the Master Association identified in the Allocation Document as responsible for the particular maintenance function has the responsibility for performing such maintenance function in accordance with the Maintenance Standard and the Project Standard and the other applicable Owners are responsible for their applicable cost percentage reflected in the Allocation Document as Additional Assessments. The Master Association will levy an Additional Assessment against the responsible Owner or Owners for payment, and will remit such payment, when received, to the original billing Owner or will apply such payments to the expenses incurred by the Master Association, as applicable. In the event of non-payment, all lien rights in favor of the Master Association will apply, and will be subject to and governed by the provisions of Section 7.5 and Section 7.10 hereof. The Allocation Document may be amended or modified only upon the affirmative vote or consent of all affected Owners as to the responsibility to perform such work, and all Owners sharing the applicable cost, as to the cost sharing provisions set forth therein. Any Owner may request that the allocations specified in the Allocation Document be reviewed annually and the Owners will in good faith determine whether adjustment to the allocations are appropriate; provided, however, that the Owners hereby acknowledge that the failure to agree upon an adjustment will not constitute a Dispute. Declarant and each Owner acknowledge and agree that the Allocation Document and the Allocation Budget will not impact any agreements between an Owner and any Tenants of such Owner.

(f) Limitation of Liability. Neither the Master Association nor any officer, director, agent or employee of the Master Association is liable: (i) for injury or damage to any person or property caused by the elements or by the Owner or occupant of any Unit, or any other Person, or resulting from any utility, rain, snow or ice which may leak or flow from or over any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Master Association is responsible to maintain hereunder; (ii) to any Owner or Sub-Unit Owner or occupants of any Unit or Sub-Unit for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements or any Unit; or (iii) to any Owner or Sub-Unit Owner or occupants of any Unit or Sub-Unit for any damage or injury caused in whole or in part by the Master Association's failure to discharge its responsibilities under this

Section 5.1 where such damage or injury is not a foreseeable, natural result of the failure of the Master Association to discharge their respective responsibilities.

(g) Injury to Tenants' Person or Property. Except for any liability assumed by an Owner in a Lease, no Owner will be liable to any Tenant or other occupant for injury or damage to any person or property and each Tenant or other occupant must look solely to any applicable insurance and may not pursue any Owner.

Section 5.2 Failure to Maintain Unit or Easements. If any Owner fails or neglects to maintain, repair or clean its Unit, its Signage or the areas covered by an Easement as required by Section 5.1 and Section 3.8, respectively, of this Master Declaration and in accordance with the Maintenance Standard and the Project Standard, and such failure or neglect continues for 15 days after such defaulting Owner's receipt of written notice from the Master Association or an Owner (with a copy of such notice to the Master Association) of such neglect or failure, or, if such neglect or failure is not reasonably able to be cured within such 15 day period and such defaulting Owner has commenced and is diligently pursuing such cure within such 15 day period, the defaulting Owner will have an additional 30 days in which to cure such neglect or failure, then the Master Association may, but will not be obligated to, enter the Unit or upon the area covered by such Easement and take appropriate steps to perform, or cause to be performed, the maintenance, repair, cleaning and replacement in the manner as required by this Master Declaration. The cost and expense thereof incurred by the Master Association (together with interest thereon at the Past Due Rate from the date paid by the Master Association until the date such sum is repaid by such Owner) will be assessed against such defaulting Owner and will be and constitute a lien upon such defaulting Owner's Unit, which lien may be enforced in the same method as is provided for the enforcement of liens for Assessments pursuant to the provisions of Section 7.5 of this Master Declaration, and which lien and will be subject to and governed by the provisions of Section 7.5 and Section 7.10 hereof. Damage to any Unit resulting from such maintenance, repair and replacement activities by the Master Association, whether by reason of an emergency or otherwise, will constitute a Common Expense and be payable by the Master Association; provided, however, that if such maintenance, repairs or replacements are caused by the gross negligence or misconduct of or a violation of the Governing Documents by an Owner or an Owner's Tenants, occupants or invitees, then such Owner will be responsible and liable for all such damage. If the Master Association declines or fails to perform such maintenance, repair or replacement on behalf of the defaulting Owner within 30 days after such Owner's receipt of such written notice from the Master Association or an Owner, then any non-defaulting Owner will have the right to enter such Unit or upon the Easement Area and perform or cause to be performed the maintenance required by this Master Declaration. The defaulting Owner will, upon demand, reimburse the Owner making such maintenance, repair or replacement, for all costs and expenses incurred in exercise of its rights in this Master Declaration. Any charges for such costs and expenses not paid within ten days from the defaulting Owner's receipt of demand from the non-defaulting Owner will bear interest at the Past Due Rate, and the non-defaulting Owner will have the right to offset against any charges owing to the defaulting Owner by such non-defaulting Owner (including any amounts due and owing pursuant to the Allocation Document) and for any balance due and owing to the non-defaulting Owner after 60 days will be assessed against such defaulting Owner and will be and constitute a lien upon such defaulting Owner's Unit, which lien may be enforced in the same method as is provided for the enforcement of liens for Assessments pursuant to the provisions of Section 7.5 of this Master Declaration, and which lien and will be subject to and governed by the provisions of Section 7.5 and Section 7.10 hereof.

Section 5.3 Failure to Maintain Common Elements or Easements. If the Master Association or any Owner fails or neglects to maintain, repair or clean an Easement Area as required by the Governing Documents or any Common Element required to be maintained by the Master Association or Owner, as applicable, pursuant to the Governing Documents and in accordance with the Maintenance

Standard and the Project Standard and such failure or neglect continues for 30 days after such Owner's receipt of written notice of such neglect or failure from the Master Association (or an Owner, if the obligation is required to be performed by the Master Association), then the Master Association (or an Owner, if the obligation is required to be performed by the Master Association) acting on its own behalf may, but is not obligated to, enter the Common Element or Easement Area, as applicable, and take appropriate steps to perform, or cause to be performed, the maintenance, repair, cleaning and replacement in the manner as required by this Master Declaration. Notwithstanding the foregoing, if such failure is not reasonably able to be cured within such 30 day period and the Master Association or Owner, as applicable, is diligently attempting to cure such failure, the Master Association or Owner, as applicable, will have an additional 60 days in which to cure such failure. If the Master Association declines to perform such maintenance on behalf of the defaulting Owner, any other Owner has the right to enter such Common Element or Easement Area and perform or cause to be performed the maintenance required by this Master Declaration. The defaulting Owner or the Master Association, as the case may be, will, upon demand, reimburse the Master Association or the Owner making such repairs or maintenance, as applicable, for all costs and expenses incurred in exercise of its rights in this Master Declaration and such costs and expenses are Common Expenses or Additional Assessments, as applicable.

Section 5.4 Disputes. Any Dispute arising among the Owners as to the proper person to bear a maintenance cost or expense will be resolved in accordance with the provisions of Article X of this Master Declaration.

Section 5.5 Additions, Alterations, Improvements or Repairs by Owner. Subject to the provisions in this Master Declaration and except as permitted in Section 3.5 and Section 4.7 of this Master Declaration, no Owner will: (a) make any addition, alteration, improvement or repairs in or to the Retail Unit, Residential Unit I or Residential Unit II, to the extent visible from any other Unit, the Common Elements or the exterior of a Building, whether structural or non-structural; (b) make any addition, alteration or improvement to any Common Element; (c) change the floor plan and layout of Residential Unit I or Residential Unit II; or (d) make any material changes to the configuration or size of any Unit, create apertures in or otherwise remove or alter any partition wall separating any Unit from any adjoining Unit or relocate the boundaries of any Unit and any adjoining Unit without the approval of the Architectural Reviewer pursuant to Section 3.5; provided, however, that the foregoing expressly (i) excludes Declarant's exercise of Special Declarant Rights and any other rights reserved for the benefit of Declarant in this Master Declaration, and (ii) excludes Hotel Unit Owner's exercise of the Amenity Rights in accordance with this Master Declaration. However, in no event will any such alteration, improvement, change, or repair that could have a Material Adverse Effect on the structural support of any Unit, the Common Elements or any System serving another Unit without the prior approval of such Unit's Owner. All work done in accordance with this Section 5.5 will be done in compliance with the plans approved in accordance with Section 3.5, all Legal Requirements and the Governing Documents. THE OWNER, MAKING OR CAUSING TO BE MADE SUCH REPAIRS, ADDITIONS, ALTERATIONS OR IMPROVEMENTS, AGREES TO HOLD THE ARCHITECTURAL REVIEWER, THE MASTER ASSOCIATION, ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, DECLARANT AND ALL OTHER OWNERS HARMLESS FROM AND TO INDEMNIFY THEM FOR ANY LIABILITY OR DAMAGE TO THE PROPERTY RESULTING FROM SUCH REPAIRS, ADDITIONS, ALTERATIONS OR IMPROVEMENTS. ANY OWNER SUBMITTING PLANS HEREUNDER, BY DISSEMINATION OF THE PLANS, AND ANY OWNER, BY ACQUIRING TITLE TO THE PLANS, AGREES NOT TO SEEK DAMAGES FROM THE ARCHITECTURAL REVIEWER, THE MASTER ASSOCIATION, ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, DECLARANT AND ALL OTHER OWNERS, ARISING OUT OF THE REVIEW OF ANY PLANS HEREUNDER. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE ARCHITECTURAL REVIEWER, THE MASTER ASSOCIATION, ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, DECLARANT AND ALL OTHER OWNERS ARE NOT RESPONSIBLE FOR

REVIEWING, NOR WILL ITS OR THEIR REVIEW OF ANY PLANS BE CONSIDERED APPROVAL OF, ANY PLANS FROM THE STANDPOINT OF THE STRUCTURAL SAFETY, SOUNDNESS, WORKMANSHIP, MATERIALS, USEFULNESS, CONFORMITY WITH BUILDING OR OTHER CODES OR INDUSTRY STANDARDS OR COMPLIANCE WITH THE GOVERNING DOCUMENTS AND ALL LEGAL REQUIREMENTS. FURTHER, EACH OWNER AGREES TO INDEMNIFY AND HOLD THE ARCHITECTURAL REVIEWER, THE MASTER ASSOCIATION, ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, DECLARANT AND ALL OTHER OWNERS HARMLESS FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, DAMAGES, EXPENSES OR LIABILITIES WHATSOEVER, ARISING AS A RESULT OF THE REVIEW OF SUCH OWNER'S PLANS HEREUNDER.

Section 5.6 Mechanic's Liens; Indemnification. No labor or services performed or materials furnished and incorporated in an Owner's Unit, a Sub-Unit or any Common Elements will be the basis for the filing of a lien against any Unit of any Owner not expressly consenting to or requesting the same, or against the Common Elements. EACH OWNER (TO THE EXTENT ARISING THROUGH SUCH OWNER) AGREES TO INDEMNIFY AND HOLD HARMLESS EACH OF THE OTHER OWNERS AND THE MASTER ASSOCIATION FROM AND AGAINST ALL LIABILITIES AND OBLIGATIONS ARISING FROM THE CLAIM OF ANY MECHANIC'S LIEN AGAINST THE UNIT OF SUCH OWNER, THE UNIT OF SUCH OTHER OWNERS AND/OR THE COMMON ELEMENTS. All contracts for labor, services and/or materials with respect to any of the Units will be in compliance with the provisions of this Master Declaration.

Section 5.7 Taxes.

(a) Payment of Governmental Impositions. Each Owner will be responsible for and must pay when due all Governmental Impositions lawfully levied or assessed against such Owner's Unit, except to the extent such Governmental Impositions are being actively and diligently contested in good faith by appropriate legal proceedings, and if requested by the Master Association, have been bonded or reserved in an amount and manner satisfactory to the Master Association. Any Governmental Impositions lawfully levied or assessed with respect to the Property not separately assessed to the Owners or the Sub-Unit Owners, as applicable, will constitute a Common Expense and will be payable by the Master Association or the Sub-Unit Condominium Association, respectively, when due.

(b) Notice to Taxing Authorities. Declarant will give written notice to the appropriate taxing authorities of the creation of the Condominium established pursuant to this Master Declaration. Each Owner will promptly request and diligently pursue from the applicable taxing authority separate tax parcel status and a separate tax identification number for its Unit. The declarant under any Sub-Unit Declaration will agree in the Sub-Unit Declaration to give written notice to the appropriate taxing authorities of the creation of a Sub-Unit Condominium established by the Sub-Unit Declaration. EACH OWNER HEREBY BY ACCEPTANCE OF A DEED TO ITS UNIT AGREES, FOR SUCH OWNER, TO HOLD DECLARANT, MASTER ASSOCIATION, AND ALL OTHER OWNERS HARMLESS FROM ANY LIABILITY RESULTING FROM AN IMPROPER ALLOCATION OF TAX BURDEN BY THE LOCAL TAXING AUTHORITY.

(c) Units and Sub-Units Not Separately Assessed. If any Governmental Impositions with respect to the Property are not separately assessed to the Owners or Sub-Unit Owners, each Owner or Sub-Unit Owner will pay its respective allocated portion of such Governmental Impositions (which allocations will be determined in the manner set forth in this Master Declaration or in the Sub-Unit Declaration, as applicable) when requested by the Master

Association or the Sub-Unit Condominium Association, respectively (but in no event prior to 20 days or later than ten days before the date of delinquency, without any additional notice or grace period) to permit the Master Association or the Sub-Unit Condominium Association to make full payment of such Governmental Impositions prior to the date on which such Governmental Impositions would become delinquent; provided that neither the Master Association nor the Sub-Unit Condominium Association will require any Owner or Sub-Unit Owner to make any payment to the Master Association or the Sub-Unit Condominium Association for Governmental Impositions to the extent such amounts have already been deposited by such Owner or Sub-Unit Owner in accordance with any escrow arrangement which designates escrowed funds for the payment of such Governmental Impositions. Notwithstanding the foregoing, if any Governmental Impositions are not separately assessed to the Owners of a Unit or the Sub-Unit Owners for the calendar year in which this Master Declaration is filed, each Owner or Sub-Unit Owner, as applicable, will pay its respective portion of such Governmental Impositions in accordance with such Unit's or Sub-Unit's deemed value set forth in a separate agreement between such Owners or Sub-Unit Owners; provided, however, such sums will be due and payable as otherwise set forth in this Section 5.7(c).

(d) Failure to Pay Governmental Impositions. The Master Association, any Mortgagee of a Unit or any mortgagee of a Sub-Unit that is obligated in whole or in part to pay a portion of Governmental Impositions may pay such Governmental Impositions that any Owner or Sub-Unit Owner has failed to pay when due, and the Master Association or such Mortgagee or mortgagee of a Sub-Unit will have a lien against such Unit or Sub-Unit, as applicable, to secure repayment thereof, that may be enforced by any means available at law or in equity, including non-judicial foreclosure sale of such Unit or Sub-Unit in accordance with Texas Property Code Section 51.002 (as now written or hereafter amended); provided, however, no such lien for delinquent Governmental Impositions will be valid until a notice of such lien is duly recorded in the Real Property Records, notwithstanding any applicable statute, law (including case law), equitable doctrine, ordinance or regulation that permits any such lien to attach absent such recordation in the Real Property Records. Each Owner and Sub-Unit Owner, by its acquisition of such Unit or Sub-Unit, as applicable, grants a power of sale in connection with such lien in favor of the Master Association, any Mortgagee or any mortgagee of a Sub-Unit that makes payment of the Governmental Impositions on behalf of a defaulting Owner or Sub-Unit Owner. Any lien pursuant to this Section 5.7(d) will have the same priority as a lien by the Master Association for Assessments; provided that any such lien for delinquent Governmental Impositions will be subordinate to the lien of any Priority Lien Indebtedness encumbering the defaulting Owner's Unit or the defaulting Sub-Unit Owner's Sub-Unit, as applicable, which Priority Lien Indebtedness was recorded prior to the date such lien for Governmental Impositions was duly recorded (notwithstanding any applicable statute, law (including case law), equitable doctrine, ordinance or regulation that permits any such lien to attach absent such recordation in the Real Property Records).

(e) This Section 5.7 will terminate and be of no further force or effect whatsoever, upon the later of the date upon which (i) each of the Units (or all of the Sub-Units) will be separately assessed and billed as a separate tax parcel by the tax assessor and (ii) all the Governmental Impositions due and owing prior to all Units being separately assessed and billed as a separate tax parcel by the tax assessor have been paid in full to the appropriate taxing authority.

Section 5.8 Utilities. Each Owner will be responsible for and must pay all charges for gas, electricity, water and any utilities relating to such services used or consumed at or with respect to the occupancy of the Owner's Unit, and all such charges will be separately metered by the respective utility

companies. Any charges relating to such services used in connection with the use and maintenance of the Common Elements not so separately metered will constitute a Common Expense and be payable by the Master Association, to be allocated to the Units, based on the Allocated Interests or otherwise in the Allocation Document. Notwithstanding the forgoing provision, if the Units are sub-metered by the Master Association for consumption of a utility, the utility charges will be allocated as an Additional Assessment to the Unit consuming such utility based on the sub-meter reading. If the Unit is not sub-metered, the Master Association may allocate the Master Association's utility charges to the Unit by any conventional and reasonable method for similar types of properties. The levy of an Additional Assessment for utility charges may include administrative and processing fees, and an allocation of any other charges that are typically incurred in connection with utility allocation or sub-metering services. The Master Association may, from time to time, change the method of utility allocation, provided the same type of method or combination of methods is used for all Units and is reasonable under the circumstances.

ARTICLE VI

Insurance

Section 6.1 Requirements. All insurance coverage required to be obtained pursuant to this Article VI or purchased at the election of an Owner or the Master Association must, in accordance with Section 82.111 of the Act:

- (a) be in such form, approved by the Master Association and must be issued by such responsible insurance companies eligible to do business in the State of Texas and will be rated by Best's Insurance Guide (or any successor publication of comparable standing) as "A-VIII" or better;
- (b) contain standard mortgagee clauses, if applicable;
- (c) not be brought into contribution with insurance purchased by the other Owners or the Master Association;
- (d) provide that insurance trust agreements will be recognized;
- (e) waive any right to claim (i) by way of subrogation against Declarant, Tenants, the Master Association, the Board of Directors, any Manager, the Owners, and their respective agents and employees and (ii) invalidity arising from the acts of the insured;
- (f) state that such policy is primary insurance if at the time of a loss under the policy any Owner has other insurance covering the same property covered by the policy; and
- (g) will provide, in accordance with Section 82.111 of the Act:
 - (i) If the cost to repair damage to a Unit or Common Element covered by the Master Association's insurance is less than the amount of the applicable insurance deductible, the party who would be responsible for the repair in the absence of insurance will pay the cost for the repair of the Unit or Common Element;
 - (ii) if the Master Association's insurance provides coverage for the loss and the cost to repair the damage to a Unit or Common Element is more than the amount of the applicable insurance deductible, the Master Association's deductible and costs

incurred before Insurance Proceeds are available should be paid by the Owner of the Unit from which the cause of the damage emanated, as determined by the Master Association, and if the cause of such damage emanated from a Common Element, such costs will be a Common Expense; and

(iii) if damage to a Unit or the Common Elements is due wholly or partly to an act or omission of any Owner or a guest or invitee of such Owner, the Master Association may assess the deductible expense and any other expense in excess of Insurance Proceeds against such Owner and such Owner's Unit.

Section 6.2 Insurance by the Master Association. Commencing upon the first conveyance of any Unit to an Owner other than Declarant, the Master Association will obtain and maintain (a) all insurance coverage required pursuant to the Act and insurance coverage as required by, and upon such limits and upon such terms as may be determined by the Board of Directors in at least the forms and amounts of the coverage set forth in the Allocation Document; provided, however, that with respect to property insurance on the insurable Common Elements prior to completion of construction of the initial Improvements, such insurance coverage may be satisfied by the Builder's Risk or equivalent property policy of the Person constructing such Improvements so long as such policy otherwise satisfies the property insurance coverage required pursuant to the Act and the Master Association and each Owner are named as loss payees under such policy; and (b) at the expense of the Owner incurring such Priority Lien Indebtedness, such other insurance (or additional coverage) as such Owner's Mortgagee will require. The Master Association will carry such other or additional insurance in such amounts and against such risks as the Master Association will reasonably deem necessary with respect to the Common Elements or operation of the Master Association. In addition, each insurance policy maintained by the Master Association will provide that: (i) each Owner is named as an insured under such policies with respect to liability arising out of the Owner's ownership of an undivided interest in the Common Elements or membership in the Master Association; and (ii) no action or omission by any Owner (or any Sub-Unit Owner), unless validly exercised on behalf of the Master Association, will void the policy or be a condition to recovery under the policy. Unless indicated otherwise, the premiums for all insurance coverages maintained by the Master Association pursuant to this Section 6.2 will constitute a Common Expense, and will be payable by the Master Association.

Section 6.3 Other Units. Commencing upon the conveyance of any Unit to an Owner, such Owner will obtain and maintain insurance coverage required for its Unit pursuant to the Act and insurance coverage in at least the amounts of the coverage as may be determined by the Board of Directors or as set forth in the Allocation Document. The Owners will carry such other or additional insurance in such amounts and against such risks as such Owners will reasonably deem necessary with respect to the Improvements, facilities and contents within such Owner's Unit, at its sole cost and expense.

Section 6.4 Master Association as Insurance Trustee for the Owners. By acceptance of a deed to a Unit, each Owner will be deemed to have irrevocably appointed the Master Association as the Insurance Trustee, as the case may be. All insurance policies required to be obtained by the Master Association as described in this Article VI will be issued in the name of the Master Association as Insurance Trustee for the Condominium. Loss payable provisions will be in favor of the Insurance Trustee as a trustee for the Master Association, each Owner and each such Owner's Mortgagee. The Insurance Trustee will not be liable for the payment of premiums, nor the renewal or sufficiency of policies, except those policies required to be purchased and maintained by the Master Association pursuant to this Article VI. The duty of the Insurance Trustee will be to receive such proceeds as are paid and to hold the same in trust for the purposes stated in this Article VI and in Article VIII of this Master Declaration, and for the benefit of each Owner, including Declarant, and each Owner's Mortgagee, if any.

The Insurance Trustee must receive and hold any Insurance Proceeds in accordance with the Act and the Governing Documents.

Section 6.5 Other.

(a) Unavailability of Coverage. None of the Master Association, Declarant, nor any Owner will be liable for failure to obtain any insurance coverage required by this Master Declaration or for any loss or damage resulting from such failure, if such failure is due to the general unavailability of such coverage from reputable insurance companies.

(b) Prohibited Insurance Policies. Neither the Master Association, Declarant, nor any Owner will obtain any policy of insurance where: (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Owner or Mortgagee or become a lien against the Condominium; (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent the Insurance Trustee, Owners or Mortgagees from collecting Insurance Proceeds.

(c) Coverage Limitations. The insurance required to be purchased by the Master Association and the Owners pursuant to this Article VI will not cover claims against any other Owner due to accidents occurring within that other Owner's Unit, or casualty, theft or loss to the contents of that other Owner's Unit.

(d) Waiver of Claims. (i) Each Owner, their Tenants and their respective Designees waive any claim they might have against the other Owners, their Tenants and their respective Designees, the members of the Board of Directors, any Manager or the Master Association, and (ii) the members of the Board of Directors, any Manager or the Master Association waive any claim they might have against an Owner, their Tenants and their respective Designees, in each case, for (A) any damage to or theft, destruction, loss or loss of use of any property; or (B) any damage due to personal or bodily injury, to the extent the same is insured against under any insurance policy of the types described in the Allocation Document that covers the Property (to the extent such claims are paid by such insurance policies), such Owner's, Tenant's, or the Master Association's fixtures, personal property, improvements, or business, or is required to be insured against under the terms of the Allocation Document, **REGARDLESS OF WHETHER THE NEGLIGENCE OF THE OTHER OWNER, ITS TENANTS, OR THEIR RESPECTIVE DESIGNEEs, ANY MEMBER OF THE BOARD OF DIRECTORS, ANY MANAGER OR THE MASTER ASSOCIATION (AS APPLICABLE) CAUSED SUCH (1) DAMAGE TO OR THEFT, DESTRUCTION, LOSS OR LOSS OF USE OF, ANY PROPERTY OR INCONVENIENCE; OR (2) DAMAGE TO THE PERSON OR PERSONS DESCRIBED IN THIS SECTION 6.5(d).** Each Owner will cause its respective insurance carrier to endorse all applicable policies waiving each such carrier's rights of recovery under subrogation or otherwise against the other Owners, their Tenants and their respective Designees, the members of the Board of Directors, any Manager and the Master Association and the members of the Board of Directors, any Manager and the Master Association will cause their respective insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise against the Owners, their Tenants and their respective Designees.

ARTICLE VII

Assessments

Section 7.1 Monthly Assessments; Master Budget.

(a) Common Expenses. The Master Association will possess the right, power, authority and obligation to establish a regular Monthly Assessment sufficient in the judgment of the Master Association to pay all Common Expenses when due and to maintain an adequate reserve fund for such purposes. The Monthly Assessments so established will be payable by the Owners on the first day of each calendar month, and will be applied to the payment of the Common Expenses and charges for which the Master Association is responsible, including, maintenance, repair and care of the Common Elements.

(b) The Master Budget. Prior to the commencement of each fiscal year of the Master Association, the Master Association will prepare and deliver to each of the Owners a Master Budget for such fiscal year. Such Master Budget will be in sufficient detail so as to inform each Owner of the nature and extent of the Common Expenses anticipated to be incurred in the upcoming fiscal year, will include Additional Assessments and Amenity Assessments set forth in the Allocation Budgets prepared therefor by other Owners and received by the Master Association in accordance with Section 7.2 of this Master Declaration, and will be accompanied by a statement setting forth each Owner's monthly share thereof and the date as of which such Monthly Assessment commences to be payable. No further communication will be necessary to establish the amount of each Owner's obligation regarding the Monthly Assessment payable hereunder, and neither the failure of the Master Association to timely deliver the Master Budget provided for herein, will excuse or relieve an Owner from the payment of the Monthly Assessments contemplated hereby, in which case, each Owner will pay to the Master Association an amount equal to such Owner's Monthly Assessment for the prior calendar month. Any Master Budget prepared and delivered to the Owners as contemplated in this Article VII may be amended as and to the extent reasonably necessary, and the amount of an Owner's Monthly Assessment changed to correspond therewith.

(c) Special Assessments by Master Association. In addition to the Monthly Assessments contemplated by Section 7.1(a) and Section 7.1(b) of this Master Declaration, the Master Association will possess the right, power, authority and obligation to establish Special Assessments from time to time as may be necessary or appropriate in the judgment of the Master Association to pay non-recurring Common Expenses relating to the proper maintenance, care, alteration, improvement, replacement, operation and management of the Condominium and the administration of the Master Association.

Section 7.2 Additional Assessments; Allocation Budgets. Prior to the commencement of each fiscal year of the Master Association, each Owner will prepare a budget setting forth the anticipated Charges it will incur on behalf of the Owners and the Master Association in accordance with the Allocation Document and any of the other Governing Documents in sufficient detail so as to inform each applicable Owner of the nature and extent of the Charges anticipated to be incurred (each, an "Allocation Budget"), including any applicable Amenity Assessments. Each Owner who desires to have the Master Association collect the anticipated Charges set forth in the Allocation Budget on behalf of such Owner will deliver to the Master Association such Owner's Allocation Budget and a statement setting forth each applicable Owner's monthly share thereof and the date of commencement of payment of such Additional Assessments, and the Allocation Budget will be incorporated into the Master Budget. Additionally, the Master Association will establish Additional Assessments sufficient in the Master Association's

reasonable judgment to pay Charges due to the Master Association for the ensuing year and such Additional Assessments will be incorporated into the Master Budget. Additional Assessments established by an Allocation Budget, which are not incorporated into the Master Budget, will be payable by the applicable Owners on the first day of each calendar month to the Owner which incurred such Charges. Additional Assessments established by an Allocation Budget, which are incorporated into the Master Budget, will be payable by the applicable Owners on the first day of each calendar month to the Master Association, which will in turn deliver the same to the Owner which incurred such Charges. If further Additional Assessments are established by the Master Association as authorized by provisions of this Master Declaration, in addition to those Charges set forth in the Master Budget, the Master Association will give the Owners notice thereof and such Additional Assessments will be immediately due and payable to the Master Association. If further Charges are established by an Owner as authorized by provisions of this Master Declaration, in addition to those Charges set forth in any Allocation Budget, such Owner will give the Master Association and the other Owners notice thereof and such Charges will be immediately due and payable to the Owner that incurred such Charges. No further communication will be necessary to establish the amount of an Owner's obligation regarding the Additional Assessments and/or Charges payable hereunder, and the failure of any Owner to timely deliver such budget to the Master Association or the failure of the Master Association to timely deliver the Master Budget to an Owner will in no event excuse or relieve an Owner from the payment of the Additional Assessments contemplated hereby, in which case, an Owner will pay to the (i) Master Association an amount equal to such Owner's Additional Assessments as established pursuant to the most recent Master Budget delivered to such Owner; and (ii) Owner which incurred such charges in an amount equal to such Owner's Charges as established pursuant to the most recent Allocation Budget delivered to such Owner. In addition to the Additional Assessments established in this Section 7.2, each Owner has the right, power and authority to cause the Master Association to establish an Assessment, from time to time, for one-time or non-recurring Additional Assessments due to such Owner from another Owner.

Section 7.3 Assessments Relating to the Amenity Areas. In addition to the Monthly Assessment, the Master Association, on behalf of the Owner of the Hotel Unit, will possess the right, power, authority, and obligation to establish a monthly assessment sufficient in the reasonable judgment of the Owner of the Hotel Unit to pay the Amenity Costs associated with the Amenity Areas (the "Amenity Assessment"). Such Amenity Assessments so established will be payable by the allocated users of the Amenity Areas pursuant to the Allocation Document or applicable written agreement concurrently with its payment of the Monthly Assessment, which Amenity Assessment will be payable to the Owner of the Hotel Unit.

Section 7.4 Obligation to Pay Assessments. Each Owner will be personally obligated to pay its share of all Assessments duly established pursuant to this Master Declaration to the Master Association. Unpaid Assessments due as of the date of the conveyance or transfer of a Unit will not constitute a personal obligation of the new Owner (other than such new Owner's pro rata share of any reallocation thereof); however, the former Owner will continue to be personally liable for such unpaid Assessment. No Owner will be entitled to exemption from liability for the Owner's obligation to pay such Assessments by waiver of the use and enjoyment of the Common Element, the Amenity Areas, or the facilities as to which any Additional Assessments relate by an abandonment of the Owner's Unit or by any other action or otherwise. Any Assessment not paid within five days of the date due will bear interest at the Past Due Rate, and will be recoverable by the Master Association, together with interest as aforesaid and all costs and expenses of collection, including reasonable attorneys' fees, by suit in a court of competent jurisdiction sitting in the County. It will be the responsibility of the Master Association to collect any such delinquent Assessment, the existence of which will be made known by written notice delivered to the defaulting Owner and, where requested, the Owner's Mortgagee in accordance with Section 82.113(h) of the Act.

Section 7.5 Lien to Secure Payment of Assessments. Declarant hereby reserves and assigns to the Master Association a lien, pursuant to the provisions of the Act, against each Owner's Unit, the Rents, if any, payable to any Owner and the Insurance Proceeds to which an Owner may be entitled to secure the payment of all Assessments, which lien will be and constitute a lien and encumbrance, in favor of the Master Association, upon such Owner's Unit, the Rents, and any Insurance Proceeds. The liens established in this Master Declaration (including any liens established under Article V hereof) will be prior and superior to all other liens and encumbrances subsequently created upon such Owner's Unit, Rents and Insurance Proceeds, regardless of how created, evidenced or perfected, other than the lien securing the payment of Priority Lien Indebtedness (provided such lien was recorded prior to the date on which the Assessment became delinquent) and the liens for Governmental Impositions. The liens and encumbrances created in this Master Declaration may be enforced by any means available at law or in equity, including a non-judicial foreclosure sale of the Unit of a defaulting Owner; such sale to be conducted in the manner set forth in Texas Property Code Section 51.002 (as now written and hereafter amended). Each Owner, by acquisition of such Owner's Unit, and each Sub-Unit Owner, by acquisition of such Sub-Unit Owner's Sub-Unit, grants to the Master Association a power of sale in connection with the Master Association's liens. By written resolution, the Master Association may appoint, from time to time, an officer, agent, trustee or attorney of the Master Association to exercise the power of sale on behalf of the Master Association. The Master Association may bid for and purchase the Owner's Unit, as a Common Expense, at any such foreclosure sale. The foreclosure by a Mortgagee of an Owner's Unit in order to satisfy Priority Lien Indebtedness will extinguish the subordinate lien for any Assessments which became payable prior to the date of such foreclosure sale, provided that in no event will a defaulting Owner be relieved from liability incurred for past Assessments. In connection with enforcement of lien rights, any Owner that subdivides its Unit pursuant to the provisions of this Master Declaration is authorized in connection with the collection of Assessments to license and will in any Sub-Unit Declaration license the Sub-Unit Condominium Association to collect a pro rata (or otherwise allocated) portion of Assessments from each Sub-Unit Owner. If a Sub-Unit Condominium Association fails to timely collect any portion of Assessments due from a Sub-Unit Owner, then after the Master Association gives 30 days' notice to the Sub-Unit Condominium Association, the license to the Sub-Unit Condominium Association to collect Assessments will terminate, and the Master Association may enforce its lien as against the applicable Sub-Unit or the entire Sub-Unit Condominium, in the discretion of the Master Association, without the joinder of the Sub-Unit Condominium Association. In accordance with the Governing Documents, non-defaulting Owners have the right to exercise the rights of the Master Association as set forth in this Section 7.5.

Section 7.6 Commencement of Obligation to Pay Assessments. Each Owner, other than Declarant, will be obligated to commence payment of all Assessments against such Owner's Unit on the date the Owner's Unit is conveyed to the Owner. If such date is other than the first day of a month, then such Owner will be obligated to pay only a pro rata share of the Assessment against such Owner's Unit for such month based on the number of days during such month that the Owner will hold title to the Owner's Unit. Prior to the commencement of an Owner's obligation to pay the initial Monthly Assessment, Declarant will pay all Common Expenses of the Condominium (excluding portions thereof allocable to reserves less Assessments payable by the other Owners payable for such Unit); provided, however, nothing contained in this Master Declaration will prevent Declarant from collecting from the purchaser of a Unit at closing any expenses, such as the Governmental Impositions or insurance premiums, to the extent that Declarant prepaid such expenses on behalf of the Unit being purchased.

Section 7.7 Notice of Default. If an Owner defaults in the Owner's monetary obligations to the Master Association, the Master Association may notify other lienholders of the default and the Master Association's intent to foreclose its lien. The Master Association will notify any holder of a recorded lien or duly perfected mechanic's lien against a Unit which has given the Master Association a written request for notification of the Owner's monetary default or the Master Association's intent to foreclose its lien.

Section 7.8 Alternative Actions. Nothing contained in this Master Declaration will prohibit the Master Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien.

Section 7.9 Statement of the Common Expenses and Access to Records. The Master Association will promptly provide any Owner, contract purchaser, or Mortgagee so requesting the same in writing with a written statement of all unpaid Assessments for the Common Expenses due with respect to such Unit. The Master Association may impose a reasonable charge for the preparation of such statement to the extent permitted by the Act. The Master Association will make available during normal business hours for inspection, upon request by the Owners, Mortgagees, Tenants, prospective purchasers and any of their authorized agents, current copies of the books, records and financial statements of the Master Association (including, if such is prepared, the most recent annual audited financial statement available). Any Owner or Mortgagee may have an audited statement of the Master Association prepared at its own expense.

Section 7.10 Subordination of Lien for Assessments. Any lien established under the Governing Documents, including the lien for the payment of Assessments and any liens established under Article V hereof, will be subordinate to the lien of any mortgage or deed of trust that secures Priority Lien Indebtedness that was recorded prior to the date any such Assessment becomes delinquent under the provisions of this Master Declaration; provided, however, that the Master Association may cause a notice of the Master Association's Assessment lien against the Unit to be publicly recorded at any time an Assessment becomes delinquent beyond all notice and cure or grace periods. A copy of the notice of lien will be sent to the defaulting Owner, and may be sent to such Owner's Mortgagee in accordance with this Master Declaration.

ARTICLE VIII

Loss and Obsolescence

Section 8.1 Loss or Damage – Master Association Obligations. The following provisions will govern with respect to any portion of the Condominium for which the Master Association is required to maintain insurance in accordance with Section 82.111(a) and (b) of the Act that is damaged or destroyed by fire or other casualty: (a) prompt written notice of any substantial damage or destruction will be given (i) by the affected Owner or Owners to the Master Association; and (ii) by the Master Association to all of the Mortgagees; (b) the Master Association will promptly proceed with the full restoration and repair of such damage or destruction unless (i) the Condominium is terminated; (ii) repair or replacement would be illegal under any Legal Requirement; or (iii) the Owners holding at least 80% of the votes in the Master Association, including each Owner of a Unit to which a Limited Common Element that will not be rebuilt or repaired is assigned, vote not to rebuild; (c) the amount by which such restoration and repair costs exceed collectible Insurance Proceeds will be and constitute a Special Assessment payable by the Owners within 60 days of the date notice of such Special Assessment is delivered by the Master Association, in accordance with Section 7.1(c) of this Master Declaration; and (d) any excess Insurance Proceeds remaining after such restoration and repair, or any insurance or sales proceeds available absent such restoration and repair, will be received and held in trust by the Insurance Trustee in separate accounts for each Owner, as their interests may appear (with any proceeds attributable to Limited Common Elements allocated among the Owners of the Units to which such Limited Common Elements were assigned in this Master Declaration and any other proceeds allocated in accordance with the Allocated Interests of the Owners), and distributed as follows: (1) first, to the payment of any Governmental Impositions in favor of any assessing entity having authority with respect to the Common Elements or such Unit; (2) second, to the payment of the balance of the Priority Lien Indebtedness of such Owner; (3) third, to the payment of any delinquent Assessment with respect to such Unit (applied in

accordance with Section 7.5 of this Master Declaration); and (4) the balance, if any, to each Owner entitled thereto.

Section 8.2 Loss or Damage – Owner Obligations. The following provisions will govern in relation to a Damaged Unit: (a) prompt written notice of any substantial damage or destruction will be given by the Owner of the Damaged Unit to the Master Association and the Mortgagee of the Damaged Unit; (b) the Owner of the Damaged Unit will promptly proceed with the full restoration and repair of such damage or destruction unless: (i) the Condominium is terminated; (ii) repair or replacement would be illegal under any Legal Requirement; or (iii) the Owners holding at least 80% of the votes in the Master Association, including the Owner of the Damaged Unit, vote not to rebuild; and (c) except as otherwise provided in Section 8.7 of this Master Declaration, the Owner of each Damaged Unit will pay all costs of such restoration, repair and replacement or rebuilding in excess of the net proceeds of the collectible Insurance Proceeds.

Section 8.3 Damaged Sub-Units. The following provisions will govern in the event of a Damaged Sub-Unit: (a) prompt written notice of any substantial damage or destruction will be given by each Sub-Unit Owner of a Damaged Sub-Unit to the Sub-Unit Condominium Association and the Mortgagee of the Damaged Sub-Unit; (b) the Owner of a Damaged Sub-Unit will promptly proceed with the full restoration and repair of such damage or destruction unless: (i) the Sub-Unit Condominium is terminated; (ii) repair or replacement would be illegal under any Legal Requirement; or (iii) the Sub-Unit Owners holding at least 80% of the votes in the Sub-Unit Condominium Association, including the Sub-Unit Owner of the Damaged Sub-Unit, vote not to rebuild; and (c) the Sub-Unit Owner of each Damaged Sub-Unit will pay all costs of such restoration, repair and replacement or rebuilding in excess of the net proceeds of the collectible Insurance Proceeds.

Section 8.4 Obsolescence of Common Elements. If the Owners holding not less than 100% of the votes in the Master Association, at a meeting of the Master Association duly called for purposes of considering same, determine that the Common Elements, or any part thereof (or any Systems which serve only, or are a part of, individual Units), are obsolete, the Master Association will promptly proceed with the necessary replacements and improvements thereto pursuant to a budget established for such purpose, and the cost thereof will be and constitute a Special Assessment payable by all the Owners within 30 days of the date notice of such Special Assessment is delivered to them by the Master Association.

Section 8.5 Obsolescence of the Property. If the Owners holding not less than 100% of the votes in the Master Association, at a meeting of the Master Association duly called for purposes of considering same, determine that the Property is obsolete, the Master Association will promptly proceed with the sale thereof in its entirety. Any proceeds from such sale will be received, held and applied for and on account of the Owners as provided in the Act.

Section 8.6 The Master Association as Attorney-in-Fact. Each Owner, by acceptance of a deed to a Unit, hereby irrevocably makes, constitutes and appoints the Master Association, and each and every one of its successors in interest hereunder, as the Owner's true and lawful attorney-in-fact, for and in the Owner's name, place and stead, upon the damage or destruction of the Property, or any part thereof, or upon any determination by the Owners made pursuant to this Article VIII, to take any and all actions, and to execute and deliver any and all instruments, as the Master Association may, in its sole and absolute discretion, decide necessary or advisable to effect the intents and purposes of this Article VIII, hereby giving and granting unto the Master Association full power and authority to do and perform all and every act whatsoever requisite or necessary to be done in and about the premises as fully, to all intents and purposes, as an Owner might or could do, hereby ratifying and confirming whatsoever the Master Association may do by virtue of the provisions of this Master Declaration. The Master Association is hereby authorized, in the name and on behalf of all the Owners, to do and perform all actions necessary or

appropriate to effect the intent and purposes of this Article VIII as aforesaid, including the power and authority to make and settle claims under any insurance policies maintained by the Master Association, contract for and with respect to restoration and repair work, contract for and with respect to replacements and improvements to the Common Elements (to the extent authorized as contemplated by Section 8.4 of this Master Declaration), to contract for and with respect to a sale of the Property (to the extent contemplated by Section 8.5 of this Master Declaration) and to execute and deliver all instruments necessary or incidental to any such actions.

Section 8.7 Matters Relating to Restoration and Repairs. Subject to the terms and conditions set forth in Section 3.5, any restoration and repair work undertaken by the Master Association or an Owner pursuant to this Article VIII will be performed in a good and workmanlike manner in order to restore the Improvements to a condition similar to that existing prior to such damage or destruction; provided, however, that in no event will the Master Association be responsible for restoring, repairing or replacing any improvements to a Unit made by an Owner, or the contents located in such Unit. All such restoration and repair work, whether done by the Master Association or an Owner, will be effected in a manner so as to observe all vertical and horizontal Unit boundaries existing prior to such damage or destruction. If an Owner decides to rebuild or repair any Unit in excess of its full replacement cost, such Owner will be responsible for any such costs exceeding the full replacement value of such Unit.

ARTICLE IX

Condemnation

Section 9.1 General Provisions. If all or any part of the Property is subject to a Taking, the Master Association and each Owner affected thereby will be entitled to participate in proceedings incident thereto at their respective expense. The Master Association will give notice of such proceeding, as it receives such notice, to all the Owners. The expense of participation in such proceedings by the Master Association will be a Common Expense. The Master Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Master Association, in its discretion, decides necessary or advisable to aid or advise it in matters relating to such proceedings. Any restoration or repair of the Property following a partial Taking will be performed in accordance with the provisions of this Master Declaration and will follow, as nearly as possible, the original plans and specifications for the Property, unless otherwise approved by all affected Owners and Mortgagees.

Section 9.2 Taking of All or Substantially All of One Unit. If a Unit (or a substantial part thereof such that the remnant may not practically or lawfully be used for any purpose permitted by this Master Declaration as determined by the Owner of such Unit) is subject to a Taking, the Owner and any Mortgagee of such Owner will be entitled to the award for such Taking, including the award, if any, for the value of such Owner's interest in the Common Elements, whether or not such Common Element interest is acquired, and, after payment thereof, such Owner and any Mortgagee of such Owner will be divested of all interest in the Property. In such event, the condemned Unit's entire Allocated Interest will be automatically reallocated to the remaining Units in proportion to the respective Allocated Interests of those Units before the Taking, unless the decree relating to the Taking provides otherwise. A remnant of a Unit remaining after part of a Unit is the subject of a Taking described in this Section 9.2 will be a Common Element. If any repair or rebuilding of the remaining portions of the Property is required as a result of such Taking, the remaining Owners will determine by the affirmative vote or written consent of the remaining Owners holding not less than 100% of the votes in the Master Association either to rebuild or repair the Property or to take such other action as such remaining Owners may decide is appropriate. If no repair or rebuilding is required, or if none is undertaken, the remaining portion of the Property will be resurveyed, if necessary, and this Master Declaration will be amended to reflect such Taking. This

Master Declaration will in all circumstances be amended to reflect the reallocated Allocated Interests following the Taking.

Section 9.3 Partial Taking of a Unit. If only a portion of a Unit is subject to a Taking, such that the remaining portion of such Unit can practically and lawfully be used for any purpose permitted by this Master Declaration as determined by the Owner of such Unit, the Owner will be entitled to the award for such Taking, including the award for the value of such Owner's interest in the Common Elements, whether or not such Common Element interest is acquired, and the Allocated Interest of the Unit subject to such Taking will be reduced and the Allocated Interests of the other Units will be increased in accordance with the Reallocation Percentage. The Owner of such Unit, at its sole cost and expense, will promptly repair, restore and rebuild the remaining portions of such Unit as nearly as possible to the condition which existed prior to such Taking.

Section 9.4 Taking of Common Elements. If an action is brought to effect a Taking of all or any portion of the Common Elements together with or apart from any Unit, the Board of Directors, in addition to the general powers set out in this Master Declaration, will have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such property to the condemning authority in lieu of such condemnation proceeding unless the action involves a material portion of the Common Elements, in which case the agreement of all the Owners will be required. With respect to any such Taking of the Common Elements only, all damages and awards will be determined for such Taking as a whole and not for any Owner's interest therein. After the damages or awards for a Taking of the Common Elements are determined, such damages or awards will be held by the Master Association, acting as trustee for each Owner, and their Mortgagees, as their interests appear, and any amounts not used for repair or restoration of the remaining Common Elements will be divided among the Owners in proportion to each Owner's Allocated Interest before the Taking, except that such portion of any such award attributable to the condemnation of a Limited Common Element will be divided among the Owners of the Units served by such Limited Common Elements, as such Owners' interests existed in the Limited Common Elements condemned. The Owners will determine by the affirmative vote or written consent of the Owners holding not less than 100% of the votes in the Master Association either to rebuild or repair the remaining Common Elements or to take such other action as the Owners may decide is appropriate. If it is determined that such Common Elements should be replaced or restored by obtaining other land or building additional structures, this Master Declaration and the Map attached hereto will be duly amended by instrument executed by the Board of Directors on behalf of the Owners and recorded in the Real Property Records.

Section 9.5 Taking of Several Units. If an eminent domain proceeding results in the Taking of all or part of multiple Units, then the damage and awards for such Taking will be determined and paid for each Unit as described in Section 9.2 and Section 9.3 of this Master Declaration, and the following will apply: (a) the Master Association will determine which of the Units damaged by such Taking may be practically and lawfully used for any purpose permitted by this Master Declaration, taking into account the nature of the Property and the reduced size of each Unit so damaged; (b) if the remaining Owners will determine by the affirmative vote or written consent of the remaining Owners holding not less than 100% of the votes in the Master Association that it is not reasonably practicable to operate the undamaged Units and the damaged Units which can be practically and lawfully used for any purpose permitted by this Master Declaration as a mixed-use condominium project in the manner provided in this Master Declaration, then the Property will be considered to be regrouped and merged into a single estate owned jointly in undivided interests by all the remaining Owners, as tenants-in-common, in the percentage of the Allocated Interest of each Owner (after reallocation in accordance with the procedures described in Section 9.2 and Section 9.3 of this Master Declaration); and (c) if the Condominium is not so terminated, then the damages and awards made with respect to each Unit which can be practically and lawfully used for any purpose permitted by this Master Declaration will be applied to repair and reconstruct such Unit

as provided in Section 9.3 of this Master Declaration. If the cost of such work exceeds the amount of the award, the additional funds required will be assessed pro rata against the Owners of those Units which are being repaired or reconstructed. With respect to those Units which may not be practically or lawfully used for any purpose permitted by this Master Declaration, after payment of the award, such Owner and any Mortgagee of such Owner will be divested of all interest in the Property and the condemned Unit's entire Allocated Interest will be automatically reallocated to the remaining Units in proportion to the respective Allocated Interests of those Units before the Taking, unless the decree relating to the Taking provides otherwise. A remnant of a Unit remaining after part of a Unit is the subject of a Taking, if the remnant of such Unit cannot be practically or lawfully used for any purpose permitted by this Master Declaration, will be a Common Element. If any repair or rebuilding of the remaining portions of the Property (other than Units which can be practically and lawfully used for any purpose permitted by this Master Declaration) is required as a result of such Taking, the remaining Owners will determine by the affirmative vote or written consent of the remaining Owners holding not less than 100% of the votes in the Master Association either to rebuild or repair the Property or to take such other action as such remaining Owners may decide is appropriate. If no repair or rebuilding will be required, or if none be undertaken, the remaining portion of the Property will be resurveyed, if necessary, and this Master Declaration will be amended to reflect such Taking. This Master Declaration will in all circumstances be amended to reflect the re-allocated Allocated Interests following the Taking.

Section 9.6 Complete Taking of Property. If all of the Property is the subject of a Taking, all damages and awards will be held by the Master Association, acting as trustee, for the accounts of all the Owners and their Mortgagees, as their interests appear, and will be paid to or for the accounts of the Owners in proportion to their Allocated Interests and this Condominium will terminate upon such payment.

Section 9.7 Payment of Awards and Damages. Any damages or awards provided in this Article IX to be paid to or for the account of any Owner by the Master Association, acting as trustee, will be applied first, to the payment of any Governmental Impositions past due and unpaid with respect to that Unit; second, to any Priority Lien Indebtedness on that Unit; third, to the payment of any Assessments charged to or made against the Unit and unpaid; and finally, to the Owner.

Section 9.8 Sub-Unit Condemnation. The term "Unit" as used in this Article IX also refers to any Sub-Unit (or portion thereof) subject to a Taking in the same manner as applicable to the Taking of a Unit (or part thereof) except that with respect to any such Sub-Unit (or portion thereof): (a) any requirement or percentage of voting refers to a vote by the applicable Sub-Unit Owners based upon the votes in such Sub-Unit Condominium Association (or based upon Allocated Interests if there is no Sub-Unit Condominium Association); (b) the term "Property" refers to the applicable Sub-Unit Condominium; (c) references to the Master Association refers to the Sub-Unit Condominium Association (if any); and (d) any re-allocation of the Allocated Interests will be made in accordance with the Reallocation Percentage applicable to the Sub-Unit Condominium which will be equal to the Allocated Interest of the Unit that was subdivided to create the applicable Sub-Unit Condominium.

ARTICLE X

Resolution of Disputes, Construction Disputes and Release Regarding Certain Construction Disputes

Section 10.1 Disputes.

(a) Mediation. Any party having a Dispute with any other party shall give written notice of all claims related to such Dispute to all parties to the Dispute plainly and concisely stating (i) the nature of the Dispute, including the manner in which the other parties are involved,

(ii) the legal basis of any and all claims related to the Dispute, and (iii) a specific relief and/or proposed remedy sought (such notice, the "Dispute Notice"). All Disputes, except those relating to equitable remedies, which are not resolved within 15 days after delivery of a Dispute Notice (unless such greater time is provided elsewhere in the Governing Documents) will be submitted for, or determined by, non-binding mediation. Mediation of any Dispute will be initiated by any applicable party by making a written demand therefor to the other parties involved in such Dispute. With respect to such mediation, the parties will, within ten days after delivery of such written notice to such parties, agree upon a mediator who is: (i) a reputable Person actively engaged in the commercial real estate industry for a continuous period of not less than ten years; and (ii) not an Affiliate of, or has had material business dealings with, any Owner or any member of the Master Association. If the parties are unable to agree upon a mediator, a mediator having the qualifications set forth above will be appointed by the American Arbitration Association office in Austin, Texas. Such mediation will occur within 30 days after the mediator has been agreed upon or appointed and will occur at a mutually acceptable date, time and location in Austin, Texas, or, if the parties are unable to agree on a date, time, and/or location, at a date, time and location in Austin, Texas selected by the mediator. The costs of such mediation services will be shared equally (but each party will bear the cost of their own travel and attorneys' fees); provided, however, that if the Dispute is not resolved pursuant to such mediation, the provisions of Section 10.3(a) of this Master Declaration will govern the payment of attorneys' fees and costs and expenses of mediation and arbitration, as applicable, under this Article X. As used herein, the 15 day time period during which Disputes may be resolved prior to being submitted for mediation commences on the date that written notice of such Dispute is received by a Person involved in the Dispute from the demanding party involved in the Dispute.

(b) Final Offer Arbitration. If the parties do not come to an agreement at mediation, and are unable to resolve any Dispute within 30 days of such mediation session (the "Resolution Period"), the Dispute will be submitted to mandatory, binding arbitration, which may be initiated by any party (as the exclusive remedy with respect to a Dispute under this Master Declaration) by making a written demand therefor to the other parties involved in such Dispute no later than 45 days after the expiration of the Resolution Period. The parties agree to select a single impartial arbitrator from a list taken from the American Arbitration Association of commercial arbitrators within 15 days of submitting the Dispute to arbitration, and if they cannot agree on an arbitrator, each party will select a Person and those two so selected will then select the single impartial arbitrator who will thereafter serve as an arbitrator with respect to the Dispute. The issues in dispute will be submitted as "baseball" or final-offer arbitration, whereby each party will submit what it decides to be its most reasonable position to the arbitrator and the arbitrator will select one of those two positions. The arbitrator will have no discretion to select or award a position other than to select one of those submitted by the parties. To the extent rules governing arbitration are determined necessary by the arbitrator (or by agreement of the parties), the current Rules for Commercial Mediation and Arbitration promulgated by the American Arbitration Association will apply. The decision of the arbitrator will be rendered no later than ten days from the initiation of the arbitration procedure. The parties may resort to any court of competent jurisdiction for enforcement of, or any other action relating to, the arbitrator's award. The party or parties whose position is not selected or awarded will be responsible for all attorneys' fees, costs and expenses (incurred in connection with the mediation and arbitration, as applicable, of a Dispute under this Article X) of the party whose position is selected or awarded for the mediation or arbitration, as applicable, of the Dispute under this Article X. EACH OWNER, BY ACCEPTANCE OF A DEED TO ITS UNIT, ON BEHALF OF ITSELF, ITS TENANTS, THE MASTER ASSOCIATION AND ALL PARTIES CLAIMING BY, THROUGH OR UNDER SUCH OWNER, IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY DISPUTE.

Section 10.2 Construction Disputes.

(a) Mediation Required Prior to Arbitration. Any Construction Dispute not resolved within 15 days after the same has arisen will be submitted for, or determined by, non-binding mediation as a condition precedent to arbitration. Mediation of any Construction Dispute will be initiated by any party making a written demand therefor to all other parties involved in such Construction Dispute. Any mediation of any Construction Dispute will be governed by the Construction Industry Mediation Rules of the American Arbitration Association in effect at the time the Construction Dispute arises. With respect to such mediation, the parties will, within 15 days after demand is filed agree upon a mediator who is: (i) a reputable Person actively engaged in the construction industry or a lawyer experienced in the practice of construction law for a continuous period of not less than ten years and (ii) not an Affiliate of, or has had material business dealings with, any Owner, any member of the Master Association, or any other party, including Declarant or an Affiliate of Declarant, involved in the mediation. If the parties are unable to agree upon a mediator, a mediator having the qualifications set forth above will be appointed by the American Arbitration Association office in Austin, Texas. Such mediation will occur within 30 days after the mediator has been agreed upon or appointed and will occur at a mutually acceptable location in Austin, Texas. The costs of such mediation services will be shared equally (but each party will bear the cost of their own travel and attorneys' fees); provided, however, that if the Construction Dispute is not resolved pursuant to such mediation, the provisions of Section 10.3(a) of this Master Declaration will govern the payment of attorneys' fees and costs and expenses of mediation or arbitration under this Article X.

(b) Arbitration. Any Construction Dispute not resolved by mediation as described in Section 10.2(a) of this Master Declaration will be resolved by arbitration. EACH OWNER, BY ACCEPTANCE OF A DEED TO ITS UNIT, ON BEHALF OF ITSELF, ITS TENANTS, THE MASTER ASSOCIATION AND ALL PARTIES CLAIMING BY, THROUGH OR UNDER SUCH OWNER, IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY CONSTRUCTION DISPUTE. If the parties do not come to an agreement at mediation, and are unable to resolve any Construction Dispute within 30 days of such mediation session (the "Construction Resolution Period"), any party to the Construction Dispute may initiate binding arbitration (as the exclusive remedy with respect to a Construction Dispute under this Master Declaration) by making a written demand therefor to the other parties involved in such Construction Dispute no later than 45 days after the expiration of the Construction Resolution Period. The parties agree that the arbitration will be governed by the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect, unless the parties mutually agree otherwise. Except as otherwise provided below, the parties agree to select a single impartial arbitrator within 15 days of submitting the Construction Dispute to arbitration. If the parties cannot agree upon a single arbitrator, a demand for arbitration will be filed in writing with the American Arbitration Association at the office in Austin, Texas with copies to all parties.

Arbitration will be conducted with a single arbitrator unless the claim, demand, or amount in controversy exceeds \$2,500,000, in which case a panel of three arbitrators will be used. If the amount in controversy exceeds \$2,500,000 and the parties cannot mutually agree upon three panel members, the parties will be required to obtain a list of proposed neutral parties through the American Arbitration Association office in Austin, Texas. The parties will then proceed with the selection of panel members in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. Any arbitrator(s) utilized, whether appointed or agreed, must (i) be a reputable Person(s) actively engaged in the construction industry or as a lawyer experienced in the practice of construction law for a continuous period of not less than ten years

and (ii) not be an Affiliate of, or have or have had material business dealings with any Owner, any member of the Master Association, or any other party, including Declarant or an Affiliate of Declarant, involved in the arbitration. The arbitrator will establish reasonable procedures and requirements for the production of relevant documents and require the exchange of information concerning witnesses to be called. The parties will be entitled to discover all documents and information reasonably necessary for a full understanding of any legitimate issue raised in the arbitration and the parties may use all methods of discovery available under the Texas Rules of Civil Procedure and will be governed thereby. There will be a prehearing meeting between the parties at which the arbitrator will make and set schedules for discovery and hearings consistent with their powers as set forth herein. The Texas Rules of Evidence will be applied by the arbitrator but liberally construed to allow for the admission of admissible evidence that is helpful in resolving the controversy. Rulings on the admission of evidence made by the arbitrator at the hearing will be final and not subject to any appeal. At the time of the award, the arbitrator will prepare and provide to the parties the findings of fact and conclusions of law supporting the award if requested by any party involved in the arbitration.

Section 10.3 General.

(a) Procedure and Award. In no event will a Dispute or a Construction Dispute be initiated after the date when institution of legal or equitable proceedings based on such Dispute or Construction Dispute would be barred by the applicable statute of limitations. With respect to any Construction Dispute, all demands and all answering statements thereto which include any monetary claim, counterclaim or cross-claim must state the monetary amount being sought. If the monetary amount is unliquidated or has not been fully determined, the demand or answering statement seeking such recovery must state, in good faith, the minimum amount of such monetary claim, exclusive of interest and attorneys' fees. In any arbitration of a Dispute, the party or parties whose position is not selected or awarded will be responsible for all attorneys' fees, costs and expenses (incurred in connection with the mediation and arbitration of a Dispute under this Article X) of the party whose position is selected or awarded for the arbitration of the Dispute under this Article X. In any arbitration of a Construction Dispute, the arbitrator(s) will determine the prevailing party and award to such prevailing party, in addition to any other relief to which such party is entitled to recover, its reasonable attorneys' fees, expert witness fees, costs (including arbitration fees), and other reasonable expenses incurred in connection with the arbitration of such Construction Dispute under this Article X. The parties may resort to any court of competent jurisdiction for enforcement of, or any other action relating to, the arbitrator's award.

(b) Consolidation. A Construction Dispute may be consolidated with similar proceedings and resolved pursuant to the dispute resolution procedures contained in this Article X to include participation of the contractors, sub-contractors, design professionals or any other Person or entity if such proceedings involve common issues of law or fact. Consent to consolidate proceedings involving an additional Person or entity will not constitute consent to resolve any claim, dispute or other matter in question other than the Construction Dispute or with a Person not named or described therein. It is expressly understood and agreed that Declarant or any Affiliate of Declarant will have the right, but not the obligation, to join in any such dispute resolution proceedings against any other party whose work or services on or in connection with the Property may be at issue or whose claims(s) involve the design or construction of the Property.

(c) Sole Remedy. With respect to any Dispute or Construction Dispute, it is agreed that the dispute resolution provisions of this Article X will be the sole course of action of the

parties involved in such Dispute or Construction Dispute. Notwithstanding any other provisions of this Master Declaration, the foregoing agreement to arbitrate and other agreements to arbitrate with an additional Person or entity duly consented to by the parties will be specifically enforceable under prevailing arbitration law in any court having jurisdiction thereof. The foregoing agreement to arbitrate will not constitute an agreement or consent to the arbitration of any dispute, claim, controversy or matter that does not constitute a Dispute or Construction Dispute, as applicable. The foregoing agreement to arbitrate any Dispute or Construction Dispute will not constitute an agreement or consent to arbitration with any Person not named or described in this Master Declaration; provided that any arbitration proceeding initiated under the terms of this Master Declaration may, at the request of any party, be joined or consolidated with other arbitration proceedings involving additional parties if the Dispute or Construction Dispute, as applicable, and the subject of such other proceedings arise out of common or interrelated factual occurrences. Any award of the arbitrator will be final, binding and non-appealable upon the parties involved in the Dispute or Construction Dispute and any Mortgagees and judgment thereon may be entered by any court having jurisdiction.

Section 10.4 Sub-Unit Representation. The Sub-Unit Condominium Association (or other designated representative of the Sub-Unit Condominium) will be the sole representative on behalf of the applicable Sub-Units within the applicable Sub-Unit Condominium in any Dispute or Construction Dispute pursuant to this Article X.

ARTICLE XI

Miscellaneous

Section 11.1 Revocation or Termination of Master Declaration. Except as provided in Section 9.6 of this Master Declaration, this Master Declaration may be revoked or the Condominium established hereby may be terminated only by an instrument in writing, duly approved, executed and acknowledged by those Owners holding not less than 100% of the votes in the Master Association, with the written consent of all of the Mortgagees in accordance with Section 82.068 of the Act. Any such instrument of revocation or termination will be duly filed of record in the County. If the Property is to be sold upon termination, the agreement effecting such termination will also set forth the terms of such sale and comply with the provisions of the Act.

Section 11.2 Amendment to Master Declaration. Except for Declarant's exercise of Special Declarant Rights and any other rights reserved for the benefit of Declarant in this Master Declaration and Hotel Unit Owner's exercise of the Amenity Rights in accordance with this Master Declaration, this Master Declaration may be amended by the affirmative vote of the members at a meeting of the Owners at which a Quorum (as defined in the Certificate of Formation) is present if the amendment is approved by those members holding not less than 67% of the votes in the Master Association, with the written consent of not less than 51% of the Mortgagees (as determined by Section 12.9 hereof), unless the subject matter of such amendment constitutes a Major Decision, in which event the Owners affected by such amendment must approve such amendment as contemplated by Section 4.6 of this Master Declaration or unless the subject matter of such amendment constitutes a Unilateral Decision, in which event such amendment does not require Owner approval as contemplated by Section 4.7 of this Master Declaration. Such amendment will be evidenced by a written instrument executed and acknowledged by an officer of the Master Association on behalf of the consenting Owners and by the consenting Mortgagees and filed of record in the Real Property Records. Any such amendment so effected will be binding upon all of the Owners; provided, however, that except as permitted or required by the Act, no such amendment will: (a) cause the alteration or destruction of all or part of any Unit unless such amendment has been consented to by the Owner and the Mortgagee of the Unit which is to be altered or destroyed; (b) create or

increase any Special Declarant Rights; (c) increase the number of Units; (d) change the boundaries of a Unit; or (e) change the use restrictions on a Unit unless such amendment has been consented to by 100% of the votes of the Allocated Interests and their respective Mortgagees. During the Development Period, no such amendment will become effective unless approved by Declarant and the amendment would, in Declarant's reasonable determination: (i) increase or otherwise modify Declarant's obligations; (ii) reduce or modify any Special Declarant Rights; or (iii) materially inhibit or delay Declarant's ability to complete the Improvements or to convey any portion of the Property owned by Declarant. Notwithstanding the foregoing, Declarant, if Declarant owns a Unit which has never been occupied, or the Master Association, may, without a vote of the Owners or the Mortgagees or approval of the Master Association, amend the Governing Documents in any manner necessary to meet the requirements of the Federal National Mortgage Association, the Federal National Home Loan Mortgage Corporation, the Federal Housing Administration or the Veterans Administration.

Section 11.3 Partial Invalidity. If any provision of the Governing Documents will be determined by a court of competent jurisdiction to be invalid or unenforceable, such determination will in no way impair or affect the validity or enforceability of the remainder of the Governing Documents.

Section 11.4 Conflicts. If any of the provisions of the Governing Documents are in conflict with the provisions of the Act or the TNCL, the provisions of such statutes will control. If a conflict exists between the provisions of the Governing Documents, such documents will control in the following order:

- (a) the Use Restrictions;
- (b) the Allocation Document;
- (c) this Master Declaration;
- (d) the Certificate of Formation;
- (e) the Bylaws;
- (f) the Design Guidelines;
- (g) the Regulations; and
- (h) the Policy Guidelines.

Each Unit Owner and any Sub-Unit Owner acknowledges that such Owner and Sub-Unit Owner have been given the opportunity to review the documents listed above in this Section 11.4(a)-(g) and have had the opportunity to confer with counsel in connection with the purchase of a Unit or Sub-Unit as applicable. The provisions of the Governing Documents embody the entire final documentation to which the Units, the Owners, any Sub-Units and any Sub-Unit Owners will be subject in relation to the Condominium and supersede any and all agreements, representations, and understandings, whether written or oral, between Declarant and the Unit Owners.

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

Section 11.6 Usury. It is expressly stipulated and agreed to be the intent of Declarant that at all times the terms of the Governing Documents will comply strictly with the applicable Texas law governing the maximum rate or amount of interest payable under any provision of the Governing Documents. If the applicable law is ever judicially interpreted so as to render usurious any amount contracted for, charged, taken, reserved or received pursuant to the Governing Documents or any other communication or writing by or between Declarant, the Master Association or the Owners related to the matters set forth in the Governing Documents, then it is the express intent of Declarant that all amounts

charged in excess of the maximum rate allowed by Texas law will be automatically canceled, ab initio, and all amounts in excess of the maximum rate allowed by Texas law theretofore collected will be refunded, and the provisions of the Governing Documents will immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law. The Owners hereby agree that as a condition precedent to any claim seeking usury penalties against Declarant, the Master Association or any billing Owner, any Person will provide written notice to Declarant, the Master Association or any billing Owner, advising Declarant, the Master Association or any billing Owner in reasonable detail of the nature and amount of the violation, and Declarant, the Master Association or any billing Owner will have 60 days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to such Person or crediting such excess interest against the obligation then owing by such Person to Declarant, the Master Association or any billing Owner.

Section 11.7 Use of Number and Gender. Whenever used in this Master Declaration, and unless the context provides otherwise, the singular number will include the plural, the plural number will include the singular and the use of any gender will include all genders.

Section 11.8 Governing Law. THIS MASTER DECLARATION AND THE OTHER GOVERNING DOCUMENTS WILL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS. VENUE FOR ANY ACTION BROUGHT IN CONNECTION WITH THE CONDOMINIUM MUST BE IN AUSTIN, TEXAS.

Section 11.9 Notice. All notices or other communications required or permitted to be given pursuant to this Master Declaration will be in writing and will be considered as properly given if (a) mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested; (b) by delivering same in person to the intended addressee; (c) by delivery to an independent third party commercial delivery service for same day or next day delivery and providing for evidence of receipt at the office of the intended addressee; or (d) by e-mail to the addressee as provided by such party. Notice so mailed will be effective upon its deposit with the United States Postal Service or any successor thereto; notice sent by such a commercial delivery service will be effective upon delivery to such commercial delivery service; notice given by personal delivery will be effective only if and when received by the addressee; and notice given by other means will be effective only if and when received at the office or designated place or machine of the intended addressee. For purposes of notice, the addresses of Declarant and the Master Association will be as set forth below, the address of each Owner will be the address of the Unit and the address of each Mortgagee will be the address provided to the Master Association; provided, however, that any party will have the right to change its address for notice hereunder to any other location within the continental United States by the giving of 30 days' notice to the Master Association in the manner set forth in this Section 11.9:

Declarant:	Wine Country Hospitality Partners, LLC 303 Wildwood Drive Fredericksburg, TX 78624 Attention: Robert Radovan and Mark Harmon Email: mharmon@aubergepartners.com and Rnikoradovan@gmail.com
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Master Association: The Lantana Master Condominium Association, Inc.
303 Wildwood Drive
Fredericksburg, TX 78624
Attention: Robert Radovan and Mark Harmon
Email: mharmon@aubergepartners.com and
Rnikoradovan@gmail.com

Section 11.10 Estoppel Certificates. Each Owner, from time to time, has the right to require the Master Association (as to all items listed in this Section 11.10) and the other Owners (as to Sections 11.10(c), (d), (e) and (f)) to deliver to the requesting Owner a written statement addressed to the requesting Owner, a current Mortgagee or prospective lender, a prospective purchaser of its Unit, or any other Person reasonably requested by such Owner, as applicable, without payment of any fee or cost within 15 Business Days after receipt of demand therefor, certifying: (a) this Master Declaration is unmodified and in full force and effect (or if modified that this Master Declaration as so modified is in full force and effect); (b) this Master Declaration attached to the certificate is a true and correct copy of this Master Declaration and all amendments hereto; (c) the date through which all Assessments have been paid by the Owner requested to provide the certificate and by the Owner requesting such certificate (in which event the Master Association agrees, upon request, to confirm such amounts on behalf of any Owner that is not the certifying party); (d) to the knowledge of the certifying party, neither the certifying party nor the requesting party is in default of any of its obligations under this Master Declaration (or if the certifying party knows the certifying party or requesting party to be in default, specifying the defaults and the remaining cure period, if any); (e) the certifying party holds no existing liens against the requesting party's Unit; and (f) such other matters as are reasonably requested by the requesting Owner.

Section 11.11 Sound Transmission Disclaimer. EACH OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF ITS UNIT, HEREBY ACKNOWLEDGES AND AGREES THAT LIGHT, SOUND, VIBRATION AND IMPACT NOISE TRANSMISSION (THE "TRANSMISSION ITEMS") IN BUILDINGS SUCH AS THE BUILDINGS ARE VERY DIFFICULT TO CONTROL, AND THAT THE TRANSMISSION ITEMS FROM ADJOINING OR NEARBY UNITS AND THE SURROUNDING DEVELOPMENT AND/OR MECHANICAL EQUIPMENT CAN AND WILL AFFECT THE UNITS. ADDITIONALLY, EACH OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF THEIR UNIT, HEREBY ACKNOWLEDGES AND AGREES THAT THE TRANSMISSION OF ODORS, FUMES OR SMELLS THROUGHOUT A MIXED-USE DEVELOPMENT SUCH AS THE CONDOMINIUM IS VERY DIFFICULT TO CONTROL, AND THAT SUCH ODORS, FUMES OR SMELLS FROM ADJOINING OR NEARBY UNITS WITHIN THE CONDOMINIUM AND THE SURROUNDING DEVELOPMENT COULD TRANSMIT INTO UNITS. DECLARANT, THE OWNERS AND THEIR DESIGNEES DO NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SOUND OR IMPACT NOISE TRANSMISSION OR THE LEVEL OF ODORS OR IMPACT OF THE TRANSMISSION OF ODORS BETWEEN AND AMONG UNITS AND THE OTHER PORTIONS OF THE CONDOMINIUM AND EACH OWNER HEREBY WAIVES AND EXPRESSLY RELEASES, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW AS OF THE DATE OF THIS MASTER DECLARATION, ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM SOUND OR IMPACT NOISE TRANSMISSION OR ODOR TRANSMISSION.

Section 11.12 Use of "The Lantana" Word or Mark. No Person may use the words "The Lantana" or any logo or derivative in any printed or promotional material, website, or other media without the prior written consent of Declarant. However, Owners may use the term "The Lantana Master Condominium" where such term is used solely to specify that a Unit is located in the Condominium and the Master Association will be entitled to use the word "The Lantana Master Condominium" in its name.

Section 11.13 Use of Hotel Unit Marks. EACH OWNER, BY ACCEPTANCE OF THE DEED TO ITS UNIT, HEREBY ACKNOWLEDGES AND AGREES THAT THE HOTEL UNIT MAY FROM TIME TO TIME BE OPERATED UNDER A REGISTERED TRADEMARK OF THE MANAGER OF THE HOTEL UNIT (THE "HOTEL BRAND") AND THAT NEITHER DECLARANT, OWNER, NOR THE MASTER ASSOCIATION HAS ANY RIGHTS TO USE THE HOTEL BRAND EXCEPT AS EXPRESSLY PROVIDED IN A SEPARATE AGREEMENT AND THE HOTEL BRAND MAY BE TERMINATED OR MAY EXPIRE WITHOUT RENEWAL, IN WHICH CASE THE PROPERTY WILL NOT BE IDENTIFIED AS THE HOTEL BRAND.

ARTICLE XII

Mortgagee Protection Provisions

Section 12.1 Application of Article XII. The term "Mortgagee" as used in this Article XII will only apply to Owners' Mortgagees; i.e., those Mortgagees who are holders of Priority Lien Indebtedness on a Unit. This Article XII is not intended to benefit the Sub-Unit Mortgagees.

Section 12.2 Notice Provisions. All Mortgagees will be entitled to receive the following notices in writing from the Master Association or any Owner exercising rights affecting that Mortgagee's borrower's rights under this Master Declaration or affecting the Mortgagee's rights, as the case may be, which notice will be sent promptly following the occurrence of the applicable event:

(a) notice of any proposed action which pursuant to the express terms of this Master Declaration requires the consent of Mortgagees, which notice will be given not less than 30 days prior to the desired effective date of such action;

(b) notice of default by the Owner (the beneficial interest in which Unit is held by that Mortgagee) in the performance of such Owner's obligations, delinquency in the payment of Assessments or Charges owed by such Owner or Governmental Impositions which remains uncured for a period of 30 days after notice thereof;

(c) notice of the Master Association's Assessment lien against a Unit (the beneficial interest in which Unit is held by such Mortgagee) recorded in the Real Property Records in accordance with Section 7.10 of this Master Declaration;

(d) notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond required to be maintained hereunder by the Master Association or by any Owner (the beneficial interest in which Unit is held by such Mortgagee);

(e) notice of any damage or destruction to or Taking of any portion of the Condominium that affects either a material portion of the Property or the Unit securing a Mortgagee's Priority Lien Indebtedness, which notice will be given promptly upon the Master Association's obtaining knowledge of such damage or destruction;

(f) 30 days' notice prior to the Master Association instituting any foreclosure action on any Unit (the beneficial interest in which Unit is held by that Mortgagee); and

(g) 30 days' notice prior to the effective date of (i) any proposed material amendment to this Master Declaration or the Map; (ii) any termination of an agreement for professional

management of the Property following any decision of the Owners to assume self-management of the Property; and (iii) any proposed termination of the Condominium.

Section 12.3 Cure Rights. Any Mortgagee will have the right, but not the obligation, at any time prior to the termination of this Master Declaration, and without payment of any penalty, to do any act or thing required of such Mortgagee's borrower hereunder; and to do any act or thing which may be necessary or proper to be done in the performance and observance of the agreements, covenants and conditions of such Owner in this Master Declaration. All payments so made and all things so done and performed by any Mortgagee will be effective to prevent a default under this Master Declaration as the same would have been if made, done and performed by Declarant or any Owner instead of by said Mortgagee. Any event of default under this Master Declaration which in the nature thereof cannot be remedied by Mortgagee will be deemed to be remedied if, within 30 days after receiving written notice from the non-defaulting party setting forth the nature of such event of default, or prior thereto the Mortgagee will: (a) have acquired the property owned by the defaulting party (the "Acquired Property") or commenced foreclosure or other appropriate proceedings in the nature thereof, and thereafter diligently prosecutes any such proceedings; (b) have fully cured any default in the payment of any monetary obligations owed to the non-defaulting party hereunder within such 30 day period and will thereafter continue to perform faithfully all such non-monetary obligations which do not require possession of the Acquired Property; and (c) after gaining possession of the Acquired Property following a foreclosure or deed in lieu thereof, the Mortgagee performs all future obligations of the defaulting party hereunder as and when the same are due.

Section 12.4 No Invalidity of Mortgage Lien. No violation of this Master Declaration by, or enforcement of this Master Declaration against, any party will affect, impair, defeat or render invalid the lien of any mortgage that secures any Priority Lien Indebtedness.

Section 12.5 Mortgagee Requirements. The Master Association agrees to cooperate reasonably with any requesting party in regard to the satisfaction of requests or requirements by a Mortgagee; provided, however, such cooperation will be at the sole cost and expense of the requesting party, and provided, further, that no party will be deemed obligated to accede to any request or requirement that materially and adversely affects its rights under this Master Declaration.

Section 12.6 Unpaid Assessments. Each Person holding a mortgage secured by any Priority Lien Indebtedness encumbering any Unit, which Person obtains title to such Unit pursuant to judicial foreclosure, or the power of sale provided in such mortgage, or a deed in lieu of foreclosure, will take title to such Unit free and clear of any claims for unpaid Assessments against such Unit which accrued prior to the time such Person acquires title to such Unit, except as otherwise set forth in Article VII of this Master Declaration.

Section 12.7 Books and Records. All Mortgagees, at such Mortgagee's sole cost and expense, upon written request, will have the right to (a) examine the books and records of the Master Association, including current copies of the Governing Documents and the financial statements, during normal business hours; (b) require the Master Association to submit an annual audited financial statement for the preceding fiscal year within 120 days of the end of the Master Association's fiscal year, if one is available, or have one prepared at the expense of the requesting entity if such statement is not otherwise prepared by the Master Association; and (c) receive written notice of all meetings of the Owners called in accordance with the Governing Documents.

Section 12.8 Priority of Rights. No provision of this Master Declaration will be construed or applied to give any Owner priority over any rights of any Mortgagee in the case proceeds or awards are

not applied to restoration but are distributed to the Owners or the Mortgagee in the case of a casualty loss, or Taking of, a Unit and/or the Common Elements in accordance with the Act.

Section 12.9 Required Percentage. Any required percentage of Mortgagees in this Master Declaration will mean and refer to such percentage of the face amount of such Priority Lien Indebtedness held by such Mortgagees and not the number of such Mortgagees.

Section 12.10 Limitation on Mortgagee Rights. Notwithstanding any of the rights granted to Mortgagees in this Master Declaration, no such rights will operate to deny or delegate control over the general administrative affairs of the Master Association or prevent the Master Association or the Board of Directors from commencing, intervening in, or settling any litigation or proceeding or receiving and distributing Insurance Proceeds in accordance with this Master Declaration.

Section 12.11 Names of Mortgagees. Upon request, each Owner will be obligated to furnish to the secretary of the Master Association the name and address of any Mortgagee encumbering such Owner's Unit or holding a pledge of equity interests in such Owner.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Declarant has duly executed this Master Declaration to be effective as of the day and year first above written.

DECLARANT:

WINE COUNTRY HOSPITALITY PARTNERS, LLC, a Delaware limited liability company

By: Lantana Owner, LLC,
a Texas limited liability company,
Its Manager

By: Lantana Manager, LLC,
a Texas limited liability company,
Its Manager

By: _____
Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2025, by _____, _____ of Lantana Manager, LLC, a Texas limited liability company, as Manager of Lantana Owner, LLC, a Texas limited liability company, as Manager of Wine Country Hospitality Partners, LLC, a Delaware limited liability company, on behalf of said entities.

[SEAL]

My Commission Expires:

Notary Public in and for the State of Texas

Printed Name of Notary

List of Exhibits:

- Exhibit A – Legal Description of the Land
- Exhibit B – Allocation of Ownership Interests and Votes
- Exhibit C – Map

[INSERT LENDER CONSENT IF NECESSARY]

EXHIBIT A

Legal Description of the Land

Expressly excluding the Mineral and Water Estate:

Being 106.89 acres of land situated in the Wm. H. Anderson Survey No. 197, Abstract No. 2, Gillespie County, Texas, comprised of those 106.73 acre and 0.16 acre tracts of land in described in a Warranty Deed to Wine Country Hospitality Partners, LLC., by Judy Kay Feller, et al., dated July 8, 2022, found of record in instrument no. 20225100 of the official public records of Gillespie county, Texas.

Said 106.89 acre tract of land is described by metes and bounds as follows, to wit:

BEGINNING at a ½ inch rebar found set in the South line of Goehmann Lane (county road), for the N.E. corner of Lot No. 36, Oak Terrace, plat found of record in Volume 64, pages 336-338 of said Deed Records and that 0.45 acre tract of land described in a conveyance to Jonathan D. Crenwelge, found of record in Volume 225, Page 136 of said Deed Records, for the N.W. corner of this tract of land;

THENCE with the occupied South line of said Goehmann Lane along the general course of a fence, as follows:

S. 89 deg. 49 min. 52 sec. E., crossing Barons Creek, 220.65 feet to an East pipe gate post;

N. 88 deg. 52 min. 37 sec. E., 353.03 feet to a pine corner post;

N. 89 deg. 20 min. 57 sec. E. 469.18 to a 1/2-inch rebar found at a pine corner post for a northerly corner of this tract of land;

THENCE continuing with the occupied South line of said Goehmann Lane, N. 89 deg. 25 min. 30 sec. E., along the general course of a fence and crossing a paved driveway, 1284.58 feet to an East pipe gatepost for the N.W. corner of a 45.1 acre tract described in a conveyance to DM401 Properties, LLC., found of record in Instrument No. 20205954 of said Official Public Records, for the N.E. corner of this tract of land;

THENCE along the general meanders of fence with the West line of said 45.1 acre tract, S. 00 deg. 39 min. 42 sec. E., 2080.95 feet to 1/2-inch rebar found at a fence corner for the N.W. corner of a 19.09 acre tract of land described in a conveyance to Michael W. Braden, et ux., found of record in Volume 437, Page 886 of said Deed Records (said 19.09 acre tract being Lot No.8R, Countryside, plat found of record in Volume 3, page 18 of the Plat Records of Gillespie County, Texas);

THENCE continuing in a southerly direction with the West line of said Lot No. 8R, S. 0 deg. 40 min. 10 sec. E., along the general course of a fence, crossing a Right-of-Way easement described in a conveyance to Central Texas Electric Cooperative, Inc., found of record in Volume 85, pages 373-374 of said Deed Records, in all 771.14 feet to a South pipe gate post for the E.N.E. corner of the City's of Fredericksburg's CITY FARM Subdivision, Lot 2 (a 144.25 acre tract of land), found of record in Volume 7, Page 65 of the Plat Records of Plat Records of Gillespie County, Texas, for the S.E. corner of this tract of land;

THENCE with the northerly lines of said City Farm Subdivision Lot 2 tract, and with the southerly line of this tract, as follows:

N. 82 deg. 41 min. 15 sec. W., at 163.73 feet passing an occupational pipe fence corner post and continuing a projected line thereof, in all 205.13 feet to a 1/2-inch rebar found near the easterly bank of Barons Creek;

N. 9 deg. 04 min. 30 sec. W. 292.91 feet to a 1/2-inch rebar found at a pipe fence corner post;

N. 16 deg. 30 min. 00 sec. W., crossing previously said electric Right-of-Way easement, 358.15 feet to a 1/2-inch rebar found at a pipe fence corner post;

S. 78 deg. 01 min. 41 sec. W., crossing Barons Creek, 631.29 feet to a 1/2-inch rebar found at an old cedar fence corner post;

N. 77 deg. 56 min. 45 sec. W. 147.82 feet to a 1/2-inch rebar found at an old cedar fence corner post;

N. 54 deg. 32 min. 55 sec. W. 254.74 feet to a 1/2-inch rebar found;

N. 40 deg. 43 min. 44 sec. W. 182.29 feet to a 1/2-inch rebar found at a pipe fence corner post for a North corner for a reentrant corner of this tract of land;

THENCE continuing with the North line of said City Farm Subdivision, Lot 2, as follows:

S. 61 deg. 37 min. 27 sec. W. 68.74 feet to a 1/2-inch rebar found (capped: BONN 4447) at an old cedar post;

S. 26 deg. 35 min. 31 sec. W. 41.71 feet to a 1/2-inch rebar found (capped: BONN 4447) in the approximate easterly Right-of-Way line of old Highway No. 20, for a S.W. corner of said 106.73 acre tract and the East corner of said 0.16 acre tract;

THENCE S. 26 deg. 25 min. 14 sec. W. 52.54 feet to a 1/2-inch rebar found (capped: BONN 4447) in the northeasterly Right-of-Way line of E. Main Street (U.S. Highway No. 290) for the South corner of said 0.16 acre tract, and the most southeasterly corner of this tract of land;

THENCE with the northeasterly Right-of-Way line of E. Main Street (U.S. Highway No. 290) along the arc curve to the left having a radius of 1970.13 feet, in a northwesterly direction, a distance of 404.70 feet (LC bears N. 39 deg. 31 min. 58 sec. W. 403.99 feet) to a 1/2 inch rebar found (capped: BONN 4447) in said Right-of-Way for the North corner of said 0.16 acre tract;

THENCE continuing with said northeasterly Right-of-Way, along the arc of a curve to the left having a radius of 1969.86 feet, in a northwesterly direction, a distance of 146.18 feet (LC bears N. 47 deg. 26 min. 27 sec. W. 146.15 feet) to a point for the South corner of Lot No. 2, Barons Creek P.U.D., plat found of record in Volume 2, page 136 of said Plat Records, for a West corner of this tract of land, from which a 1/2-inch rebar found set on the easterly side of a 48-inch Live Oak tree bears, N. 47 deg. 53 min. 12 sec. E. 0.24 feet;

THENCE with the S.E. line of said Lot No. 2, N. 47 deg. 53 min. 12 sec. E., 111.29 feet to a 1/2-inch rebar found set at a cedar fence corner post for the East corner of said Lot No. 2, for a reentrant corner of this tract of land;

THENCE with the easterly lines of said Lot. No. 2, and Lot No. 1BB-RR-AR and Lot No. 1BB-RR-BR, Barons Creek P.U.D., plat found of record in Volume 4, page 167, of said Plat Records, and Lot No. 1BA-RR, Barons Creek P.U.D., found of record in Volume 3, page 68, of said Plat Records, N. 27 deg.

45 min. 14 sec. W. 987.67 feet to a 1/2-inch rebar found at a pipe fence corner post, for the N.E. corner of said Lot No. 1BA-RR, Barons Creek, P.U.D., for the S.E. corner of that 3.00 acre tract of land described in a conveyance to BTC Ranch, LLC., found of record in Instrument No. 20184687 of the Official Public Records of Gillespie County, Texas, for a corner in the West line of this tract of land;

THENCE with the easterly line of said 3.00 acre tract, N. 27 deg. 38 min. 39 sec. W., 235.58 feet to a pipe fence corner post for the N.E. corner of said 3.00 acre tract, in the South line of that 0.48 acre tract of land described in a conveyance to Cassandra Schoessow, found of record in Instrument No. 20140124 of said Official Public Records and being in the South line of Lot No. 32, of said Oak Terrace, for a N.W. corner of this tract of land;

THENCE with the South lines of said 0.48 acre tract and Lot No. 32, N. 89 deg. 34 min. 14 sec. E. 99.27 feet to a pipe corner post, for the S.E. corners of said 0.48 acre tract & said Lot No. 34, for a reentrant corner of this tract of land;

THENCE, N. 7 deg. 02 min. 26 sec. W., with the East line of said Oak Terrace, at 161.88 feet passing the South line of Beverly Drive and the N.E. corner of that said 0.48 acre Schoessow tract, continuing on same bearing with the East line of the Jonathan D. Crenwelge tracts (being comprised of a 12,319 square feet tract described in Volume 359, Page 728 Deed Records, a 20,588 square feet tract described in Volume 359, Page 725 Deed Records, and that 0.45 acre tract described on Volume 225, Page 136 Deed Records), in all 535.38 feet to the PLACE OF BEGINNING, containing 106.89 acres of land.

EXHIBIT B

Allocation of Ownership Interests and Votes

The Allocated Interests mean the undivided interests of each Owner in the Common Elements and the Common Expenses allocated to each Unit as reflected on this Exhibit B (except as the Common Expenses may otherwise be allocated pursuant to the Allocation Document), as may be reallocated in accordance with the Reallocation Percentages as required from time to time pursuant to the provisions of this Master Declaration.

UNIT NAME	<u>ACREAGE</u>	<u>ALLOCATED INTEREST (%)</u>	<u>ALLOCATION OF VOTES</u>
Retail Unit	5.38	11.01%	11.01
Hotel Unit*	15.42	31.55%	31.55
Residential Unit I	15.62	31.96%	31.96
Residential Unit II	12.45	25.48%	25.48
TOTAL:	48.87	100.00%	100.00

* The acreage of the Hotel Unit excludes the estimated size of the Amenity Areas.

Exhibit C

Map

[The Map Follows this Cover Page]

CONDOMINIUM PLAT ESTABLISHING
THE LANTANA
MASTER CONDOMINIUM

GILLESPIE COUNTY, TEXAS.
BEING 106.89 ACRES OF LAND DESCRIBED IN A WARRANTY DEED TO
WINE COUNTRY HOSPITALITY PARTNERS, LLC,
BY JUDY KAY FELLER, ET AL., DATED JULY 8, 2022,
FOUND OF RECORD IN INSTRUMENT NO. 20225100 OF
THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS.

MASTER UNIT OVERVIEW MAP
SCALE: 1" = 200'

TOTAL SITE:
106.89 ACRES



MASTER CONDOMINIUM UNITS - IDENTIFICATION TABLE

AREA IDENTIFIER	UNIT DESCRIPTION	TRACT NO.	HATCH PATTERN
I	RESIDENTIAL UNIT I	TRACTS 1-5	[Hatch Pattern]
II	RESIDENTIAL UNIT II	TRACTS 6-11	[Hatch Pattern]
III	HOTEL UNIT III	TRACTS 12-25	[Hatch Pattern]
IV	RETAIL UNIT IV	TRACT 26	[Hatch Pattern]
GCE	GENERAL COMMON ELEMENT	TRACTS 27-28	[Hatch Pattern]

CERTIFICATION OF SURVEYOR

THE STATE OF TEXAS §
COUNTY OF GILLESPIE §

THE PLATS, ATTACHED HERETO, CONTAIN THE INFORMATION REQUIRED BY SECTIONS
82.052 AND 82.059 OF THE TEXAS UNIFORM CONDOMINIUM ACT, AS APPLICABLE.

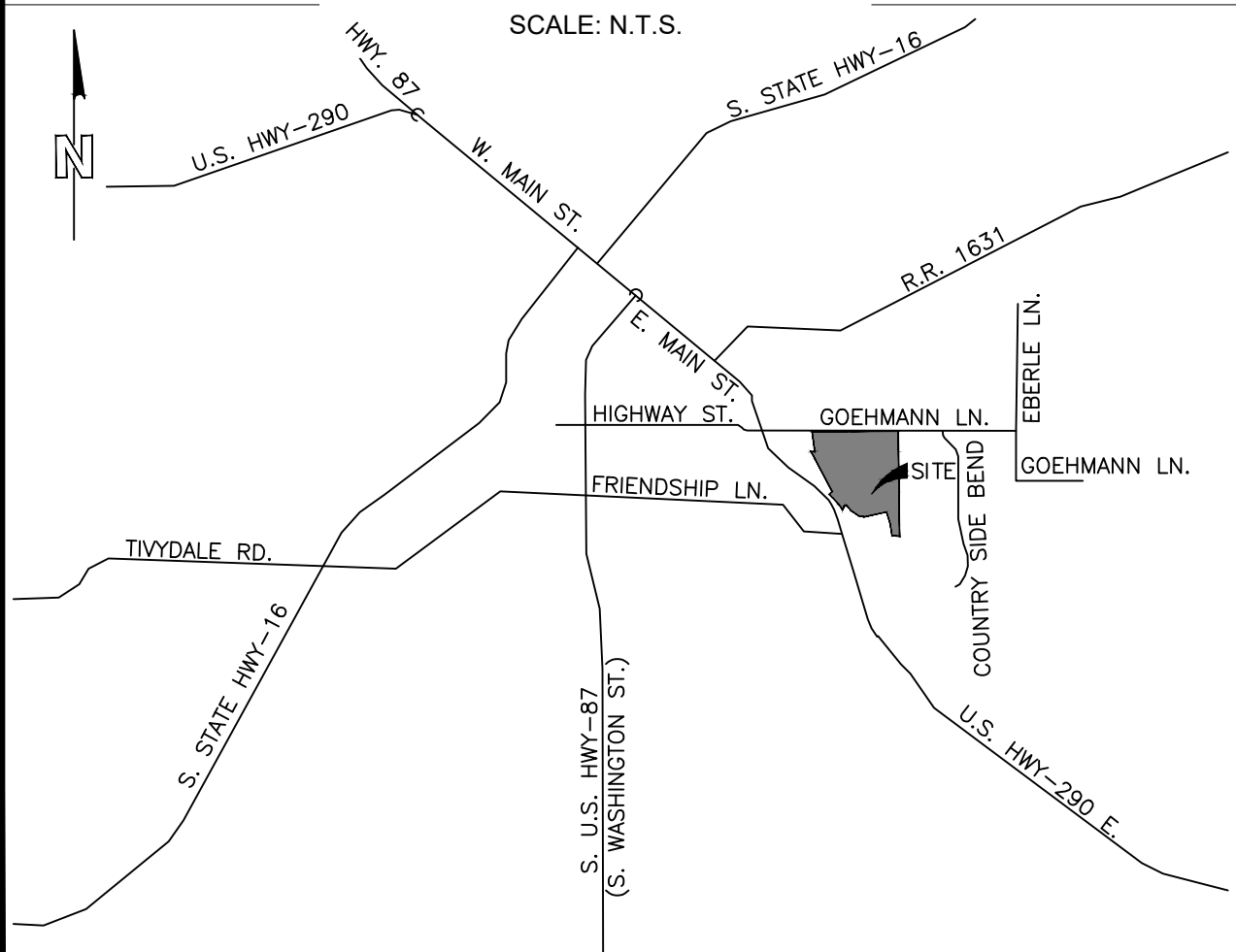
I, THE UNDERSIGNED, A REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6454 IN THE
STATE OF TEXAS, HEREBY CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND ABILITY
THIS PLAT IS TRUE AND CORRECT AND WAS PREPARED FROM AN ACTUAL SURVEY OF THE
PROPERTY MADE UNDER MY SUPERVISION ON THE GROUND MAY 29, 2025.
PLAT WAS PREPARED ON _____, 2025.

DATE

CODY J. MUSICK
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6454

LOCATION MAP

SCALE: N.T.S.



WAYMAKER
LAND ADVISORS & SURVEYORS
1788 WEST LIVE OAK STREET
FREDERICKSBURG, TEXAS 78624
830-997-3884
WAYMAKERLAND.COM
TBPELS FIRM NO. 10194626

PRELIMINARY
THIS DOCUMENT HAS BEEN RELEASED FOR REVIEW ONLY AND SHALL
NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR
VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.
DATE: 05 / 29 / 2025

ADDRESS RESERVED:
LOT 1: 317 GOEHMANN LANE

CONDOMINIUM PLAT ESTABLISHING
THE LANTANA
MASTER CONDOMINIUM
GILLESPIE COUNTY, TEXAS.

BEING 106.89 ACRES OF LAND DESCRIBED IN A WARRANTY DEED TO WINE COUNTRY HOSPITALITY PARTNERS, LLC BY JUDY KAY FELLER, ET AL., DATED JULY 8, 2022, FOUND OF RECORD IN INSTRUMENT NO. 20225100 OF THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS.

TITLE COMMITMENT NOTES

1. THERE ARE NO OBSERVED INTRUSIONS OR PROTRUSIONS OF IMPROVEMENTS ACROSS THE BOUNDARY LINES OF THIS TRACT OF LAND OR INTO ANY OF THOSE DEFINED EASEMENTS OR BUILDING SETBACKS, VISIBLE OR APPARENT ON THE GROUND, EXCEPT AS SHOWN HEREON. THE EASEMENTS, SETBACKS, AND RESTRICTIONS SHOWN HEREON ARE LISTED IN HILL COUNTRY TITLES, LLC'S COMMITMENT FOR TITLE INSURANCE G.F. NO. 225-586, EFFECTIVE MAY 26, 2025, 8:00AM, AND ISSUED MAY 28, 2025, 9:40AM, AS PROVIDED TO ME BY HILL COUNTRY TITLES, LLC.
2. REFERENCE IS MADE TO ACCOMPANYING METES AND BOUNDS DESCRIPTION OF EVEN DATE, AS SHOWN HEREON.
3. THIS SURVEY DOES NOT CONSTITUTE AN ABSTRACT OF TITLE BY THE SURVEYOR AND THE SURVEYOR MAKES NO REPRESENTATION AS TO THE CONDITION OF TITLE. THE EXCEPTIONS FROM COVERAGE INCLUDED ON SCHEDULE "B" OF THE TITLE COMMITMENT PERTAINING TO "AFFECTING EASEMENTS", SET BACK LINES, INTRUSIONS OR PROTRUSIONS (THAT ARE SPECIFICALLY LOCATABLE) ARE SHOWN HEREON.
4. "AFFECTING EASEMENTS" IS QUALIFIED AS BEING BASED ONLY ON AN OBJECTIVE ASSESSMENT OF WHERE THE EASEMENT PLOTS PURSUANT TO THE GRANTING INSTRUMENT. ADDITIONAL NOTES CONCERNING THE EXCEPTIONS FROM COVERAGE INCLUDED ON SCHEDULE "B", AS FOLLOWS:

ITEM 1. RIGHT-OF-WAY EASEMENT (RESTRICTIONS BY UTILITY)
VOLUME 85, PAGES 358-359, D.R. (SHOWN HEREON)

ITEM 10.A EASEMENT AND RIGHT-OF-WAY (C.P.&L. Co., UTILITY)
VOLUME 47, PAGES 353-354, D.R. (UNDEFINED EASEMENT)

ITEM 10.B RIGHT-OF-WAY EASEMENT (C.T.E.C., INC., UTILITY)
VOLUME 85, PAGES 358-359 D.R. (UNDEFINED EASEMENT)

ITEM 10.B RIGHT-OF-WAY EASEMENT (C.T.E.C. INC., UTILITY)
VOLUME 85, PAGES 373-374, D.R. (UNDEFINED WIDTH, BUILDING SETBACK RESTRICTIONS, SEE ITEM NO. 1 ABOVE).
NOTE: THE WIDTH OF THIS EASEMENT IS UNDEFINED IN VOLUME 85, PAGES 373-374 D.R. THE EASEMENT WAS LATER ASSIGNED TO THE LOWER COLORADO RIVER AUTHORITY (L.C.R.A.) BY INSTRUMENT NO. 20194574, O.P.R. L.C.R.A. SUGGEST THAT A 100-FOOT-WIDE EASEMENT IN NECESSARY, 50' EITHER SIDE OF CENTERLINE OF THE AS-CONSTRUCTED ELECTRIC TRANSMISSION LINE.

ITEM 10.D EASEMENT AND RIGHT-OF-WAY (T.S.S.T.E. COOP. Co., UTILITY)
VOLUME 89, PAGES 47-48, D.R. (UNDEFINED)

METES AND BOUNDS DESCRIPTION, 106.89 ACRE TRACT

BEING 106.89 ACRES OF LAND SITUATED IN THE WM. H. ANDERSON SURVEY NO. 197, ABSTRACT NO. 2, GILLESPIE COUNTY, TEXAS, COMPRISED OF THOSE 106.73 ACRE AND 0.16 ACRE TRACTS OF LAND IN DESCRIBED IN A WARRANTY DEED TO WINE COUNTRY HOSPITALITY PARTNERS, LLC, BY JUDY KAY FELLER, ET AL., DATED JULY 8, 2022, FOUND OF RECORD IN INSTRUMENT NO. 20225100 OF THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS.

SAID 106.89 ACRE TRACT OF LAND IS DESCRIBED BY METES AND BOUNDS AS FOLLOWS, TO WIT:

BEGINNING AT A 1/2-INCH REBAR FOUND SET IN THE SOUTH LINE OF GOEHMANN LANE (COUNTY ROAD), FOR THE N.E. CORNER OF LOT NO. 38, OAK TERRACE, PLAT FOUND OF RECORD IN VOLUME 64, PAGES 336-339 OF SAID DEED RECORDS AND THAT 0.45 ACRE TRACT OF LAND DESCRIBED IN A CONVEYANCE TO JONATHAN D. CRENWELGE, FOUND OF RECORD IN VOLUME 225, PAGE 136 OF SAID DEED RECORDS, FOR THE N.W. CORNER OF THIS TRACT OF LAND;

THENCE WITH THE OCCUPIED SOUTH LINE OF SAID GOEHMANN LANE ALONG THE GENERAL COURSE OF A FENCE, AS FOLLOWS:

S. 89 DEG. 49 MIN. 52 SEC. E., CROSSING BARONS CREEK, 220.65 FEET TO AN EAST PIPE GATE POST;

N. 88 DEG. 52 MIN. 37 SEC. E., 353.03 FEET TO A PINE CORNER POST;

N. 89 DEG. 20 MIN. 57 SEC. E. 469.18 TO A 1/2-INCH REBAR FOUND AT A PINE CORNER POST FOR A NORTHERLY CORNER OF THIS TRACT OF LAND;

THENCE CONTINUING WITH THE OCCUPIED SOUTH LINE OF SAID GOEHMANN LANE, N. 89 DEG. 25 MIN. 30 SEC. E., ALONG THE GENERAL COURSE OF A FENCE AND CROSSING A PAVED DRIVEWAY, 1284.58 FEET TO AN EAST PIPE GATEPOST FOR THE N.W. CORNER OF A 45.1 ACRE TRACT DESCRIBED IN A CONVEYANCE TO DM401 PROPERTIES, LLC., FOUND OF RECORD IN INSTRUMENT NO. 20205954 OF SAID OFFICIAL PUBLIC RECORDS, FOR THE N.E. CORNER OF THIS TRACT OF LAND;

THENCE ALONG THE GENERAL MEANDERS OF FENCE WITH THE WEST LINE OF SAID 45.1 ACRE TRACT, S. 00 DEG. 39 MIN. 42 SEC. E., 2080.95 FEET TO 1/2-INCH REBAR FOUND AT A FENCE CORNER FOR THE N.W. CORNER OF A 19.09 ACRE TRACT OF LAND DESCRIBED IN A CONVEYANCE TO MICHAEL W. BRADEN, ET UX., FOUND OF RECORD IN VOLUME 437, PAGE 886 OF SAID DEED RECORDS (SAID 19.09 ACRE TRACT BEING LOT NO. 8R, COUNTRYSIDE, PLAT FOUND OF RECORD IN VOLUME 3, PAGE 16 OF THE PLAT RECORDS OF GILLESPIE COUNTY, TEXAS);

THENCE CONTINUING IN A SOUTHERLY DIRECTION WITH THE WEST LINE OF SAID LOT NO. 8R, S. 0 DEG. 40 MIN. 10 SEC. E., ALONG THE GENERAL COURSE OF A FENCE, CROSSING A RIGHT-OF-WAY EASEMENT DESCRIBED IN A CONVEYANCE TO CENTRAL TEXAS ELECTRIC COOPERATIVE, INC., FOUND OF RECORD IN VOLUME 85, PAGES 373-374 OF SAID DEED RECORDS, IN ALL 771.14 FEET TO A SOUTH PIPE GATE POST FOR THE E.N.E. CORNER OF THE CITY'S OF FREDERICKSBURG'S CITY FARM SUBDIVISION, LOT 2 (A 144.25 ACRE TRACT OF LAND), FOUND OF RECORD IN VOLUME 7, PAGE 65 OF THE PLAT RECORDS OF PLAT RECORDS OF GILLESPIE COUNTY, TEXAS, FOR THE S.E. CORNER OF THIS TRACT OF LAND;

THENCE WITH THE NORTHERLY LINES OF SAID CITY FARM SUBDIVISION LOT 2 TRACT, AND WITH THE SOUTHERLY LINE OF THIS TRACT, AS FOLLOWS:

N. 82 DEG. 41 MIN. 15 SEC. W., AT 163.73 FEET PASSING AN OCCUPATIONAL PIPE FENCE CORNER POST AND CONTINUING A PROJECTED LINE THEREOF, IN ALL 205.13 FEET TO A 1/2-INCH REBAR FOUND NEAR THE EASTERLY BANK OF BARONS CREEK;

N. 9 DEG. 04 MIN. 30 SEC. W. 292.91 FEET TO A 1/2-INCH REBAR FOUND AT A PIPE FENCE CORNER POST;

N. 16 DEG. 30 MIN. 00 SEC. W., CROSSING PREVIOUSLY SAID ELECTRIC RIGHT-OF-WAY EASEMENT, 358.15 FEET TO A 1/2-INCH REBAR FOUND AT A PIPE FENCE CORNER POST;

S. 78 DEG. 01 MIN. 41 SEC. W., CROSSING BARONS CREEK, 631.29 FEET TO A 1/2-INCH REBAR FOUND AT AN OLD CEDAR FENCE CORNER POST;

N. 77 DEG. 56 MIN. 45 SEC. W. 147.82 FEET TO A 1/2-INCH REBAR FOUND AT AN OLD CEDAR FENCE CORNER POST;

N. 54 DEG. 32 MIN. 55 SEC. W. 254.74 FEET TO A 1/2-INCH REBAR FOUND;

N. 40 DEG. 43 MIN. 44 SEC. W. 182.29 FEET TO A 1/2-INCH REBAR FOUND AT A PIPE FENCE CORNER POST FOR A NORTH CORNER FOR A REENTRANT CORNER OF THIS TRACT OF LAND;

THENCE CONTINUING WITH THE NORTH LINE OF SAID CITY FARM SUBDIVISION, LOT 2, AS FOLLOWS:

S. 61 DEG. 37 MIN. 27 SEC. W. 68.74 FEET TO A 1/2-INCH REBAR FOUND (CAPPED: BONN 4447) AT AN OLD CEDAR POST;

S. 26 DEG. 35 MIN. 31 SEC. W. 41.71 FEET TO A 1/2-INCH REBAR FOUND (CAPPED: BONN 4447) IN THE APPROXIMATE EASTERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY NO. 20, FOR A S.W. CORNER OF SAID 106.73 ACRE TRACT AND THE EAST CORNER OF SAID 0.16 ACRE TRACT;

THENCE S. 26 DEG. 25 MIN. 14 SEC. W. 52.54 FEET TO A 1/2-INCH REBAR FOUND (CAPPED: BONN 4447) IN THE NORTHEASTERLY RIGHT-OF-WAY LINE OF E. MAIN STREET (U.S. HIGHWAY NO. 290) FOR THE SOUTH CORNER OF SAID 0.16 ACRE TRACT, AND THE MOST SOUTHEASTERLY CORNER OF THIS TRACT OF LAND;

THENCE WITH THE NORTHEASTERLY RIGHT-OF-WAY LINE OF E. MAIN STREET (U.S. HIGHWAY NO. 290) ALONG THE ARC CURVE TO THE LEFT HAVING A RADIUS OF 1970.13 FEET, IN A NORTHWESTERLY DIRECTION, A DISTANCE OF 404.70 FEET (LC BEARS N. 39 DEG. 31 MIN. 58 SEC. W. 403.99 FEET) TO A 1/2-INCH REBAR FOUND (CAPPED: BONN 4447) IN SAID RIGHT-OF-WAY FOR THE NORTH CORNER OF SAID 0.16 ACRE TRACT;

THENCE CONTINUING WITH SAID NORTHEASTERLY RIGHT-OF-WAY, ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1969.86 FEET, IN A NORTHWESTERLY DIRECTION, A DISTANCE OF 148.18 FEET (LC BEARS N. 47 DEG. 26 MIN. 27 SEC. W. 148.15 FEET) TO A POINT FOR THE SOUTH CORNER OF LOT NO. 2, BARONS CREEK P.U.D., PLAT FOUND OF RECORD IN VOLUME 2, PAGE 136 OF SAID PLAT RECORDS, FOR A WEST CORNER OF THIS TRACT OF LAND, FROM WHICH A 1/2-INCH REBAR FOUND SET ON THE EASTERLY SIDE OF A 48-INCH LIVE OAK TREE BEARS, N. 47 DEG. 53 MIN. 12 SEC. E. 0.24 FEET;

THENCE WITH THE SOUTHEAST LINE OF SAID LOT NO. 2, N. 47 DEG. 53 MIN. 12 SEC. E., 111.29 FEET TO A 1/2-INCH REBAR FOUND SET AT A CEDAR FENCE CORNER POST FOR THE EAST CORNER OF SAID LOT NO. 2, FOR A REENTRANT CORNER OF THIS TRACT OF LAND;

THENCE WITH THE EASTERLY LINES OF SAID LOT. NO. 2, AND LOT NO. 18B-RR-AR AND LOT NO. 18B-RR-BR, BARONS CREEK P.U.D., PLAT FOUND OF RECORD IN VOLUME 4, PAGE 167, OF SAID PLAT RECORDS, AND LOT NO. 18A-RR, BARONS CREEK P.U.D., FOUND OF RECORD IN VOLUME 3, PAGE 68, OF SAID PLAT RECORDS, N. 27 DEG. 45 MIN. 14 SEC. W. 887.67 FEET TO A 1/2-INCH REBAR FOUND AT A PIPE FENCE CORNER POST, FOR THE N.E. CORNER OF SAID LOT NO. 18A-RR, BARONS CREEK, P.U.D., FOR THE S.E. CORNER OF THAT 3.00 ACRE TRACT OF LAND DESCRIBED IN A CONVEYANCE TO BTC RANCH, LLC., FOUND OF RECORD IN INSTRUMENT NO. 20184687 OF THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS, FOR A CORNER IN THE WEST LINE OF THIS TRACT OF LAND;

THENCE WITH THE EASTERLY LINE OF SAID 3.00 ACRE TRACT, N. 27 DEG. 38 MIN. 39 SEC. W., 235.58 FEET TO A PIPE FENCE CORNER POST FOR THE N.E. CORNER OF SAID 3.00 ACRE TRACT, IN THE SOUTH LINE OF THAT 0.48 ACRE TRACT OF LAND DESCRIBED IN A CONVEYANCE TO CASSANDRA SCHOESSOW, FOUND OF RECORD IN INSTRUMENT NO. 20140124 OF SAID OFFICIAL PUBLIC RECORDS AND BEING IN THE SOUTH LINE OF LOT NO. 32, OF SAID OAK TERRACE, FOR A N.W. CORNER OF THIS TRACT OF LAND;

THENCE WITH THE SOUTH LINES OF SAID 0.48 ACRE TRACT AND LOT NO. 32, N. 89 DEG. 34 MIN. 14 SEC. E. 99.27 FEET TO A PIPE CORNER POST, FOR THE S.E. CORNERS OF SAID 0.48 ACRE TRACT & SAID LOT NO. 34, FOR A REENTRANT CORNER OF THIS TRACT OF LAND;

THENCE, N. 7 DEG. 02 MIN. 26 SEC. W., WITH THE EAST LINE OF SAID OAK TERRACE, AT 161.88 FEET PASSING THE SOUTH LINE OF BEVERLY DRIVE AND THE N.E. CORNER OF THAT SAID 0.48 ACRE SCHOESSOW TRACT, CONTINUING ON SAME BEARING WITH THE EAST LINE OF THE JONATHAN D. CRENWELGE TRACTS (BEING COMPRISED OF A 12,319 SQUARE FEET TRACT DESCRIBED IN VOLUME 359, PAGE 728 DEED RECORDS, A 20,588 SQUARE FEET TRACT DESCRIBED IN VOLUME 359, PAGE 725 DEED RECORDS, AND THAT 0.45 ACRE TRACT DESCRIBED ON VOLUME 225, PAGE 136 DEED RECORDS), IN ALL 535.38 FEET TO THE PLACE OF BEGINNING, CONTAINING 106.89 ACRES OF LAND.

CONDOMINIUM NOTES

1. THE EASEMENTS WITHIN THE CONDOMINIUM INCLUDE THE (I) ACCESS EASEMENT, (II) COMMON ELEMENTS EASEMENT, (III) AMENITY EASEMENT, (IV) ROOF EASEMENT, (V) SKIN EASEMENT, (VI) SUPPORT EASEMENT, (VII) SYSTEMS EASEMENT, (VIII) UTILITY EASEMENT TELECOMMUNICATIONS, (IX) EASEMENT, AND (X) VERTICAL ACCESS EASEMENT DESCRIBED IN SECTION 3.8 OF THE DECLARATION.
2. THE LAND LEGALLY DESCRIBED IN THIS MAP CONSTITUTES A GENERAL COMMON ELEMENT OF THE CONDOMINIUM.

3. IN ACCORDANCE WITH SECTION 2.2(H) OF THE DECLARATION, ANY CHUTES, FLUES, DUCTS, CONDUITS, WIRES, PIPES, CHASES OR OTHER APPARATUS LIES PARTIALLY WITHIN AND PARTIALLY OUTSIDE OF THE DESIGNATED BOUNDARIES OF THE UNIT, ANY PORTION THEREOF WHICH SERVE ONLY THAT UNIT WILL BE DEEMED TO BE A PART OF THAT UNIT, WHILE ANY PORTIONS THEREOF WHICH SERVE OR MAY SERVE MORE THAN ONE UNIT WILL BE A PART OF THE GENERAL COMMON ELEMENTS UNLESS OTHERWISE DESIGNATED AS LIMITED COMMON ELEMENTS ON THIS MAP.

4. IN ACCORDANCE WITH SECTION 82.059 OF THE ACT:

RESIDENTIAL UNIT I IS ASSIGNED THE IDENTIFYING NUMBER "I".
RESIDENTIAL UNIT II IS ASSIGNED THE IDENTIFYING NUMBER "II".
HOTEL UNIT IS ASSIGNED THE IDENTIFYING NUMBER "III".
RETAIL UNIT IS ASSIGNED THE IDENTIFYING NUMBER "IV".

5. IN ACCORDANCE WITH SECTION 82.059 OF THE ACT, THE REAL PROPERTY LEGALLY DESCRIBED ON THIS MAP IS SUBJECT TO THE DEVELOPMENT RIGHTS SET FORTH IN SECTION 3.7 OF THE DECLARATION, INCLUDING THOSE RIGHTS RELATING TO AMENITY AREAS.

6. ALL IMPROVEMENTS DEPICTED IN THIS MAP ARE CONTAINED WITHIN THE BOUNDARIES OF THE LAND DESCRIBED ON THIS PAGE OF THIS MAP AND THERE ARE NO ENCROACHMENTS OF THE IMPROVEMENTS ACROSS BOUNDARIES OF THE LAND.

7. ELEVATIONS SET FORTH ON THIS MAP ARE:

- a. HOTEL UNIT: 500 FEET UNDER THE CURRENT GROUND SURFACE – 1,000 FEET ABOVE THE CURRENT GROUND SURFACE.
- b. RETAIL UNIT: 500 FEET UNDER THE CURRENT GROUND SURFACE – 1,000 FEET ABOVE THE CURRENT GROUND SURFACE.
- c. RESIDENTIAL UNIT I: STARTING AT THE CURRENT GROUND SURFACE – 40 FEET ABOVE THE CURRENT GROUND SURFACE.
- d. RESIDENTIAL UNIT II: STARTING AT THE CURRENT GROUND SURFACE – 40 FEET ABOVE THE CURRENT GROUND SURFACE.

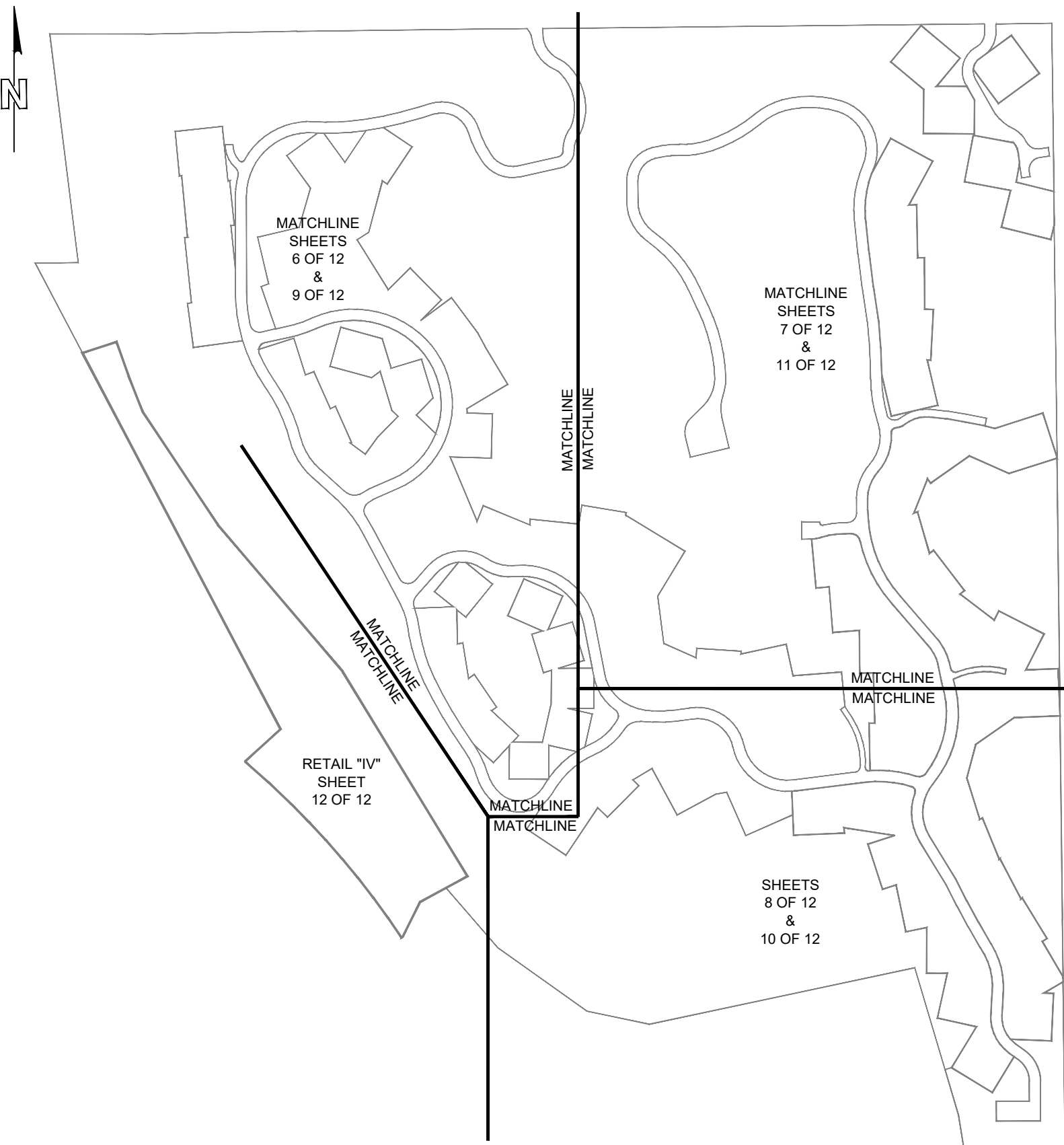
8. ALL GROUND (ORTHOMETRIC) ELEVATIONS ARE REFERENCED TO THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD88) AND THE GEOID18 MODEL, REPORTED IN U.S. SURVEY FEET. NEARBY PUBLISHED BENCHMARK AS SHOWN ON SHEET 1 OF 12. REFER TO GENERAL NOTE NO. 4 (BELOW, THIS SHEET).

GENERAL NOTES

1. ABOVE GROUND STRUCTURES AND UNDERGROUND UTILITIES, PIPELINES, SPRINKLER SYSTEM AND HEADS, VALVES, HAND-HOLES, PEDESTALS, AND OTHER IMPROVEMENTS THAT MAY EXIST, ARE NOT SHOWN HEREON.
2. THIS PROPERTY SHOWN HEREON APPEARS TO BE PARTIALLY LOCATED WITHIN ZONE "AE" . WITHIN A 100-YEAR FLOOD HAZARD AREA AS IDENTIFIED BY THE FEDERAL INSURANCE ADMINISTRATION FLOOD MAP, PANEL NO. 48171C0288C, WITH AN EFFECTIVE DATE OCTOBER 19, 2001.
3. BEARINGS, DISTANCES AND AREA SHOWN HEREON ARE "GRID" DERIVED FROM GPS POSITIONING AND REPORTED IN THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE OF THE NORTH AMERICAN DATUM 1983 (NAD83(2024)). "NORTH" IS REFERENCED TO GRID NORTH (UNLESS NOTED OTHERWISE).
4. BENCHMARK (N.G.S. BENCHMARK) NAMED "F464" FOUND AND REFERENCED WITH AN OBSERVED (MEASURED) ORTHOMETRIC ELEVATION OF 1617.86 FEET ABOVE MEAN SEA LEVEL (A.M.S.L.) WITH STATE PLANE GRID COORDINATE VALUES AT N: 10060117.07, E: 2764830.07. REFER TO CONDOMINIUM NOTE No.8 (THIS SHEET).
5. ALL FUTURE CONSTRUCTION MUST ADHERE TO SETBACKS SHOWN OR THE CURRENT ZONING AT THAT TIME, WITH EXCEPTION TO THE ADOPTION AND APPROVAL OF A PLANNED UNIT DEVELOPMENT (P.U.D.) AND/OR CONDITIONAL USE PERMITS GRANTED, AND THE TERMS ESTABLISHED THEREIN.
6. EXISTING PRIVATE WATER WELLS (IF ANY) CANNOT BE INTERCONNECTED TO THE CITY OF FREDERICKSBURG PUBLIC WATER SYSTEM.

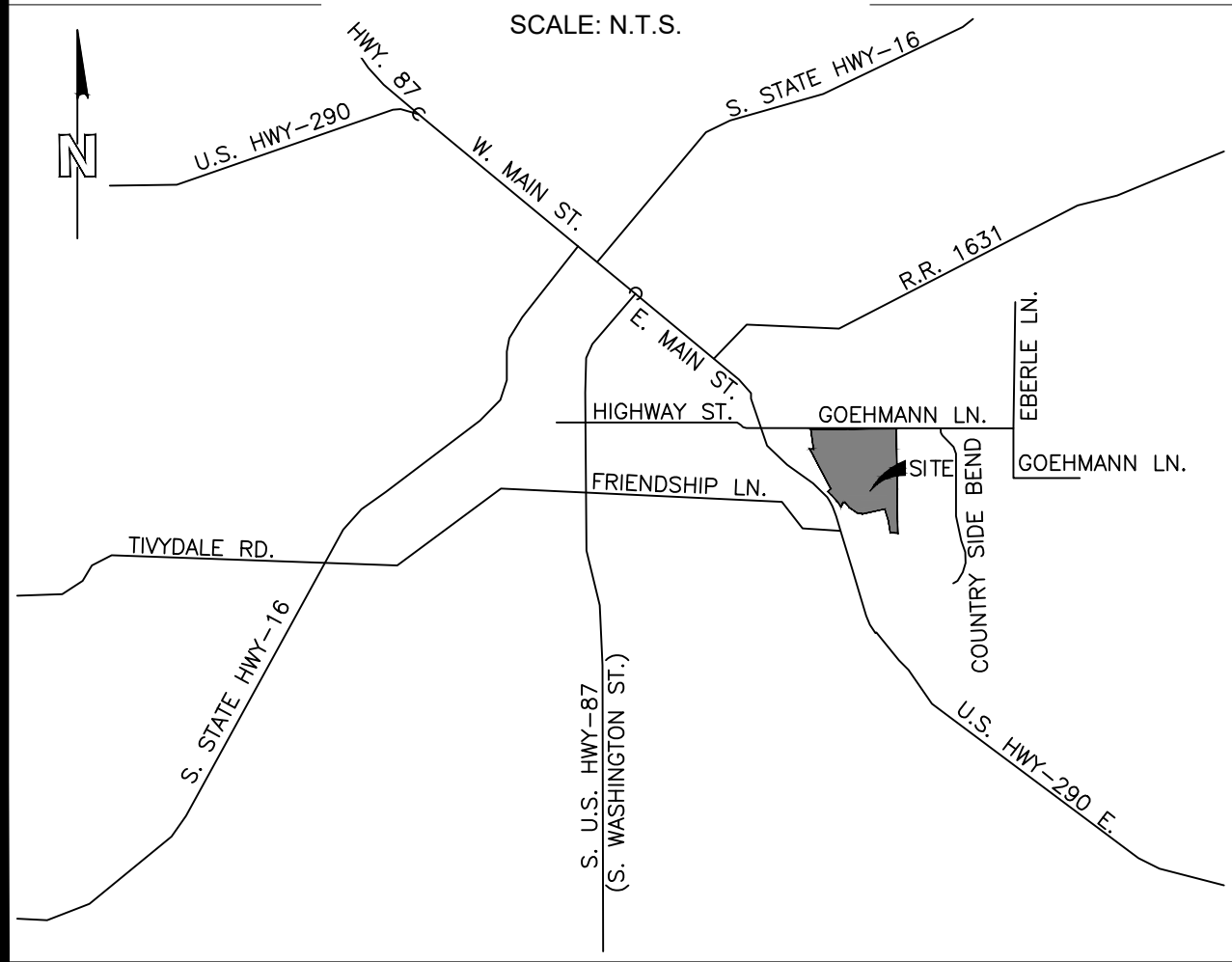
SHEET INDEX (MATCHLINE) KEY

SCALE: 1" = 300'



LOCATION MAP

SCALE: N.T.S.



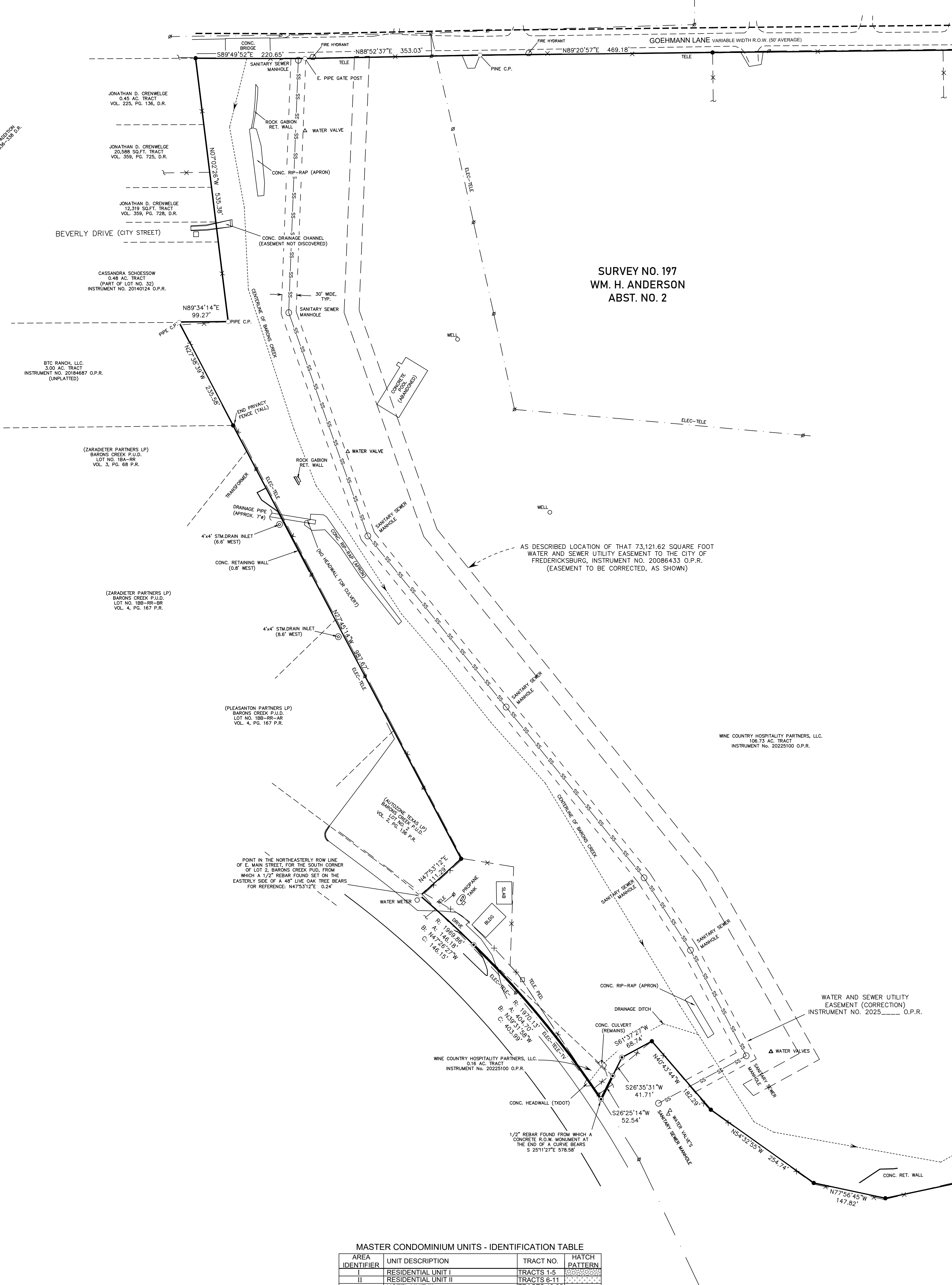
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LAND ADVISORS & SURVEYORS

1788 WEST LIVE OAK STREET
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830-997-3884
WAYMAKERLAND.COM
TBPELS FIRM NO. 10194626

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DATE: 05 / 29 / 2025

CONDOMINIUM PLAT ESTABLISHING
THE LANTANA
MASTER CONDOMINIUM

GILLESPIE COUNTY, TEXAS.
BEING 106.89 ACRES OF LAND DESCRIBED IN A WARRANTY DEED TO
WINE COUNTRY HOSPITALITY PARTNERS, LLC.
BY JUDY KAY FELLER, ET AL., DATED JULY 8, 2022,
FOUND OF RECORD IN INSTRUMENT NO. 20225100 OF
THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS.

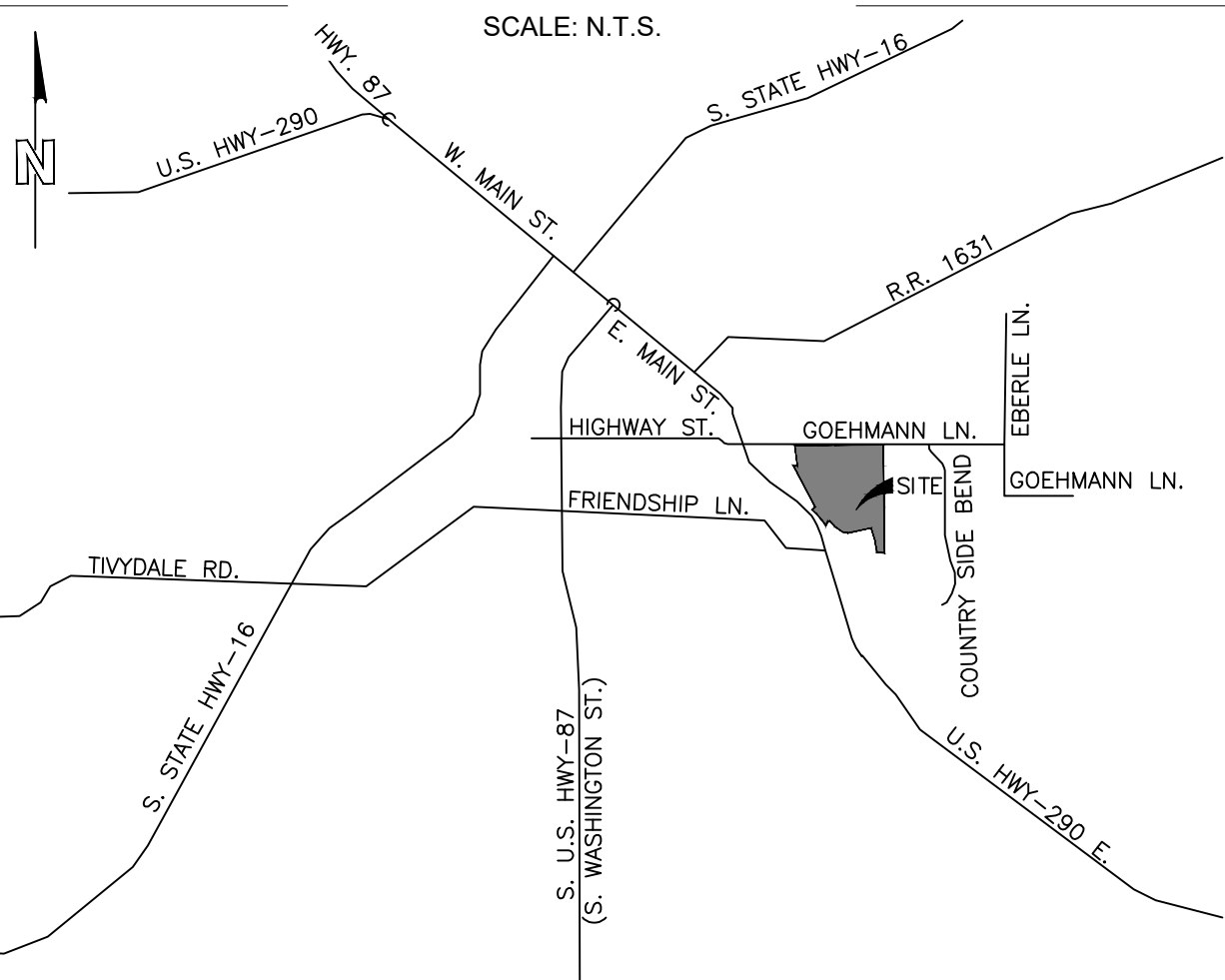


SURVEY NO. 197
WM. H. ANDERSON
ABST. NO. 2

MASTER CONDOMINIUM UNITS - IDENTIFICATION TABLE			
AREA IDENTIFIER	UNIT DESCRIPTION	TRACT NO.	HATCH PATTERN
I	RESIDENTIAL UNIT I	TRACTS 1-5	[Hatch Pattern]
II	RESIDENTIAL UNIT II	TRACTS 6-11	[Hatch Pattern]
III	HOTEL UNIT III	TRACTS 12-28	[Hatch Pattern]
IV	RETAIL UNIT IV	TRACT 28	[Hatch Pattern]
GCE	GENERAL COMMON ELEMENT	TRACTS 27-28	[Hatch Pattern]

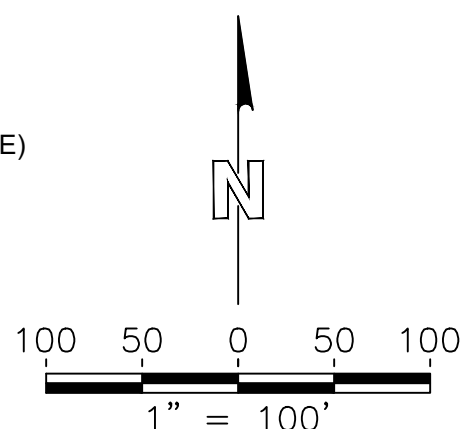
LOCATION MAP

SCALE: N.T.S.



LEGEND & ABBREVIATIONS:

- 1/2" DIA. REBAR SET (CAPPED: WAYMAKER 6454)
- 1/2" DIA. REBAR BAR FOUND (EXCEPT AS NOTED)
- 1/2" DIA. REBAR FOUND (CAPPED: BONN 4447)
- UTILITY POLE
- FENCE
- CONCRETE MONUMENT (UNLESS NOTED OTHERWISE)
- CALCULATED POINT (OR AS NOTED)
- POINTS FOR CORNERS OF EASEMENT/LEASE AREA
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- ELECTRIC LINES
- APPROX. PATENT SURVEY LINE
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- B.S.L. BUILDING SETBACK LINE
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- R.O.W. RIGHT-OF-WAY
- MW WATER METER
- GM GAS METER
- MHSS MANHOLE LID (SEWER)
- MHST MANHOLE LID (STORM)
- MASTER CONDOMINIUM UNIT LINE



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THE LANTANA
MASTER CONDOMINIUM
PERIMETER BOUNDARY MAP

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MATCHLINE (REFER TO SHEET 3 OF 12)

MATCHLINE (REFER TO SHEET 3 OF 12)

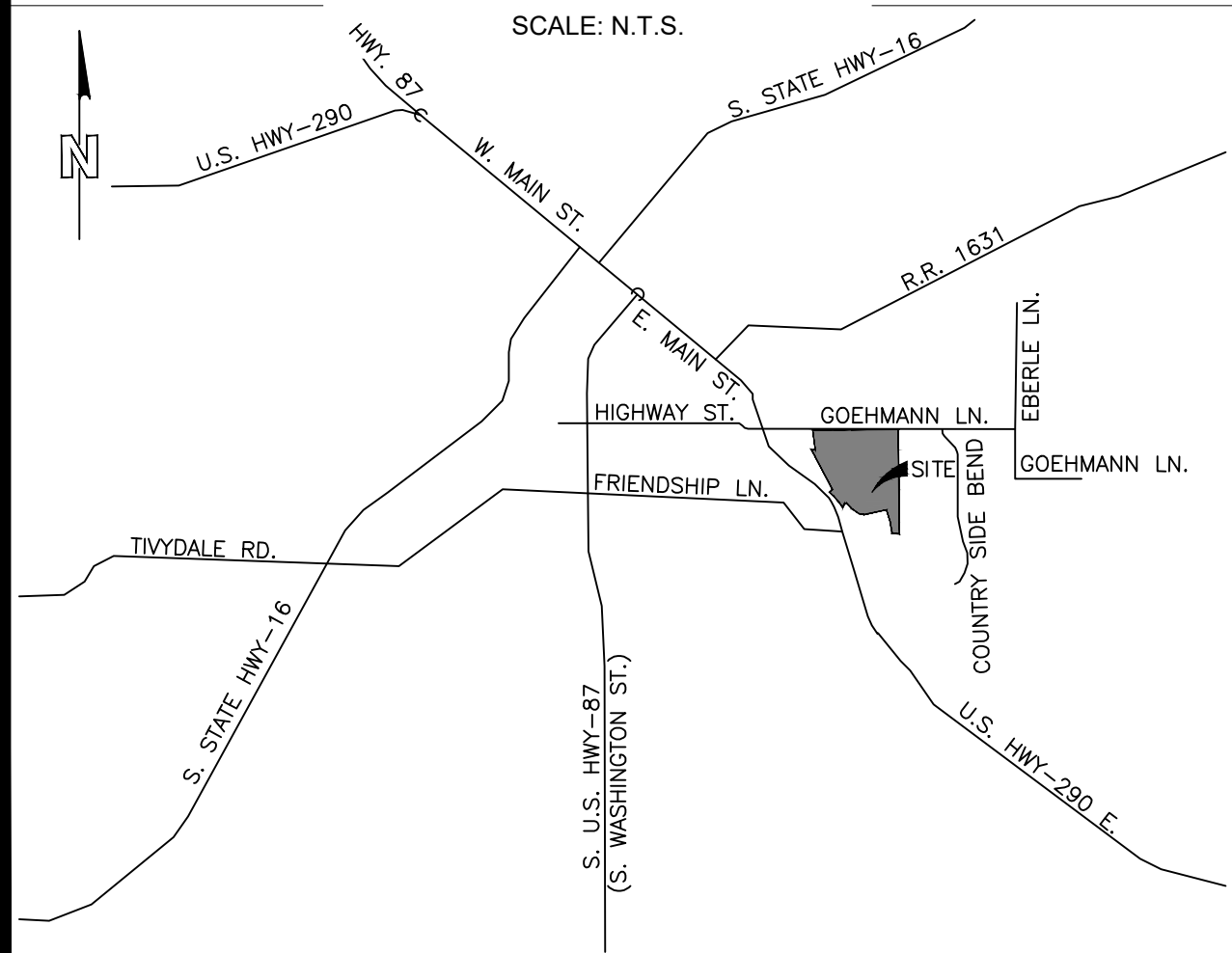
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III	HOTEL UNIT III	TRACTS 12-25	(NOT HATCHED)
IV	RETAIL UNIT IV	TRACT 26	
GCE	GENERAL COMMON ELEMENT	TRACTS 27-28	

LEGEND & ABBREVIATIONS:

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 D.R. DEED RECORDS
 P.R. PLAT RECORDS
 R.O.W. RIGHT-OF-WAY
 MW. WATER METER
 GM. GAS METER
 MHSS. MANHOLE LID (SEWER)
 MHST. MANHOLE LID (STORM)
 — MASTER CONDOMINIUM UNIT LINE

LOCATION MAP

SCALE: N.T.S.



BARN (OLD STRUCTURE)
(TO BE DEMOLISHED)

SURVEY NO. 197
WM. H. ANDERSON
ABST. NO. 2

WINE COUNTRY HOSPITALITY PARTNERS, LLC
106.73 AC. TRACT
INSTRUMENT No. 20225100 O.P.R.

DM401 PROPERTIES, LLC.
45.1 AC. TRACT
INSTRUMENT NO. 20205954 O.P.R.

MICHAEL W. BRADEN, ET UX
19.09 AC. TRACT
(LOT NO. 8R)
VOL. 437, PG. 886, D.R.

COUNTRYSIDE
(REPLAT MAP)
VOL. 3, PG. 18 P.R.

LOWER COLORADO RIVER AUTHORITY
ELECTRIC TRANSMISSIONS LINE
ASSIGNMENT AND ASSUMPTION OF EASEMENT
INSTR. NO. 20194574 O.P.R.
(ASSUMED 100' WIDE)
DESCRIBED IN A RIGHT OF WAY EASEMENT TO
CENTRAL TEXAS ELECTRIC COOPERATIVE, INC.,
VOL. 85, PG. 373-374 D.R.


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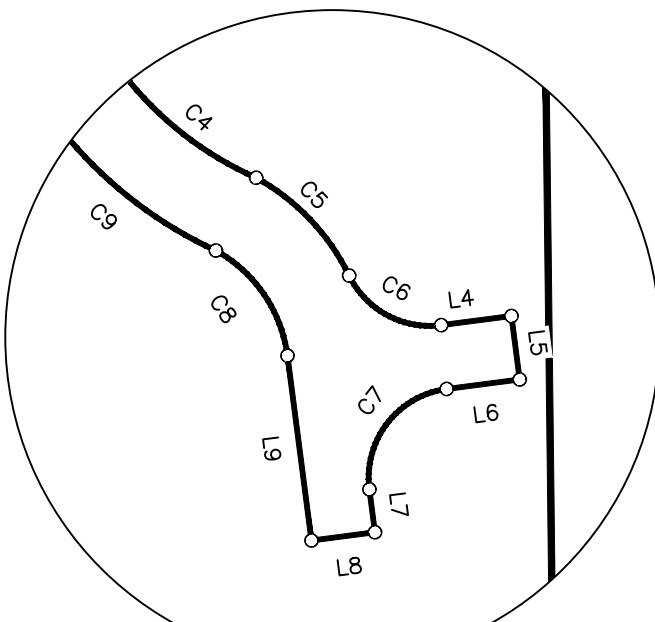
**THE LANTANA
MASTER CONDOMINIUM
PERIMETER BOUNDARY MAP**

PRELIMINARY

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GILLESPIE COUNTY, TEXAS.

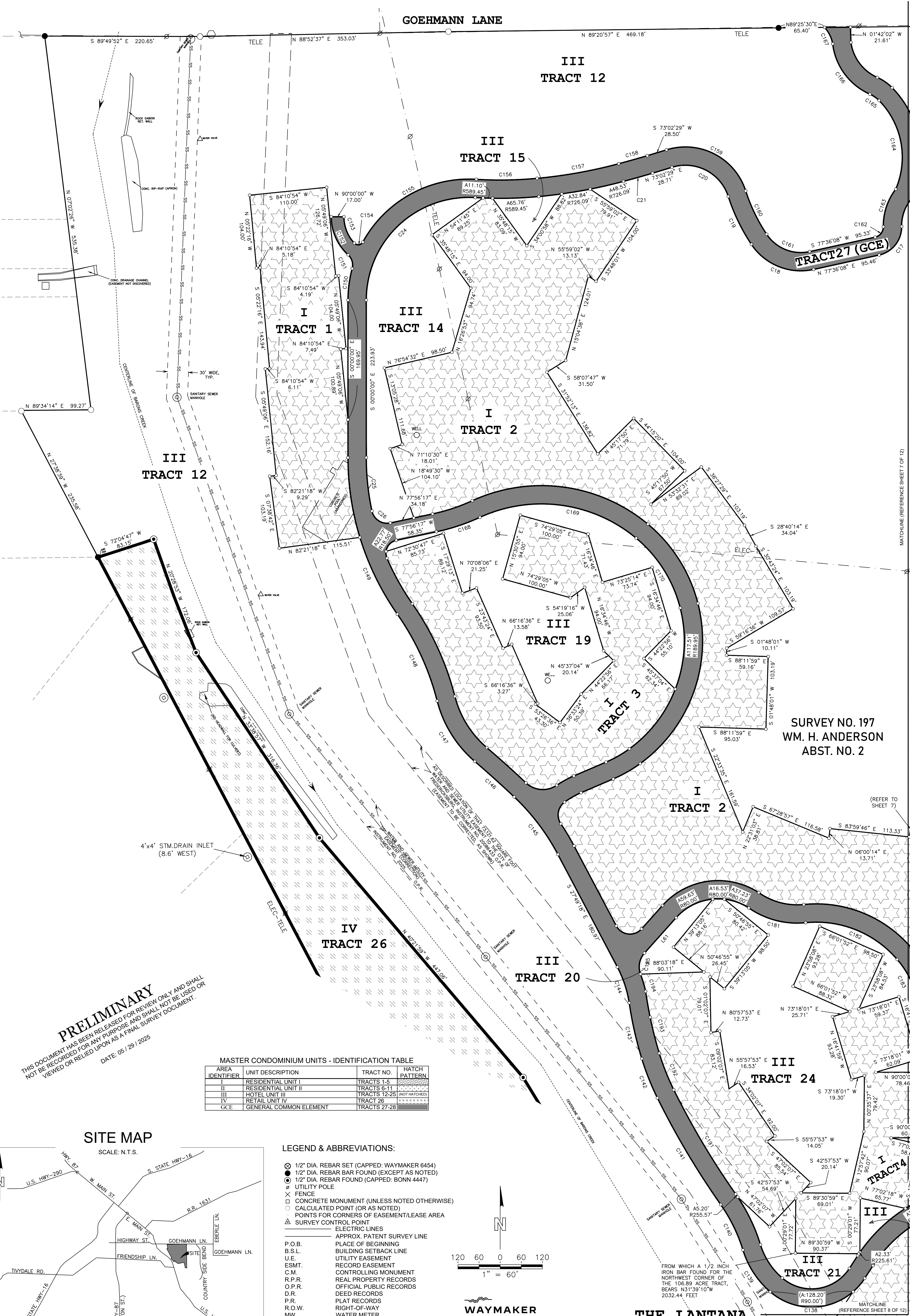


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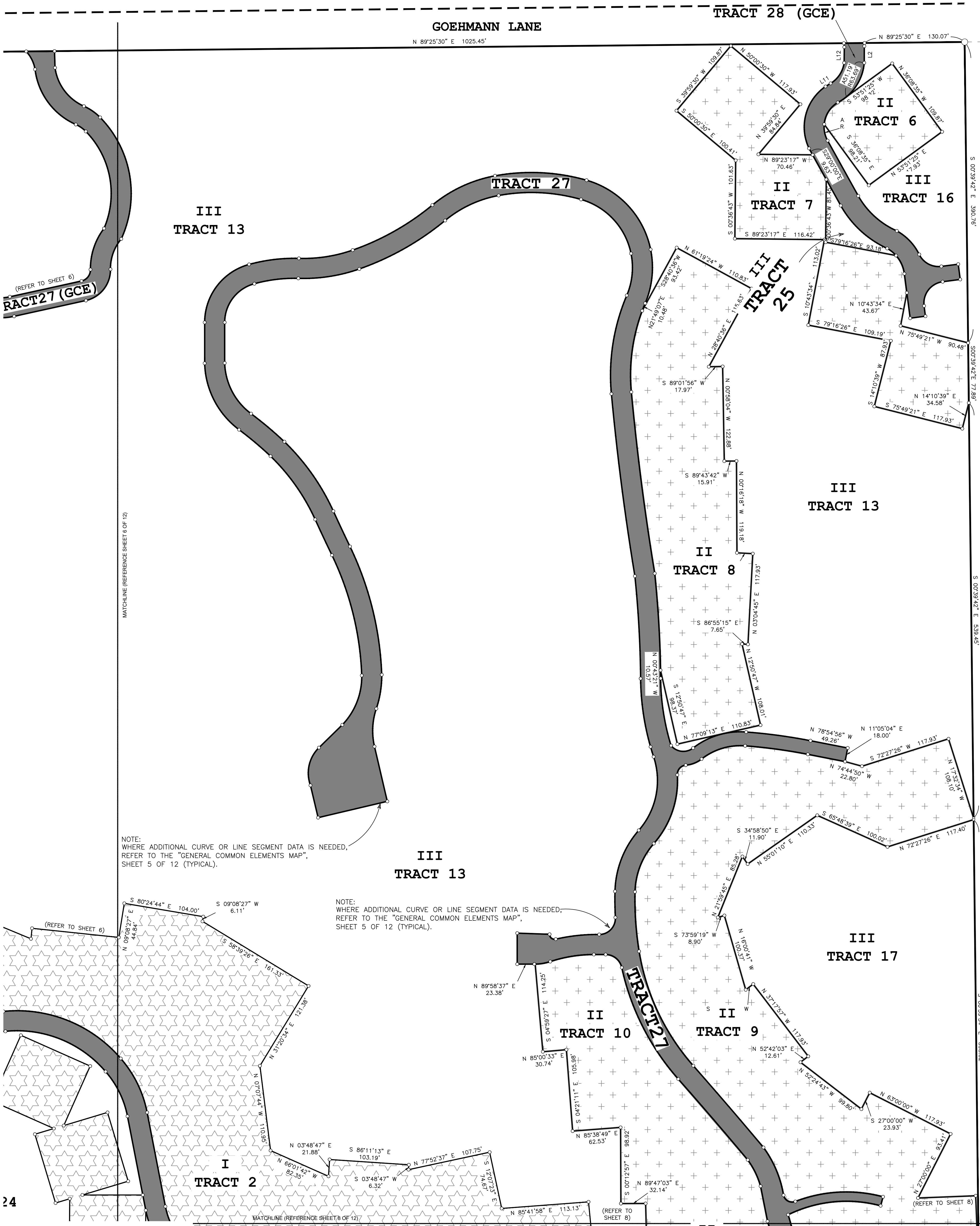
SHEET 5 OF 12

SURVEYOR'S PROJECT NO.: 2501-14

CONDOMINIUM PLAT ESTABLISHING
THE LANTANA
MASTER CONDOMINIUM
GILLESPIE COUNTY, TEXAS.



CONDOMINIUM PLAT ESTABLISHING
THE LANTANA
MASTER CONDOMINIUM
GILLESPIE COUNTY, TEXAS.



NOTE:
WHERE ADDITIONAL CURVE OR LINE SEGMENT DATA IS NEEDED,
REFER TO THE "GENERAL COMMON ELEMENTS MAP",
SHEET 5 OF 12 (TYPICAL).

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SHEET 5 OF 12 (TYPICAL).

SITE MAP

SCALE: N.T.S.

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- R.P.R.
- O.P.R.
- D.R.
- P.R.
- R.O.W.
- MW.
- GM.
- MHSS.
- MHST.
- MANHOLE LID (SEWER)
- MANHOLE LID (STORM)
- MASTER CONDOMINIUM UNIT LINE

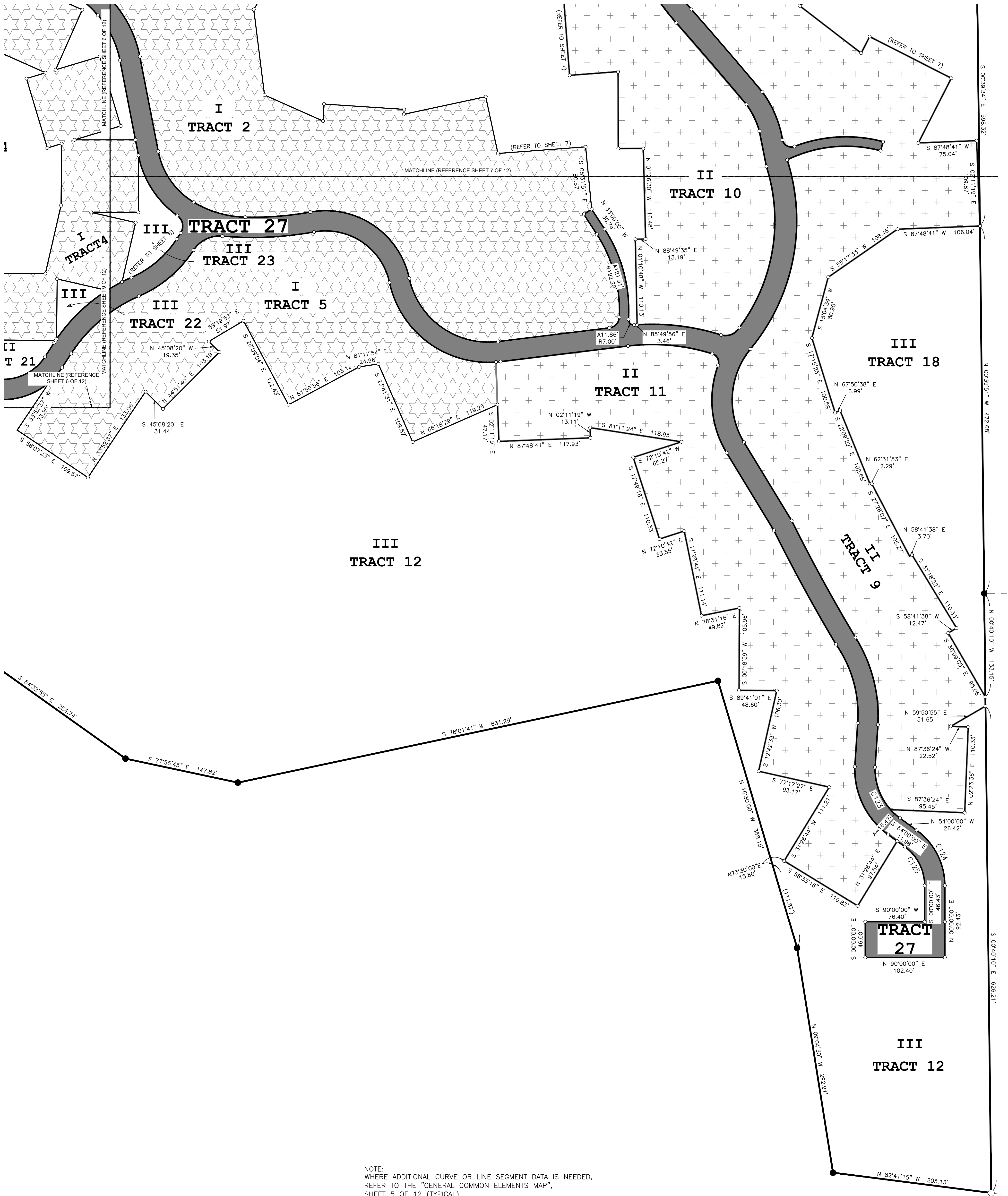
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THE LANTANA
MASTER CONDOMINIUM
MASTER UNITS MAP

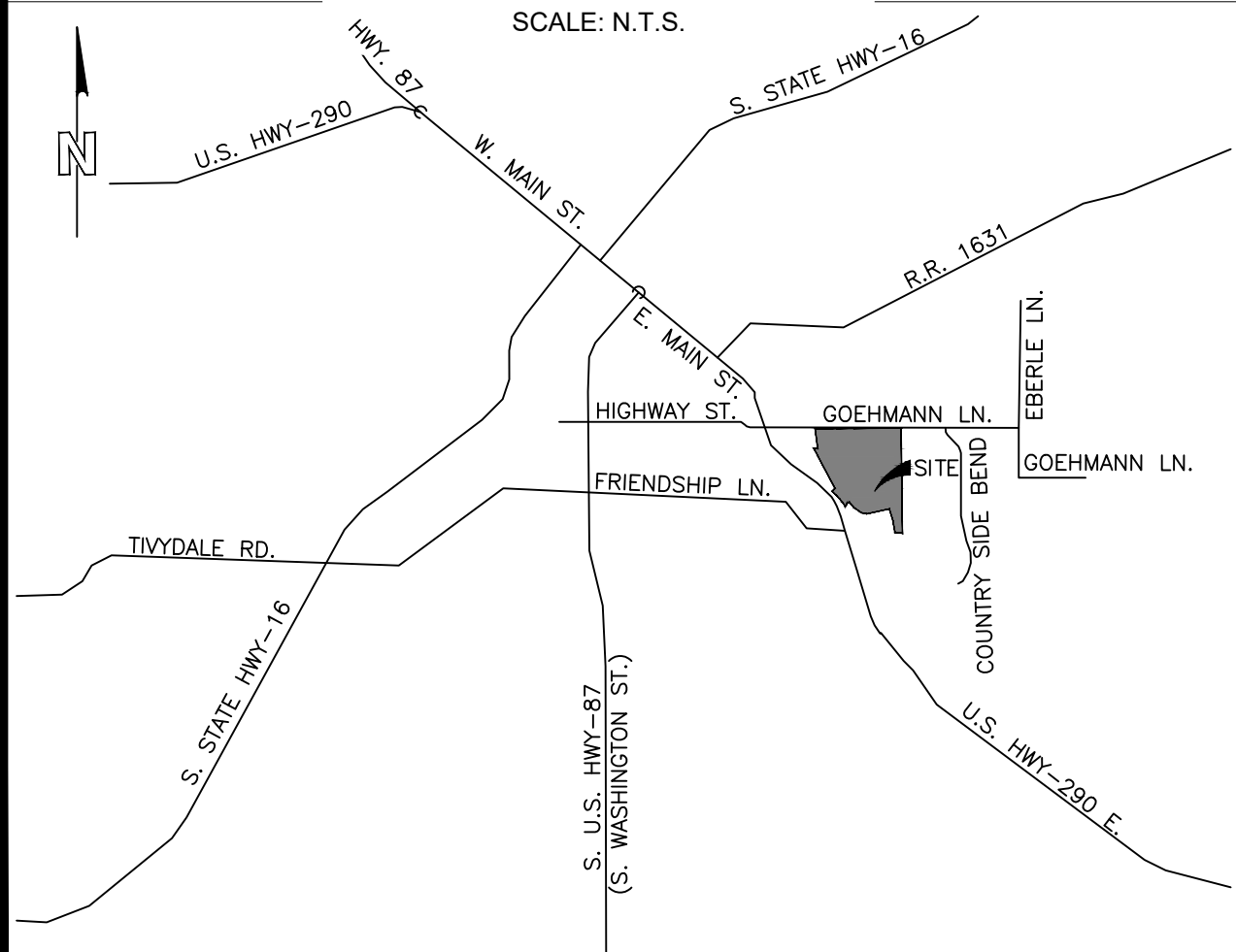
CONDOMINIUM PLAT ESTABLISHING
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SITE MAP

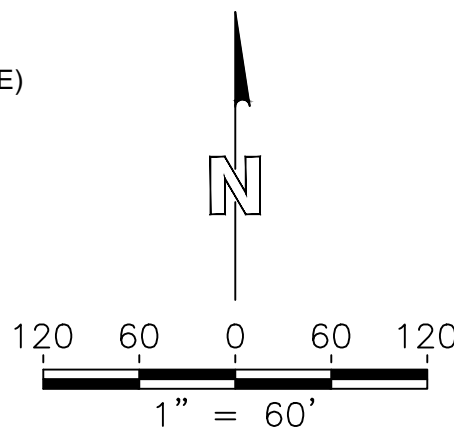
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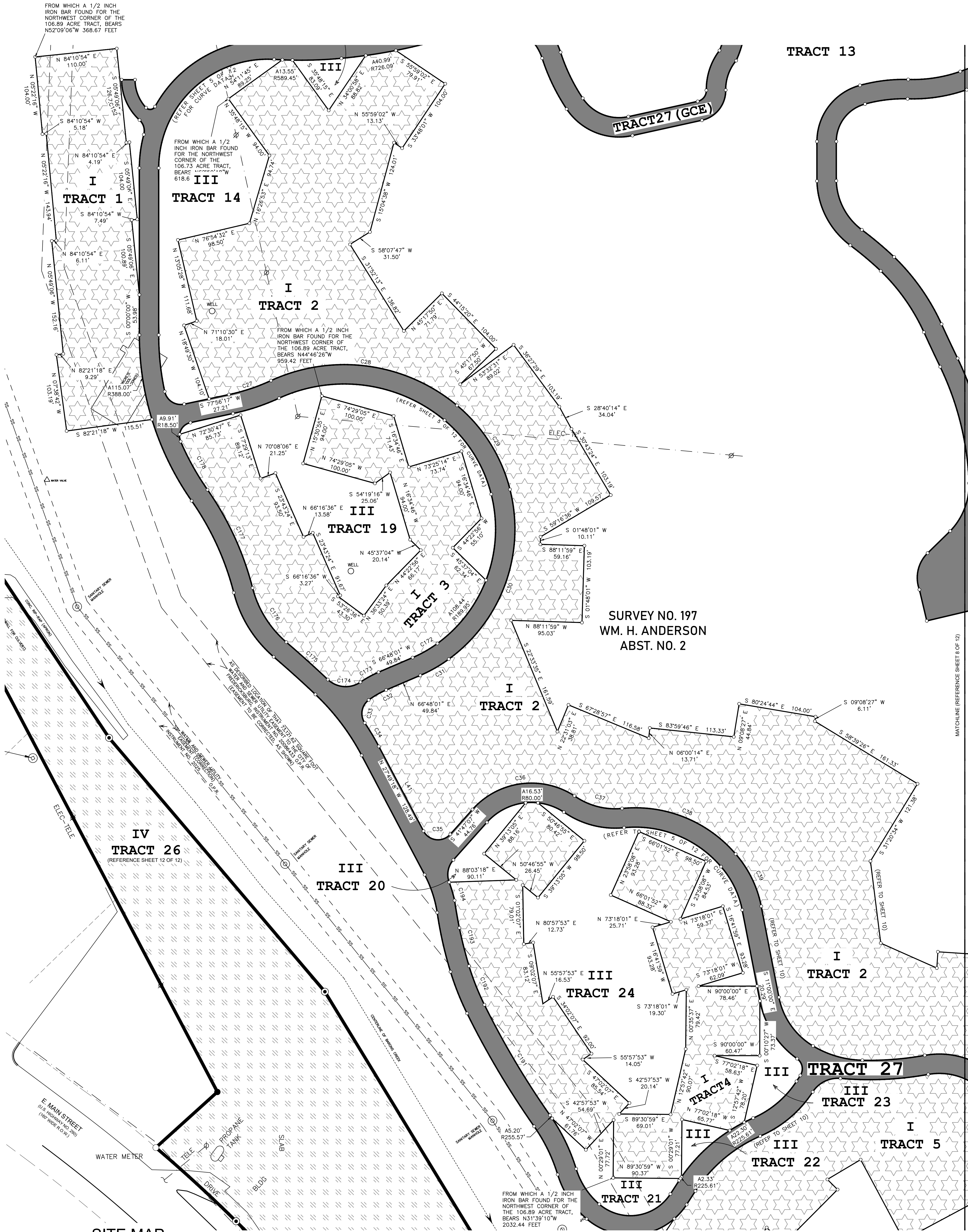


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THE LANTANA
MASTER CONDOMINIUM
MASTER UNITS MAP

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CONDOMINIUM PLAT ESTABLISHING
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MASTER CONDOMINIUM
GILLESPIE COUNTY, TEXAS.



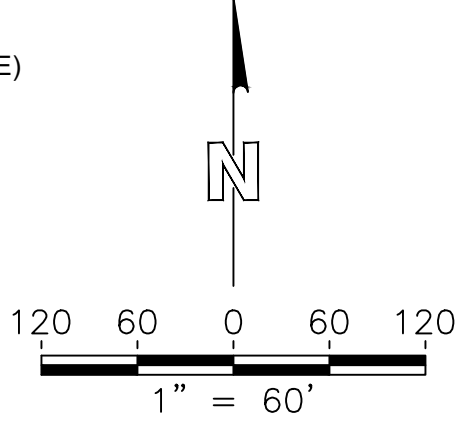
SITE MAP
SCALE: N.T.S.

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MHSS
MHST

NOTE:
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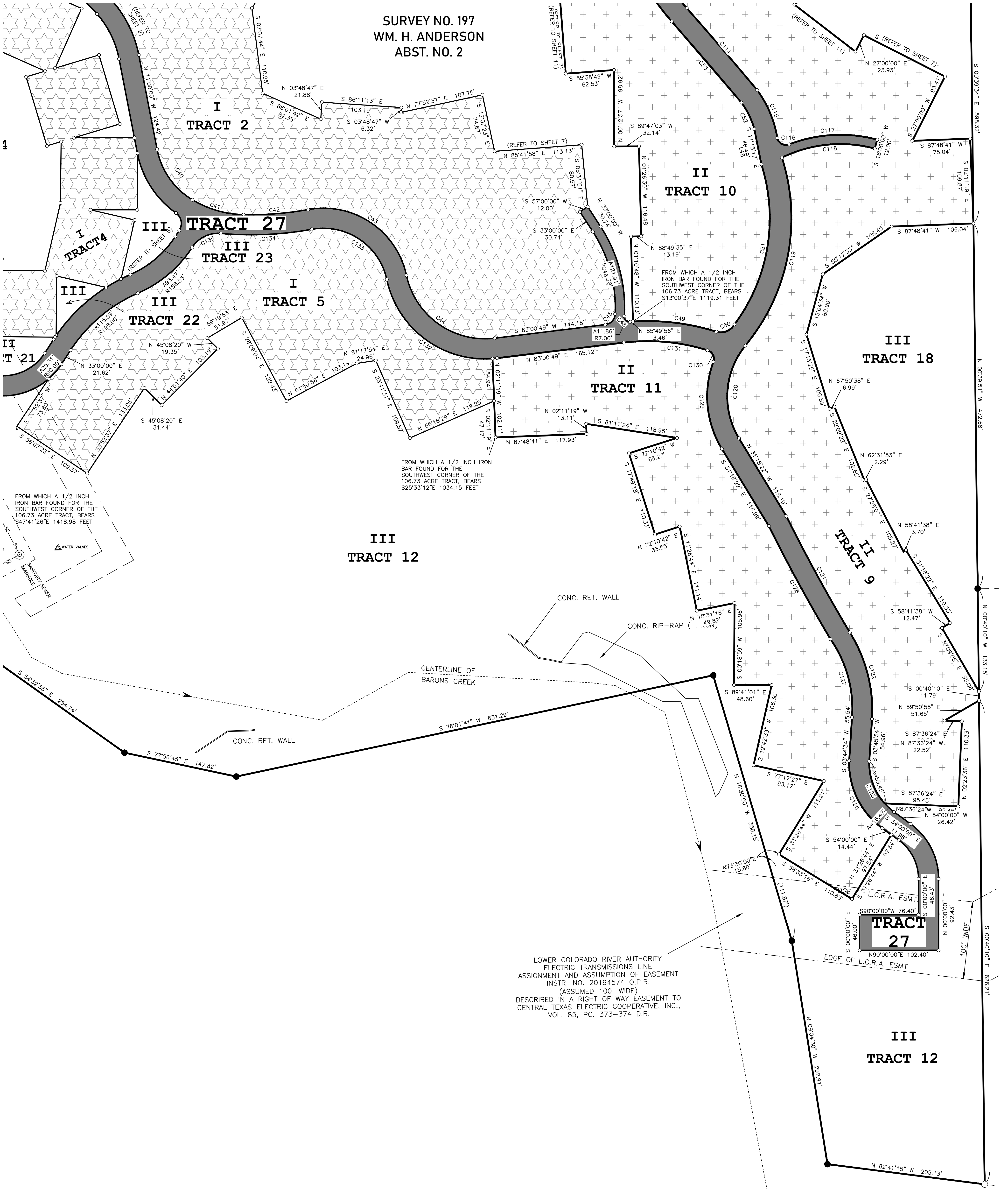
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THE LANTANA
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THE LANTANA
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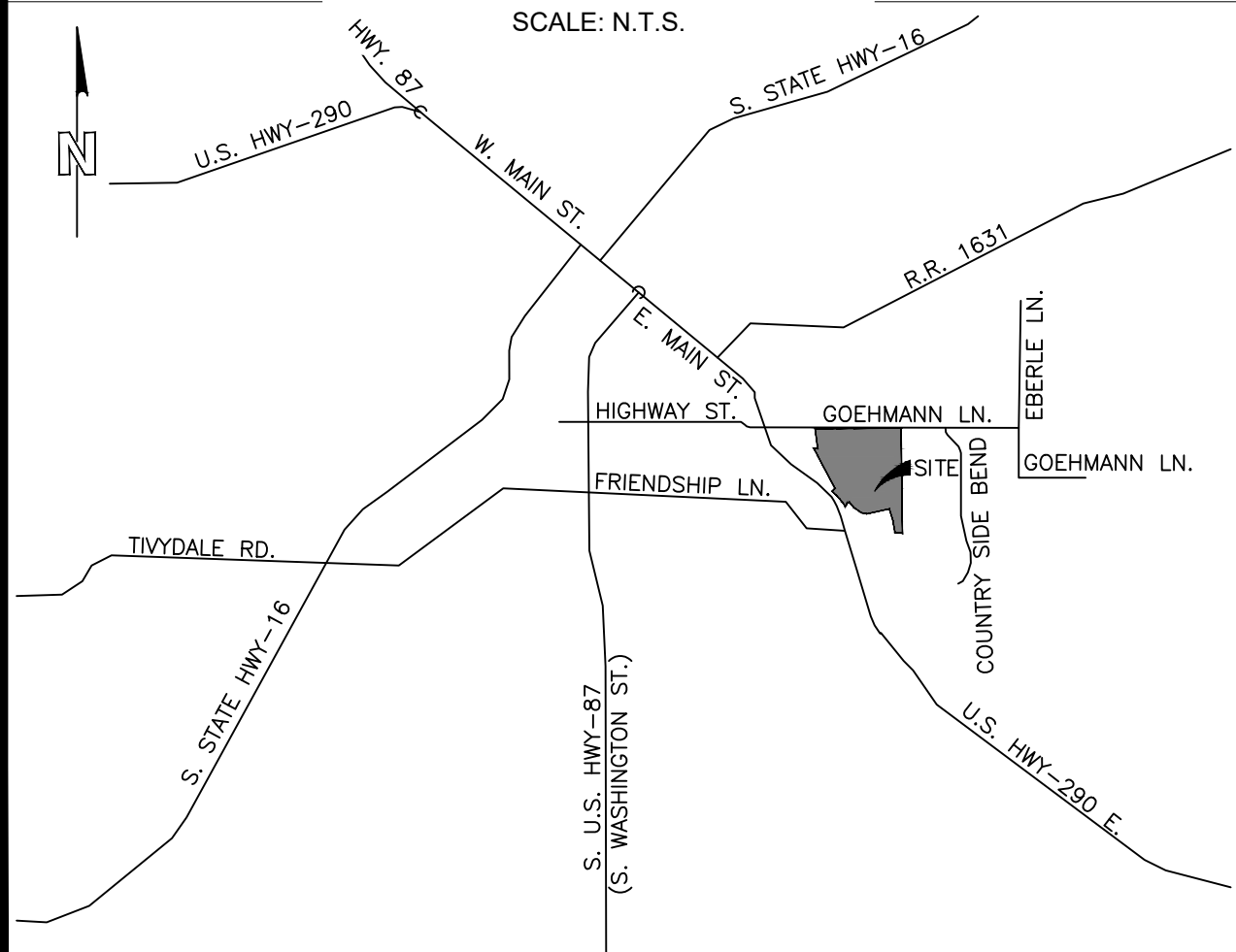
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VOL. 85, PG. 373-374 D.R.

SITE MAP

SCALE: N.T.S.

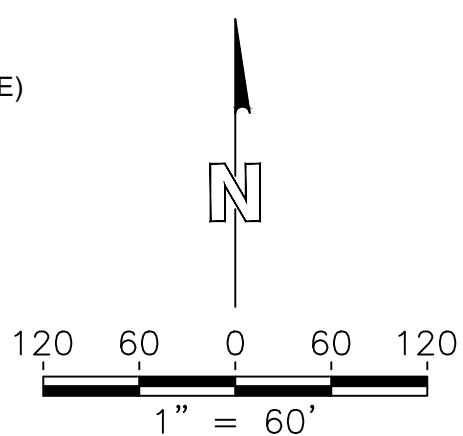


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THE LANTANA
MASTER CONDOMINIUM
MASTER UNITS MAP

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RESIDENTIAL UNIT II

S89°25'30"W 1284.58'

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TRACT 28 (GCE)

III
TRACT 13

TRACT 27

NOTE:
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SHEET 5 OF 12 (TYPICAL).

III
TRACT 13

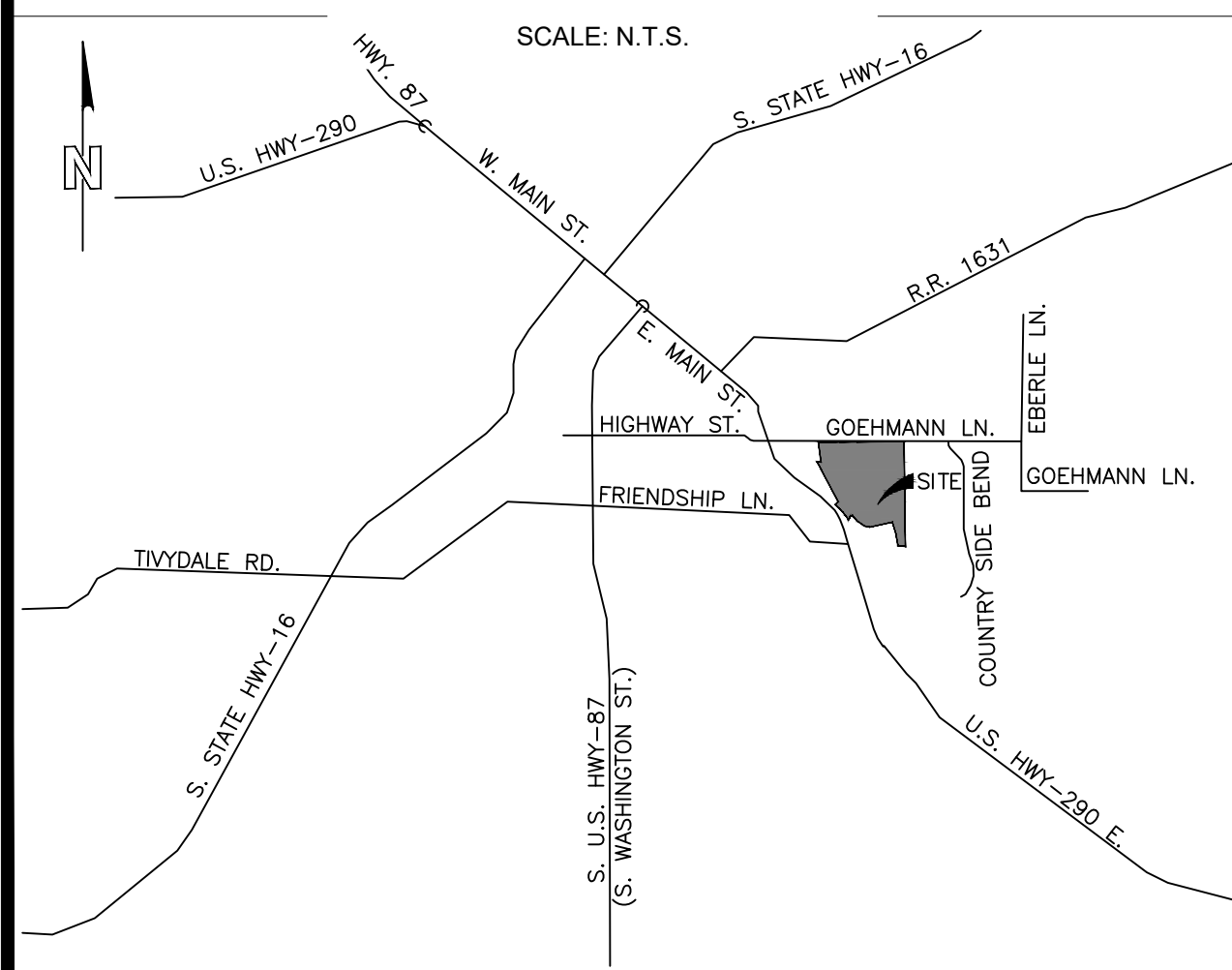
+ II
TRACT 8

III
TRACT 17

MASTER CONDOMINIUM UNITS - IDENTIFICATION TABLE

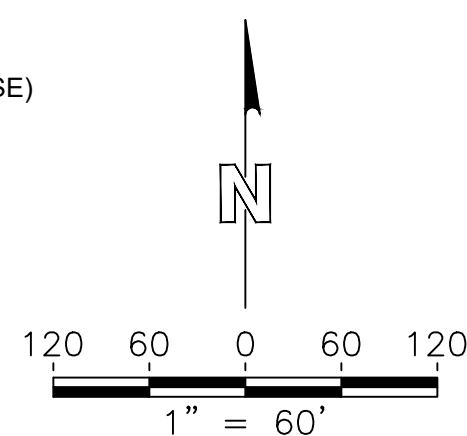
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II	RESIDENTIAL UNIT II	TRACTS 6-11	
III	HOTEL UNIT III	TRACTS 12-25	(NOT HATCHED)
IV	RETAIL UNIT IV	TRACT 26	*****
GCE	GENERAL COMMON ELEMENT	TRACTS 27-28	

SCALE: N.T.S.



LEGEND & ABBREVIATIONS:

- ⦿ 1/2" DIA. REBAR SET (CAPPED: WAYMAKER 6454)
 1/2" DIA. REBAR BAR FOUND (EXCEPT AS NOTED)
 ⦿ 1/2" DIA. REBAR FOUND (CAPPED: BONN 4447)
 ⦿ UTILITY POLE
 ✕ FENCE
 ○ CONCRETE MONUMENT (UNLESS NOTED OTHERWISE)
 ○ CALCULATED POINT (OR AS NOTED)
 POINTS FOR CORNERS OF EASEMENT/LEASE AREA
 ▲ SURVEY CONTROL POINT
 ——— ELECTRIC LINES
 ——— APPROPRIATE PATENT SURVEY LINE
 P.O.B. PLACE OF BEGINNING
 B.S.L. BUILDING SETBACK LINE
 U.E. UTILITY EASEMENT
 E.S.M.T. RECORD EASEMENT
 C.M. CONTROLLING MONUMENT
 R.P.R. REAL PROPERTY RECORDS
 O.P.R. OFFICIAL PUBLIC RECORDS
 D.R. DEED RECORDS
 P.R. PLAT RECORDS
 R.O.W. RIGHT-OF-WAY
 MW. WATER METER
 GM. GAS METER
 MHSS. MANHOLE LID (SEWER)
 MHST. MANHOLE LID (STORM)
 MASTER CONDOMINIUM UNIT LINE



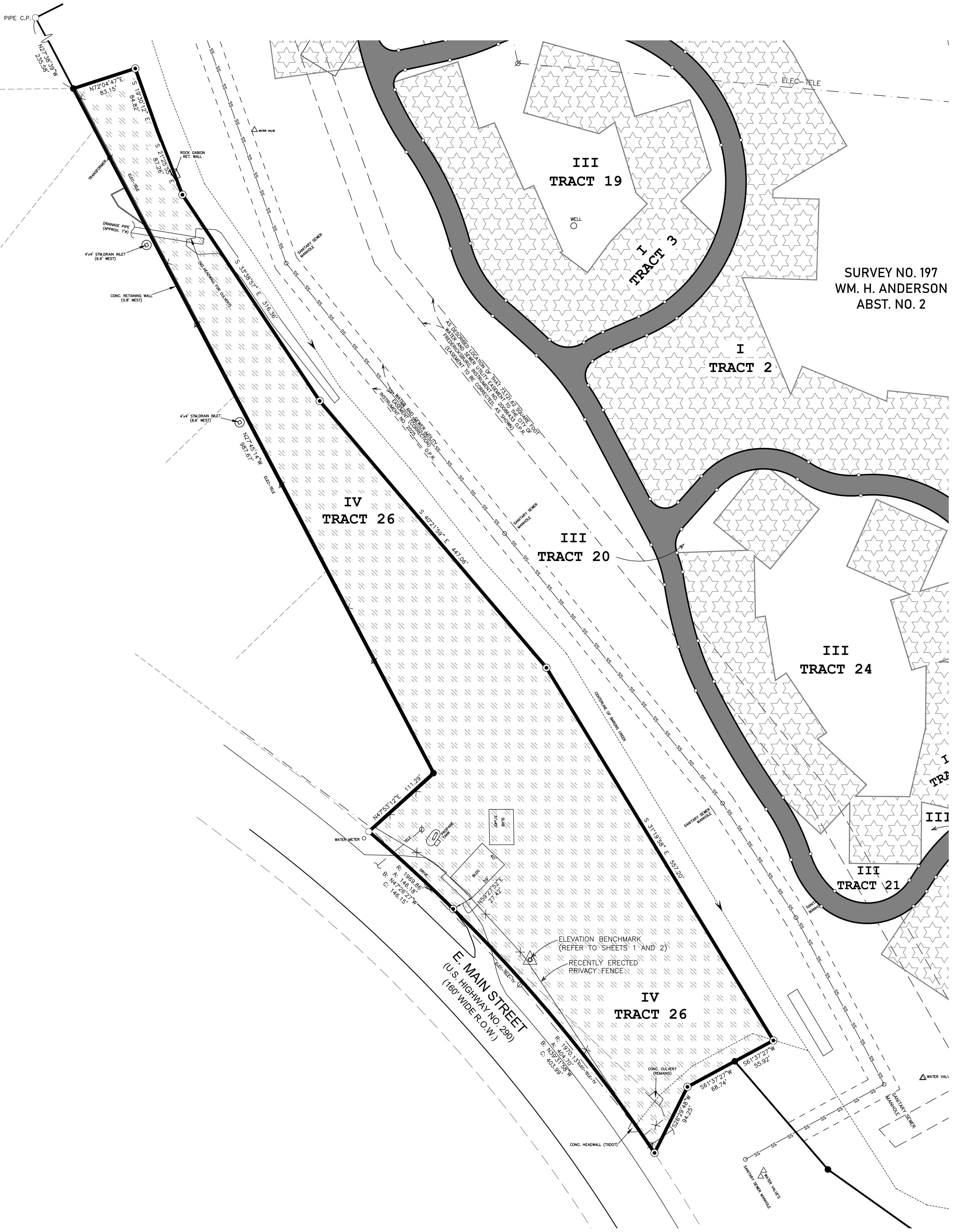
WAYMAKER
LAND ADVISORS & SURVEYORS

1788 WEST LIVE OAK STREET
FREDERICKSBURG, TEXAS 78624
830-997-3884
WAYMAKERLAND.COM
TBPELS FIRM NO. 10194626

**THE LANTANA
MASTER CONDOMINIUM
MASTER UNITS MAP**

PRELIMINARY
THIS DOCUMENT HAS BEEN RELEASED FOR REVIEW ONLY AND SHALL NOT BE USED OR
NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR
NOT BE REVIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.
DATE: 05 / 29 / 2025

CONDOMINIUM PLAT ESTABLISHING
THE LANTANA
MASTER CONDOMINIUM
GILLESPIE COUNTY, TEXAS.



SURVEY NO. 197
WM. H. ANDERSON
ABST. NO. 2

MASTER CONDOMINIUM UNITS - IDENTIFICATION TABLE

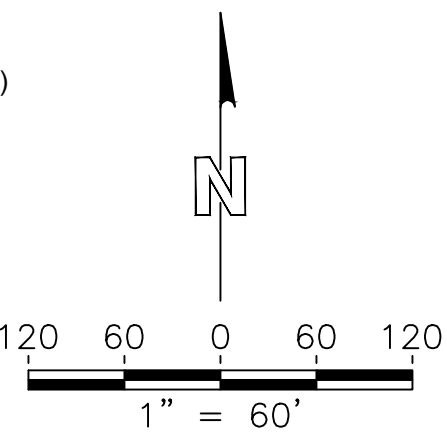
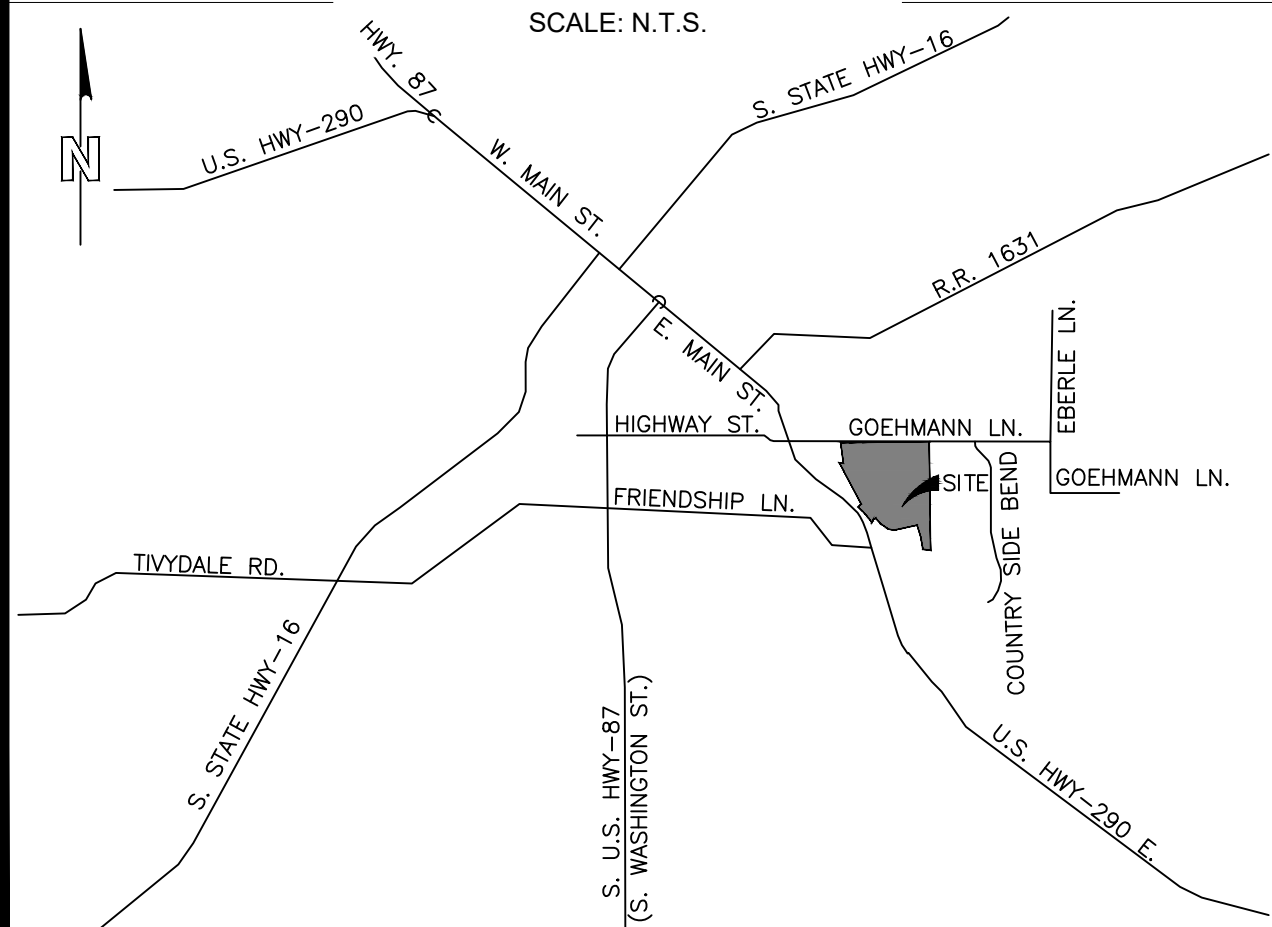
AREA IDENTIFIER	UNIT DESCRIPTION	TRACT NO.	HATCH PATTERN
I	RESIDENTIAL UNIT I	TRACTS 1-5	[Hatch Pattern]
II	RESIDENTIAL UNIT II	TRACTS 6-11	[Hatch Pattern]
III	HOTEL UNIT III	TRACTS 12-25	[Hatch Pattern]
IV	RETAIL UNIT IV	TRACT 26	[Hatch Pattern]
GCE	GENERAL COMMON ELEMENT	TRACTS 27-28	[Hatch Pattern]

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- FENCE
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- POINTS FOR CORNERS OF EASEMENT/LEASE AREA
- SURVEY CONTROL POINT
- ELECTRIC LINES
- APPROX. PATENT SURVEY LINE
- P.O.B. PLACE OF BEGINNING
- B.S.L. BUILDING SETBACK LINE
- U.E. UTILITY EASEMENT
- ESMT. RECORD EASEMENT
- C.M. CONTROLLING MONUMENT
- R.P.R. REAL PROPERTY RECORDS
- O.P.R. OFFICIAL PUBLIC RECORDS
- D.R. DEED RECORDS
- P.R. PLAT RECORDS
- R.O.W. RIGHT-OF-WAY
- MW. WATER METER
- GM. GAS METER
- MHSS. MANHOLE LID (SEWER)
- MHST. MANHOLE LID (STORM)
- MASTER CONDOMINIUM UNIT LINE

SITE MAP

SCALE: N.T.S.



WAYMAKER
LAND ADVISORS & SURVEYORS
1788 WEST LIVE OAK STREET
FREDERICKSBURG, TEXAS 78624
830-997-3884
WAYMAKERLAND.COM
TBPLS FIRM NO. 10194626

THE LANTANA
MASTER CONDOMINIUM
RETAIL UNIT IV MAP

PRELIMINARY
THIS DOCUMENT HAS BEEN RELEASED FOR REVIEW ONLY AND SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.
DATE: 05 / 29 / 2025

EXHIBIT D

CERTIFICATE OF FORMATION

[Certificate of Formation follows this cover page.]

DRAFT

**CERTIFICATE OF FORMATION
OF
THE LANTANA MASTER CONDOMINIUM ASSOCIATION, INC.**

The undersigned natural person of the age of 18 years or more, acting as an organizer of a nonprofit corporation under the Texas Nonprofit Corporation Law, as may be amended (the "TNCL"), hereby adopts the following Certificate of Formation (this "Certificate of Formation") for such corporation:

**ARTICLE I
NAME**

The name of the corporation is The Lantana Master Condominium Association, Inc.

**ARTICLE II
DEFINITIONS**

The following terms are defined for use in this Certificate of Formation and those capitalized terms used herein but not expressly defined herein have the same meaning as defined in the Master Declaration (defined below):

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

"Assessments." All assessments or other charges levied by the Master Association, as more fully described in the Master Declaration.

"Board of Directors." Those individuals serving as Directors as appointed by Article XII of this Certificate of Formation and their successors.

"Bylaws." The Bylaws of the Master Association, adopted by the Board of Directors, as amended from time to time.

"Condominium." The Lantana Master Condominium located in the County.

"County." Gillespie County, Texas.

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

"Expenses." For purposes of Article VIII of this Certificate of Formation, court costs, a Judgment, a penalty, a settlement, a fine, and reasonable attorney's fees.

"Former Governing Person." For purposes of Article VIII of this Certificate of Formation, a Person who was a Governing Person.

"Governing Person." Any Person acting within such Person's Official Capacity on behalf of the Master Association.

"Governmental Authority." Any and all applicable courts, boards, agencies, commissions, offices or authorities of any nature whatsoever for any governmental entity (federal, state, County, district, municipal, city or otherwise) whether now or hereafter in existence.

"Judgment." For purposes of Article VIII of this Certificate of Formation, any reference to a Judgment includes an arbitration award.

"Majority." More than half.

"Master Association." The Lantana Master Condominium Association, Inc., a Texas nonprofit corporation, organized under the Act and the TNCL and created for the purposes and possessing the rights, powers, authority and obligations set forth in the Governing Documents, and for the purposes of Section 8.1 of this Certificate of Formation, also includes any domestic or foreign successor entity of the Master Association in a merger, consolidation, or other transaction in which the liabilities of the predecessor are transferred to the Master Association by operation of law and in any other transaction in which the Master Association assumes the liabilities of the predecessor but does not specifically exclude liabilities that are the subject matter of Article VIII of this Certificate of Formation.

"Master Declaration." That certain Master Condominium Declaration for The Lantana Master Condominium, recorded in the Real Property Records, as amended from time to time.

"Member." Any present and future Owner of any Unit in the Condominium.

"Members in Good Standing." Will have the meaning assigned to such term in Section 6.2 of this Certificate of Formation.

"Official Capacity." With respect to a Governing Person, the office of the Governing Person in the Master Association or the exercise of authority by or on behalf of the Governing Person under the TNCL or the Governing Documents; and with respect to a Person other than a Governing Person, the elective or appointive office, if any, in the Master Association held by the Person or the relationship undertaken by the Person on behalf of the Master Association.

"Proceeding." (a) A threatened, pending, or completed action, suit or other proceeding, whether civil, criminal, administrative, arbitative, or investigative; (b) an appeal of an action, suit or proceeding described by subpart (a); and (c) an inquiry or investigation that could lead to an action, suit or proceeding described by subpart (a).

"Quorum." Will have the meaning assigned to such term in Section 6.4 of this Certificate of Formation.

"Quorum of Directors." At all duly convened meetings of the Board of Directors, at least 51% of the Directors must be present, in person, to constitute a quorum for the transaction of business, except as otherwise provided in this Certificate of Formation. The vote of a Majority of the Directors at the meeting at which a Quorum of Directors is present will be the act of the Board of Directors. Pursuant to the TNCL, a Director present by proxy may not be counted toward a Quorum of Directors.

"Respondent." For purposes of Article VIII of this Certificate of Formation, a Person named as a respondent or defendant in a Proceeding.

"TBOC." The Texas Business Organizations Code, as amended from time to time.

"TNCL." The Texas Nonprofit Corporation Law, as amended from time to time.

"Texas Law." The laws of the State of Texas, including the Act, the TBOC and the TNCL, as amended from time to time.

"Unit." A physical portion of the Condominium that is designated for separate ownership or occupancy, which is more particularly described in the Master Declaration.

ARTICLE III NONPROFIT CORPORATION

The Master Association is a nonprofit corporation formed pursuant to and in accordance with the TNCL.

ARTICLE IV DURATION

The duration of the Master Association will be perpetual.

ARTICLE V PURPOSES AND POWERS

Section 5.1 Organization. The Master Association is organized to act as the Master Association of Owners of each Unit in the Condominium, in accordance with the Governing Documents and Texas Law.

Section 5.2 Powers. In furtherance of its purposes, the Master Association will have the following powers which, unless indicated otherwise by the Governing Documents or Texas Law, may be exercised by the Board of Directors:

- (a) all rights and powers conferred upon nonprofit corporations by Texas Law in effect from time to time;
- (b) all rights and powers conferred upon condominium associations by Texas Law in effect from time to time; and
- (c) all powers necessary, appropriate, or advisable to perform any purpose or duty of the Master Association as set out in the Governing Documents or conferred upon condominium associations and nonprofit corporations by Texas Law.

ARTICLE VI MEMBERSHIP

Section 6.1 Membership. The Master Association will be a non-stock membership corporation. The Master Declaration and Bylaws will determine the number and qualifications of Members of the Master Association, the classes of membership, the voting rights and other privileges of membership and the obligations and liabilities of Members. Cumulative voting is not allowed.

Section 6.2 Members in Good Standing. Members will be considered to be "Members in Good Standing" and eligible to vote if such Members:

(a) have, at least ten days prior to the taking of any vote by the Master Association, fully paid all Assessments that were due and payable more than ten days prior to such vote, as such Assessments are provided for under the Governing Documents, to the extent that such Assessments are not (i) being disputed in good faith by such Member at the time of such vote or (ii) beyond the applicable notice and cure periods under the terms of the Governing Documents at the time of such vote;

(b) do not have any notice of unpaid Assessments that has been filed by the Master Association against the Unit owned by such Member, to the extent that such Assessments are not (i) being disputed in good faith by such Member at the time of such vote or (ii) beyond the applicable notice and cure periods under the terms of the Governing Documents at the time of such vote; and

(c) have discharged all other obligations to the Master Association as may be required of a Member, as an Owner of a Unit under the Governing Documents that are not (i) being disputed in good faith by such Member at the time of such vote or (ii) beyond the applicable notice and cure periods under the terms of the Governing Documents at the time of such vote.

Section 6.3 Board of Directors Determination. The Board of Directors will have sole authority for determining the good standing status of any Member and will make such determination prior to a vote being taken by the Master Association on any matter. The Board of Directors will have the right and authority, in its sole discretion, to waive the requirements set forth in Section 6.2(a)-(c) of this Certificate of Formation, and, as to Section 6.2(a) of this Certificate of Formation, to require only that such payment be made at any time before such vote is taken if the Board of Directors determine, in the Board of Directors' judgment, that extenuating circumstances exist which have prevented prior payment. Any Member not conforming with the provisions of this Article VI will be declared by the Board of Directors not to be Members in Good Standing and will not be entitled to vote on matters before the Master Association until such time as Members in Good Standing status is attained and so declared by the Board of Directors.

Section 6.4 Quorum and Vote. Members in Good Standing holding 51% of the aggregate votes entitled to be cast by all Members represented at a meeting of the Members in person or by a legitimate proxy in a form approved by the Board of Directors, will constitute a quorum for voting on matters brought before the Members (a "Quorum"). Except as otherwise provided by Texas Law or the Governing Documents, the vote of Members who are Members in Good Standing holding, in the aggregate, 67% of the aggregate votes entitled to be cast by all Members will be the act of the Members. Notice requirements for all actions proposed to be taken by the Master Association that require an approval by a vote of the Members will be given as set forth in the Bylaws.

ARTICLE VII

LIABILITY; CONDUCT OF DIRECTORS AND OFFICERS

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

ARTICLE VIII
INDEMNIFICATION OF DIRECTORS,
OFFICERS AND OTHER AUTHORIZED REPRESENTATIVES

Section 8.1 Validity. Except for Section 8.8 of this Certificate of Formation, this Article VIII is only valid to the extent it is consistent with Chapter 8 of the TBOC.

Section 8.2 Mandatory and Court-Ordered Indemnification under Sections 8.051 and 8.052 of the TBOC. The Master Association must indemnify a Governing Person or Former Governing Person (i) against reasonable Expenses actually incurred by such Governing Person or Former Governing Person, as applicable, in connection with a Proceeding in which such Governing Person or Former Governing Person, as applicable, is a Respondent because such Person is or was a Governing Person, if such Person is wholly successful, on the merits or otherwise, in the defense of the Proceeding or (ii) to the extent the court determines that such Governing Person or Former Governing Person, as applicable, is fairly and reasonably entitled to indemnification in view of all the relevant circumstances in accordance with Section 8.052 of the TBOC.

Section 8.3 Permissive Indemnification under Section 8.101 of the TBOC. The Master Association may indemnify a Governing Person or Former Governing Person who was, is or is threatened to be made a Respondent in any Proceeding to the extent permitted by Section 8.102 of the TBOC if it is determined in accordance with Section 8.4 of this Certificate of Formation that:

(a) the Person: (i) acted in good faith; (ii) reasonably believed: (A) in the case of conduct in the Person's Official Capacity, that the Person's conduct was in the Master Association's best interests, and (B) in any other case, that the Person's conduct was not opposed to the Master Association's best interests; and (iii) in the case of a criminal Proceeding, did not have a reasonable cause to believe the Person's conduct was unlawful;

(b) with respect to Expenses, the amount of Expenses other than a Judgment is reasonable; and

(c) indemnification should be paid.

A Person does not fail to meet the standard under Section 8.3(a) solely because of the termination of a Proceeding by Judgment, order, settlement, conviction, or a plea of nolo contendere or its equivalent.

Section 8.4 Determination of Permissive Indemnification under Section 8.101 of the TBOC.

(a) Except as provided by Sections 8.4(b) and (c), the determinations required under Section 8.3 of this Certificate of Formation must be made by:

(i) a Majority vote of the Directors who at the time of the vote are disinterested and independent, regardless of whether the Directors who are disinterested and independent constitute a Quorum of Directors;

(ii) a Majority vote of a committee of the Master Association if the committee is (A) designated by a Majority vote of the Directors who at the time of the vote are disinterested and independent, regardless of whether the Directors who are disinterested and independent constitute a Quorum of Directors; and (B) composed solely of one or more Governing Persons who are disinterested and independent;

(iii) special legal counsel selected by the Directors or selected by a committee of the Master Association by vote in accordance with Section 8.4(a)(i) or (ii) above;

(iv) a Majority vote of the Members in a vote that excludes the membership interests held by each Governing Person who is not disinterested and independent; or

(v) a unanimous vote of the Members.

(b) If special legal counsel determines under Section 8.4(a)(iii) that a Person meets the standard under Section 8.3(a) of this Certificate of Formation, the special legal counsel will determine whether the amount of Expenses other than a Judgment is reasonable under Section 8.3(b) of this Certificate of Formation but may not determine whether indemnification should be paid under Section 8.3(c) of this Certificate of Formation. Such determination whether indemnification should be paid under Section 8.3(c) of this Certificate of Formation must be made in a manner specified by Section 8.4(a)(i), (ii), (iv), or (v) above.

(c) A provision contained in Governing Documents, a resolution of the Members or the Board of Directors, or an agreement that requires the indemnification of a Person who meets the standard under Section 8.3(a) of this Certificate of Formation constitutes a determination under Section 8.3(c) of this Certificate of Formation (that indemnification should be paid) even though such provision, resolution or agreement may not have been adopted or authorized in the same manner as required under Section 8.4(a) above. The determinations required under Sections 8.3(a) and 8.3(b) of this Certificate of Formation must be made in a manner provided by Section 8.4(a) above.

Section 8.5 Advancing Expenses to Governing Persons under Section 8.104 of the TBOC.

(a) The Master Association may pay or reimburse reasonable Expenses incurred by a present Governing Person who was, is, or is threatened to be made a Respondent in a Proceeding in advance of the final disposition of the Proceeding without making the determinations required under Section 8.3 above after the Master Association receives:

(i) a written affirmation by the Person of the Person's good faith belief that the Person has met the standard of conduct necessary for indemnification under this Article VIII; and

(ii) a written undertaking by or on behalf of the Person to repay the amount paid or reimbursed in the form of an unlimited general obligation of the Person, that may be secured or unsecured, if the final determination is that (A) the Person has not met the standard of conduct necessary for indemnification under this Article VIII; or (B) that indemnification is prohibited by this Article VIII.

(b) A provision in the Governing Documents, a resolution of the Members or the Directors, or an agreement that requires the payment or reimbursement permitted under this Section 8.5 authorizes that payment or reimbursement after the Master Association receives an affirmation and undertaking described by Section 8.5(a)(i) and (ii).

Section 8.6 Advancing Expenses to Persons other than Governing Persons under Section 8.105 of the TBOC.

(a) To the extent consistent with Texas Law and this Article VIII, the Master Association may indemnify and advance Expenses to a Person who is not a Governing Person, including an officer, employee, or agent of the Master Association, as provided by (i) the Governing Documents; (ii) general or specific action of the Board of Directors; (iii) resolution of the Members; (iv) contract; or (v) common law.

(b) The Master Association will indemnify an officer of the Master Association to the same extent that indemnification is required under this Certificate of Formation for a Governing Person.

(c) A Person who is not a present Governing Person may seek indemnification or advancement of Expenses from the Master Association to the same extent that a Governing Person may seek indemnification or advancement of Expenses hereunder. Notwithstanding any authorization or determination specified in the TBOC, the Master Association may pay or reimburse, in advance of the final disposition of a Proceeding and on terms the Master Association considers appropriate, reasonable Expenses incurred by:

(i) a Former Governing Person who was, is, or is threatened to be made a Respondent in the Proceeding; or

(ii) a present or former employee, agent, or officer of the Master Association who is not a Governing Person of the Master Association and who was, is, or is threatened to be made a Respondent in the Proceeding.

(d) A determination of indemnification for a Person who is not a Governing Person, including an officer, employee, or agent of the Master Association, is not required to be made in accordance with Section 8.4 of this Certificate of Formation.

Section 8.7 Witness Expenses under Section 8.106 of the TBOC. Notwithstanding any other provision of this Article VIII, the Master Association may pay or reimburse reasonable Expenses incurred by (a) a Governing Person; (b) an officer, employee, or agent of the Master Association; or (c) any other Person, in connection with such Person's appearance as a witness or other participation in a Proceeding at a time when such Person is not a Respondent in the Proceeding.

Section 8.8 Insurance Authorized under Section 8.151 of the TBOC. The Master Association may purchase and maintain insurance or another arrangement to indemnify or hold harmless any Governing Person, Former Governing Person, officer, employee, or agent of the Master Association against any liability asserted against and incurred by such Person in its capacity or arising out of such Person's status in that capacity. The insurance or other arrangement established under this Section 8.8 may insure or indemnify against the liability described in this Section 8.8 without regard to whether the Master Association otherwise would have had the power to indemnify such Person against that liability under this Article VIII. Insurance or another arrangement that involves self-insurance or an agreement to indemnify made with the Master Association or a Person that is not regularly engaged in the business of providing insurance coverage may provide for payment of a liability with respect to which the Master Association does not otherwise have the power to provide indemnification only if the insurance or arrangement is approved by all of the Members. For the benefit of Persons to be indemnified by the Master Association, the Master Association may, in addition to purchasing or procuring or establishing and maintaining insurance or another arrangement (a) create a trust fund; (b) establish any form of self-insurance, including a contract to indemnify; (c) secure the Master Association's indemnity obligation by grant of a security interest or other lien on the assets of the Master Association; or (d) establish a letter of credit, guaranty, or surety arrangement. Insurance or another arrangement established under this Section 8.8 may be purchased

or procured or established and maintained within the Master Association; or with any insurer or other Person considered appropriate by the Board of Directors. The Board of Directors' decision as to the terms of the insurance or other arrangement and the selection of the insurer or other Person participating in an arrangement is conclusive. The insurance or arrangement is not voidable and does not subject the Governing Persons approving the insurance or arrangement to liability, on any ground, regardless of whether the Governing Persons participating in approving the insurance or other arrangement are beneficiaries of the insurance or arrangement; provided, however, that the foregoing does not apply in cases of actual fraud.

Section 8.9 Reports of Indemnification and Advances under Section 8.152 of the TBOC. The Master Association will report in writing to the Members any indemnification of or advance of expenses to a Governing Person no later than the earlier to occur of the (a) first anniversary of the date of the indemnification or advance; (b) notice or waiver of notice of the next meeting of the Members; or (c) next submission to the Members of a consent to action without a meeting.

ARTICLE IX MANAGEMENT OF THE MASTER ASSOCIATION

The management and affairs of the Master Association will be vested in the Board of Directors, except for those matters expressly reserved to others in the Governing Documents. The Master Declaration and the Bylaws will determine the number and qualification of Directors; the term of office of Directors; the methods of electing, removing, and replacing Directors; and the methods of holding a meeting of the Board of Directors and obtaining consents.

ARTICLE X WINDING UP AND TERMINATION

Winding up of the Master Association may be accomplished only by resolution adopted by 100% of the votes eligible to be cast by the Members in Good Standing present or voting by legitimate proxy at a called meeting at which a Quorum is present. Upon a termination of the Master Association, all assets, both real and personal, of the Master Association will be applied and distributed in accordance with the provisions of Section 22.304 of the TNCL.

ARTICLE XI REGISTERED OFFICE AND AGENT

The street address of the Master Association's initial registered office is [REDACTED], and the name of its initial registered agent at such address is [REDACTED].

ARTICLE XII INITIAL DIRECTORS

The number of Directors constituting the initial Board of Directors is seven and the names and addresses of the Persons who are to initially serve as Directors are:

Four Directors Appointed by the Hotel Unit Owner:

[]

[]

[]

[]

[]

[]

[]

[]

[]

One Director Appointed by the Retail Unit Owner:

[]

[]

[]

One Director Appointed by the Residential Unit I Owner:

[]

[]

[]

One Director Appointed by the Residential Unit II Owner:

[]

[]

[]

ARTICLE XIII
ACTION WITHOUT MEETING OF DIRECTORS

An action approved by unanimous written consent of the Board of Directors has the effect of an approval by a unanimous vote of the Directors at a meeting. The written consent may be in the form of facsimiles or e-mails which contain a statement of the action to be taken and the signature of the Director approving the action.

ARTICLE XIV
ACTION BY LESS THAN UNANIMOUS WRITTEN CONSENT

An action approved by the Members or the Board of Directors having at least the minimum number of votes that would be necessary to take the action at a meeting, may be taken via a written consent in accordance with the Bylaws and the TNCL. The written consent may be in the form of facsimiles or e-mails which contain a statement of the action to be taken and the signature of the Director, or Member, as applicable, approving the action.

ARTICLE XV
AMENDMENT

The power to amend or repeal the Bylaws or to adopt new bylaws is reserved for a Majority Vote of the Directors, but subject to Section 4.6 and Section 4.7 of the Master Declaration and Section 82.070 of the Act. Any amendment to this Certificate of Formation will be made in accordance with Texas Law and the Governing Documents.

ARTICLE XVI
ORGANIZER

The name and address of the organizer is:

[REDACTED]
[REDACTED]
[REDACTED]
Attention: [REDACTED]

ARTICLE XVII
INITIAL MAILING ADDRESS

The mailing address to which state franchise tax correspondence should be sent is:

[REDACTED]
[REDACTED]
[REDACTED]
Attention: [REDACTED]

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, I have hereunto set my hand this the ____ day of _____, 202__.

[REDACTED], Organizer

EXHIBIT E

BYLAWS

[Bylaws follow this cover page.]

DRAFT

BYLAWS
OF
THE LANTANA MASTER CONDOMINIUM ASSOCIATION, INC.

THE LANTANA MASTER CONDOMINIUM ASSOCIATION, INC.

BYLAWS

ARTICLE I

Name and Address; Organization and Existence

Section 1.1 Name. The name of the Master Association will be The Lantana Master Condominium Association, Inc.

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

Section 1.3 Registered Agent. The Master Association will have and continuously maintain in the State of Texas a registered agent whose office is identical with such registered office, as required by the TNCL. The registered office may be, but need not be, identical to the principal office in the State of Texas, and the registered office may be changed from time to time by the Board of Directors. The initial registered office and registered agent are listed in the Certificate of Formation.

Section 1.4 Organization and Existence. The Master Association is a Texas nonprofit corporation organized in accordance with and validly existing under the TNCL. The Certificate of Formation of the Master Association has been duly adopted by the Members as of the date hereof, and has been (or will be) filed in the office of the Secretary of State of the State of Texas as of the execution date of these Bylaws.

ARTICLE II

Applicability

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

ARTICLE III

Purpose

The purpose of the Master Association is to protect and enhance the value of the Condominium, including, without limitation, providing for the management, maintenance, repair and replacement of the Common Elements. The Master Association does not contemplate pecuniary gain or profit to its Members as a result of membership in the Master Association. In furtherance of the purpose as set forth herein, the Master Association will be operated in accordance with the TNCL and the Act.

ARTICLE IV

Definitions and Interpretation

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

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

"Board of Directors." Those individuals serving as Directors pursuant to Article VII of these Bylaws and their successors.

"Certificate of Formation." That certain Certificate of Formation of The Lantana Master Condominium Association, Inc., as amended from time to time.

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

"County." Gillespie County, Texas.

"Director." A member of the Board of Directors.

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

"Insurance Trustee." Has the meaning set forth in Section 7.14(b)(iv) of these Bylaws.

"Majority." More than half.

"Master Association." The Lantana Master Condominium Association, Inc., a Texas nonprofit corporation.

"Master Declaration." That certain Master Condominium Declaration for The Lantana Master Condominium, recorded in the Real Property Records, as amended from time to time.

"Member." Any present and future Owner of any Unit in the Condominium.

"Membership List." Has the meaning assigned to such term in Section 5.3 of these Bylaws.

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

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

"Quorum." Has the meaning set forth in the Certificate of Formation.

"Quorum of Directors." Has the meaning set forth in the Certificate of Formation.

"Reserve Fund." A fund to be established and maintained by the Master Association as described in Article VII of the Master Declaration and for purposes, including to meet unforeseen expenditures of the Master Association or to purchase any additional equipment, services deemed necessary by the Master Association for operation of the Condominium, and for any other purpose deemed necessary by the Master Association, subject to the provisions of the Master Declaration.

"Residential Units." Collectively, the Residential Unit I and the Residential Unit II, and individually, each a "Residential Unit."

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

"TBOC." The Texas Business Organizations Code, as amended from time to time.

"TNCL." The Texas Nonprofit Corporation Law, as amended from time to time.

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

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

Section 4.2 Interpretation. Except as provided in Section 22.103 of the TNCL, in the event of any inconsistency between the provisions set forth in these Bylaws and the Certificate of Formation, the Certificate of Formation will control. In the event of any inconsistency between the provisions set forth in these Bylaws and the Master Declaration, the Master Declaration prevails except to the extent the Master Declaration is inconsistent with the Act. If the Act, the TNCL, the TBOC or the Code are hereafter amended or changed, then both the Master Declaration and these Bylaws will be interpreted in a manner that conforms to the provisions of the Act with respect to condominium associations, and the TNCL, the TBOC or the Code with respect to nonprofit corporations, it being the intention to preserve the status of the Master Association as a bona fide nonprofit corporation.

ARTICLE V Members

Section 5.1 Membership.

(a) Membership of the Master Association will at all times consist exclusively of all the Owners (except as otherwise set forth in the Act following termination of the Condominium). Each Owner will automatically be a Member of the Master Association. The number of votes which each Member is entitled to cast with respect to any matter on which Members will be entitled to vote will be as set forth in the Master Declaration.

(b) In cases where more than one Person owns a fee interest in a Unit, all such Persons will arrange among themselves for one of their number to exercise the voting rights attributable to such Unit. If only one of the Persons who is a fee owner of such Unit is present at a meeting of the Members, then that Person may cast that Unit's votes. If more than one of the Persons who are fee owners of such Unit are present and, after one such Person casts such Unit's vote, another Person who is a fee owner of such Unit is present and makes prompt protest to the Person presiding over the meeting, then such vote will not be counted unless all such Persons can unanimously agree on such vote by the end of the meeting. Each Person owning a portion of the fee interest in a Unit may vote or register protest to the casting of votes by the other Persons owning portions of the fee interest in the same Unit through a proxy duly executed by such Person. Notwithstanding anything to the contrary set forth in this Section 5.1(b), but subject to the provisions of the Master Declaration, at such time as a Sub-Unit Condominium is formed in a Unit, a Sub-Unit Condominium Association or, if there is no Sub-Unit Condominium Association, the Sub-Unit Owner designated in accordance with Section 2.3(b) of the Master Declaration will be the Member with respect to a Unit and will be the sole Person entitled to cast Member votes with respect to such Unit.

(c) Membership of a Member in the Master Association will automatically terminate when such Member ceases to be an Owner; provided, however, that such termination will not release or relieve

such Member from any liability or obligation under the Master Declaration that was incurred during such Member's period of ownership of a Unit.

Section 5.2 Quorum; Act of Members. Quorum requirements with respect to any matter on which Members are entitled to vote and the number of affirmative votes required for Member acts are set forth in the Certificate of Formation.

Section 5.3 Membership List. The Secretary will be responsible for maintaining, at the principal office of the Master Association, an updated list of Members and their last known addresses as provided by each Member in such form and containing such other information as required by the TNCL (the "Membership List"). The Membership List will also show, opposite each Member's name, the address of the Unit owned. The Membership List will be revised by the Secretary to reflect changes in the ownership of the Units occurring prior to the date of the annual or special meeting. The Membership List will be open to inspection by all Members and other Persons lawfully entitled to inspect the Membership List during regular business hours up to the date of the annual or special meeting. The Secretary will also keep current and retain custody of the Minute Book.

Section 5.4 Member Proxies. Votes may be cast by written proxy or by ballot. Written proxies may be submitted by United States mail, delivered to the office of the Master Association, delivered directly to the Secretary or delivered in such other manner as directed by the Master Association. A proxy vote will be defined as a written vote submitted by a Member which either states the specific vote of the Member with respect to the issues, resolutions or election being voted on by the Members at the annual or special meeting or which is written permission for the Board of Directors or a specific Director to exercise the Member's vote as the Board of Directors or the specific Director sees fit. A proxy will be valid for the meeting specified in the proxy and any valid continuation of such meeting. Each proxy will be revocable unless otherwise expressly provided therein to be irrevocable. No proxy will be valid after 11 months from the date of its execution unless otherwise provided therein. A Member may not revoke a proxy except by giving actual written notice of revocation to the Person presiding over the meeting.

ARTICLE VI

Meetings of the Members

Section 6.1 Place of Annual and Special Meetings. All annual and special meetings of the Members will be held at the principal office of the Master Association or at another suitable and convenient place permitted by law and fixed by the Board of Directors from time to time and designated in the notices of the meetings. The Board of Directors may also permit Members to attend annual and special meetings by means of remote electronic communication, including telephonic, electronic, videoconferencing or the internet if each Person entitled to participate in the meeting consents to the meeting being held by means of that system, provided that each participant may communicate concurrently with every other participant; provided, however, that any Person attending an annual or special meeting by means of remote electronic communication must cast any vote through a proxy in accordance with Section 5.4 of these Bylaws.

Section 6.2 Date of Annual Meetings. The first annual meeting of the Members will be held within one year of its formation. Thereafter, annual meetings of the Members will be held in January each year or such other month as may be determined by a Majority of the Directors, and the date of such meeting will be fixed by the Board of Directors by written notice to the Members. The Members may transact any business that may properly come before the meeting.

Section 6.3 Notice of Annual Meetings. Subject to Section 82.070 of the Act, the Secretary will deliver notices of annual meetings to each Member by telephone, electronic mail, facsimile or by United States mail, with postage prepaid, directed to the most recent post office address, phone number,

facsimile number or electronic mail address, as the same appears on the records of the Master Association. This notice will be transmitted not less than ten and not more than 60 days before the date of the meeting and will state the date, time and place of the meeting, the purpose or purposes thereof and the items on the agenda, including the specific nature of any proposed amendment or change to the Governing Documents.

Section 6.4 Special Meeting. A special meeting of the Members may be called by the President, a Majority of the Directors or upon presentation to the Secretary of a petition stating the specific purpose of the special meeting, which petition has been signed by two Members in Good Standing (as defined in the Certificate of Formation).

Section 6.5 Notice of Special Meetings. Subject to Section 82.070 of the Act, the Secretary will mail or deliver notice of any special meeting of the Members to each Member in the manner provided in Section 6.3 of these Bylaws. The notice will state the same items required by Section 6.3 of these Bylaws for notices of annual meetings. No business will be transacted at any special meeting except as stated in the notice.

Section 6.6 Agenda. The agenda at all meetings of the Members will include: (a) roll call; (b) proof of notice of meeting or waiver of notice; (c) approval of the minutes of the preceding meeting; (d) reports of officers and committees; (e) appointment of Directors, if applicable; (f) unfinished business; (g) new business, as may properly come before the meeting; and (h) adjournment.

Section 6.7 Action without Meeting by Written Ballot. Any action which may be taken by the vote of the Members at a regular or special meeting may be taken without a meeting if at least the minimum number of Members that would be necessary to take the action at a regular or special meeting consent to such action in writing. Such written consent will be filed in the Minute Book. Any action taken by such written consent will have the same force and effect as a vote of the Members.

Section 6.8 Administration of Affairs. Subject to the provisions of the Governing Documents, the Board of Directors will govern the Master Association.

ARTICLE VII

The Board of Directors

Section 7.1 Authority; Number of Directors.

(a) The affairs of the Master Association will be governed by the Board of Directors. The initial Directors will be seven in number and will be those Directors named in the Certificate of Formation. The initial Directors will serve until removed pursuant to Section 7.5 of these Bylaws and their respective successors are appointed pursuant to Section 7.2 of these Bylaws, except as set forth in Section 7.1(b) of these Bylaws.

(b) The Owner of the Retail Unit will appoint one duly authorized agent or representative to serve as a Director on the Board of Directors, the Owner of the Hotel Unit will appoint four duly authorized agents or representatives to serve as Directors on the Board of Directors, the Owner of the Residential Unit I will appoint one duly authorized agent or representative to serve as a Director on the Board of Directors, and the Owner of the Residential Unit II will appoint one duly authorized agent or representative to serve as a Director on the Board of Directors; provided, however, upon the formation of a Sub-Unit Condominium within a Residential Unit, the president of the applicable Sub-Unit Condominium Association will be the Person appointed by the Owner of such Residential Unit to serve as a Director on the Board of Directors. If a Sub-Unit Condominium Association of a Sub-Unit within either of the Residential Units is dissolved, the applicable Sub-Unit Owners will determine the Person to serve as the Director on behalf of such

Residential Unit. Each Director will be allocated one vote of equal weight to cast in all decisions of the Board of Directors.

Section 7.2 Appointment of Directors and Good Standing. Each Member will appoint the Director or Directors to be appointed by such Member by filing written notice thereof with the Board of Directors. Any Director or Directors appointed by Members that are not a Members in Good Standing will not be entitled to vote on matters before the Master Association until such time as such appointing Members attain a Members in Good Standing status as declared by the Board of Directors.

Section 7.3 Term of Directors and Compensation. Each Director will serve a term of two years and may serve an unlimited number of consecutive terms. The number of Directors may be changed by amendment of these Bylaws, but may not be less than three. A Director takes office upon his appointment and, absent death, ineligibility, resignation, or removal, will hold office until his successor is appointed. The Directors will serve without compensation for such service.

Section 7.4 Vacancies on the Board of Directors. If the office of any Director will become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, then the Member who appointed the Director for whom the office is now vacant, will choose a successor within ten business days after the vacancy occurs. The successor Director will fill the unexpired term of the directorship being vacated. If the applicable Member does not choose a successor within ten business days after the vacancy occurs, then the remaining Directors, at a special meeting called for this purpose, will choose a successor. The successor Director will fill the unexpired term of the directorship being vacated. At the expiration of the term of his position on the Board of Directors, the successor Director will be re-appointed or his successor will be appointed in accordance with these Bylaws.

Section 7.5 Removal of Directors by Members. Directors may be removed, with or without cause, by the Member who appointed the Director at any time; and the successor Director will be appointed in accordance with Section 7.2 of these Bylaws. Further, if a Director breaches such Director's duties hereunder or violates the terms of the Governing Documents and such breach or violation is not cured within a reasonable period of time following such Director's receipt of written notice (or such breach or violation is of a nature that is reasonably expected to have a Material Adverse Effect or is otherwise not able to be cured), then such Director may be removed by a Majority vote of the remaining Directors, and the successor Director will be appointed in accordance with Section 7.4 of these Bylaws.

Section 7.6 Organizational Meeting of the Board of Directors. No later than 30 days following each of (a) the filing of the Certificate of Formation and (b) each annual meeting of the Members, the Board of Directors will hold a regular meeting for the purposes of organization, election of officers and transaction of other business. Notice of this meeting will be given to all Directors in accordance with Section 7.8 of these Bylaws, except for the initial meeting, which will be called by Declarant.

Section 7.7 Place of Meetings. All meetings of the Board of Directors will be held at the principal office of the Master Association or at any other place or places designated at any time by resolution of the Board of Directors or by written consent of a Majority of all of the Directors. Any meeting of the Board of Directors may be held by any means of remote electronic communication, including, telephonic, videoconferencing or the internet if each person entitled to participate in the meeting consents to the meeting being held by means of that system, provided that each Director may communicate concurrently with every other Director, and any such meeting may involve consideration of any action, including any action involving a vote on a fine, damage assessment, appeal from a denial of approval, or suspension of a right of a particular Member.

Section 7.8 Regular Meetings of the Board of Directors. Regular meetings of the Board of Directors may be held at any time and place as from time to time may be determined by the Board of Directors pursuant to these Bylaws. Subject to Section 82.070 of the Act, notice of regular meetings of the Board of Directors will be given to each Director personally, by telephone, electronic mail, facsimile or by United States mail, with postage prepaid, directed to him at his last known post office address, phone number, facsimile number or electronic mail address, as the same appears on the records of the Master Association, at least ten but not more than 60 days before the date of the meeting. This notice will state the date, time, place and purpose of the meeting.

Section 7.9 Special Meetings of the Board of Directors. Special meetings of the Board of Directors may be called by the President on his own accord or by the President or the Secretary upon the written request of two Directors on at least three days' prior notice to each Director personally, by telephone, electronic mail, facsimile or by United States mail, with postage prepaid, directed to him at his last known post office address, phone number, facsimile number or electronic mail address, as the same appears on the records of the Master Association, subject to Section 82.070 of the Act.

Section 7.10 Waiver of Notice. With respect to any meeting of the Board of Directors, whether regular or special, any Director may, in writing, waive notice of such meeting and such waiver will be deemed equivalent to giving the required notice. All written waivers will be filed in the Minute Book of the Master Association or made a part of the minutes of the meeting. Participation by a Director at any meeting of the Board of Directors will likewise constitute a waiver by him of the required notice, unless the participation is for the express purpose of objecting to the transaction of business at the meeting on the grounds that the meeting has not been lawfully called or convened. If all Directors are present at any meeting of the Board of Directors, then no notice of the meeting will be required and any business may be transacted at the meeting except as prohibited by law or these Bylaws.

Section 7.11 Quorum of Directors. At all duly convened meetings of the Board of Directors, a Quorum of Directors must be present for the transaction of business, except as otherwise expressly provided in these Bylaws or the Certificate of Formation. The vote of a Majority of the Directors present at the meeting at which a Quorum of Directors is present will be the act of the Board of Directors, unless the Act, the TNCL, the TBOC, the Certificate of Formation, or these Bylaws requires the vote of a greater number of Directors to take such action.

Section 7.12 Consent in Writing. Any action by the Board of Directors, including, without limitation, any action involving a vote on a fine, damage assessment or suspension of a right of a particular Member, may be taken without a meeting if at least the minimum number of Directors that would be necessary to take the action at a meeting consent to such action in writing. Such written consent will be filed in the Minute Book. Any action taken by such written consent will have the same force and effect as a vote of the Directors.

Section 7.13 Records. The Board of Directors will cause a complete record of all of its acts and the corporate affairs of the Master Association to be kept and to present a general report thereof to the Members at each annual meeting of the Members or at any special meeting of the Members where a general report is requested in writing by any Member. In addition to the general reports required to be provided at each annual meeting and any special meeting (if requested), any Member may request in writing a general report at any time and from time to time, and the Board of Directors will deliver same within a reasonable period of time following receipt of such written request (provided that the Board of Directors will not be obligated to deliver a general report to such Member more than one time in any 12 month period, exclusive of the general reports required to be delivered at annual meetings and special meetings as set forth above in this Section 7.13).

Section 7.14 Powers and Duties. Subject to the Governing Documents (including the requirements regarding Major Decisions set forth in the Master Declaration), the Board of Directors will have and may exercise all powers and duties necessary for the proper administration of the affairs of the Master Association. In the performance of its duties as the governing body of the Master Association, subject to limitations set forth in the Governing Documents, the Board of Directors will have all powers enumerated in Section 82.102 of the Act (except as otherwise provided in the Governing Documents), and, in addition to those powers and duties set forth in the Act and the Governing Documents, the Board of Directors will have the powers and duties enumerated below; provided, however, that each such power and duty is subject to the terms and conditions of the other Governing Documents, including, without limitation, any limitations set forth in another Governing Document regarding the scope or exercise of the duties and powers listed below. Any of the enumerated powers of the Board of Directors, including all powers enumerated in Section 82.102 of the Act or in this Section 7.14, may be delegated to an Owner, Tenant, or Manager from time to time. Each Director individually and the Board of Directors collectively will perform the duties and powers of the Board of Directors in good faith as a fiduciary of the Master Association, in a manner which the Director believes to be in the best interest of the Master Association and with the care of a person of ordinary prudence under similar circumstances, including reasonable inquiry, skill and diligence.

(a) Duties:

(i) provide for the operation, maintenance, management, insurance, cleaning, sanitation, renewal, replacement, care and upkeep consistent with the Maintenance Standard and the Project Standard of (A) the Common Elements, (B) all property, real or personal, of the Master Association, and (C) all property as required pursuant to the Allocation Document and the other Governing Documents. The Master Association will obtain and maintain insurance that satisfies the insurance requirements set forth in the Allocation Document, the other Governing Documents, and the Act;

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

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

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

(v) maintain the Common Elements consistent with the Maintenance Standard and the Project Standard;

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

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

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

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

(x) adopt a Master Budget for each fiscal year which will contain estimates of the costs and expenses of the Master Association and the proposed Monthly Assessments sufficient to pay all Common Expenses in accordance with the Governing Documents;

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

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

(xiii) make and enforce compliance with the Regulations including penalties to be levied for violations of these Bylaws, the Master Declaration and the Regulations which the Board of Directors will adopt, and amend the same from time to time as and when approved by appropriate resolutions which will be binding on the Owners, Tenants and occupants of the Units, their successors in title and assigns. A copy of the Regulations and copies of any amendments thereto will be delivered or mailed to each Owner promptly upon the adoption thereof.

(b) Powers:

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

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

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

The Board of Directors will not be considered to be acting in good faith if it has knowledge concerning the matter in question that would cause this reliance to be unwarranted;

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

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

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

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

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

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

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

(xi) enforce the Governing Documents against any Person who owns or uses any portion of the Condominium; and

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

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

Section 7.15 Annual Master Budget and Assessments. Copies of the proposed Master Budget setting forth the proposed annual Common Expenses, proposed reserves and proposed Assessments for the next fiscal year of the Master Association will be prepared by the Board of Directors and distributed to all

Members at least 30 days prior to the beginning of each fiscal year of the Master Association and will be available to all Members for inspection during regular business hours at the Master Association's office. If the proposed Master Budget is subsequently amended before the Assessments are made, then a copy of the amended Master Budget will also be distributed and made available for inspection. Reserve Funds will include reasonable amounts to be credited, allocated or accumulated for replacement of those Common Elements consistent with the Maintenance Standard and the Project Standard that require replacement, renovation or rehabilitation periodically. Subject to the provisions of the Master Declaration, nothing herein contained will be construed as restricting the right of the Board of Directors, at any time and in its sole discretion, to levy a Special Assessment in the event that the Master Budget as originally adopted will appear to be insufficient to pay the cost of the operation or management of the Condominium consistent with the Maintenance Standard and the Project Standard or in the event of emergencies. Additional Assessments will also be established in accordance with Article VII of the Master Declaration for sums owed to the Master Association or an Owner as further described therein.

Section 7.16 Management Certificate. The Master Association will record a certificate in the Real Property Records, signed and acknowledged by an officer of the Master Association stating:

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

A new certificate will be recorded in the Real Property Records within 30 days after the Master Association receives notice of a change in any of the information listed in (a) through (f) herein.

Section 7.17 Manager. The Board of Directors may hire a Manager for the Condominium to facilitate management of the Condominium and/or the administration of the Master Association.

Section 7.18 Open Meeting. Meetings of the Members and the Board of Directors will be open to all Members. Subject to applicable law, the Board of Directors will have the right to adjourn a meeting and reconvene in a private, closed executive session to consider any actions involving personnel, pending litigation, contract negotiations, or enforcement actions, or upon the request of an affected party, or to consider matters that are confidential in the opinion of the Board of Directors; provided, however, the Board of Directors will announce the general nature of the business to be considered in such executive session prior to adjourning the meeting.

Section 7.19 Quorum of Directors. Quorum requirements with respect to any matter on which Directors are entitled to vote are set forth in the Certificate of Formation.

Section 7.20 Director Proxies. Director votes may be cast by written proxy or by ballot. Written proxies may be submitted by United States mail, delivered to the office of the Master Association, delivered directly to the Secretary or delivered in such other manner as directed by the Master Association. A proxy vote will be defined as a written vote submitted by a Director which either states the specific vote

of the Director with respect to the issues, resolutions or election being voted on by the Directors to exercise the Director's vote as the Director sees fit. A proxy will be valid for the meeting specified in the proxy or any valid continuation of such meeting. Each proxy will be revocable unless otherwise expressly provided therein to be irrevocable. No proxy will be valid after three months from the date of its execution. A Director may not revoke a proxy except by giving actual written notice of revocation to the Person presiding over the meeting.

ARTICLE VIII

Officers

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

Section 8.2 Election. Except as set forth herein, the officers of the Master Association will be elected annually by the Board of Directors at the organizational meeting held pursuant to Section 7.6 of these Bylaws and will hold office until their successors are elected or appointed by the Board of Directors; provided that each officer may be removed, with or without cause, at any time, if the Board of Directors determines that removal is in the best interest of the Master Association, and his successor will be elected by the affirmative vote of a Majority of the Directors pursuant to Section 8.3 below. Subject to removal or resignation as provided herein, the President and Secretary will each serve for a term of two years and the remaining officers will serve for a term of one year. The Board of Directors may, from time to time, appoint other officers who, in its judgment, are necessary or desirable for the operation of the Master Association. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Master Association. Any resignation will take effect as of the date of the receipt of such notice or any later time specified therein; unless specified therein, the acceptance of a written resignation will not be necessary to make it effective.

Section 8.3 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause will be filled by election by the affirmative vote of a Majority of the Directors at any annual or special meeting of the Board of Directors called for that purpose.

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

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

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

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

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

ARTICLE IX

Liability; Indemnification of Directors, Officers and Other Authorized Representatives

The liability and indemnification of Directors, Officers and other authorized representatives of the Master Association is addressed in the Certificate of Formation.

ARTICLE X

Master Association Books and Records

The Master Association will keep or cause to be kept (a) detailed financial records of the Master Association in sufficient detail to enable the Master Association to prepare a resale certificate in accordance with the provisions of Section 82.157 of the Act; (b) the name and mailing address of each Owner of a Unit; (c) voting records, proxies and correspondence relating to all amendments to the Master Declaration; and

(d) the minutes of all meetings of the Members and the Board of Directors. All books and records of the Master Association will be available for inspection by the Owners, Mortgagees, and their respective agents and representatives, during normal business hours. All books and records of the Master Association will be kept in accordance with GAAP, and will be audited at least once a year. If the Board of Directors or a Majority of Members requests the same, then such audit will be performed by an independent certified public accountant. If requested in writing by a Member or Mortgagee, the Master Association will furnish such requesting Member or Mortgagee copies of the audited financial statements of the Master Association within 90 days following the end of each fiscal year of the Master Association. The Board of Directors will further make available for the inspection by Members, Mortgagees and their respective agents and representatives during normal business hours, the current version of the Governing Documents and all other documents affecting the Master Association, the Owners, or the Condominium, as well as all amendments thereto and revisions thereof. Declarant will furnish copies of the information set forth in this Section to the Master Association on the date the first Unit is conveyed to an Owner. For purposes of this paragraph, "available" will mean available for inspection, upon reasonable advance request of not less than 24 hours, during regular business hours at the office of the Master Association or the office of a Manager of the Master Association. The cost of any copies will be reimbursed to the Master Association at a rate set by the Board of Directors.

ARTICLE XI

Winding Up and Termination

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

ARTICLE XII

Miscellaneous

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

Section 12.2 Amendments to Bylaws. These Bylaws may be amended from time to time by a Majority of the Board of Directors, but subject to Section 4.6 and Section 4.7 of the Master Declaration and Section 82.070 of the Act.

Section 12.3 Construction. Number and gender as used in these Bylaws will extend to and include both singular and plural and all genders as the context and construction require.

[Remainder of page intentionally left blank.]

Executed effective as of _____, 2025.

**THE LANTANA MASTER CONDOMINIUM
ASSOCIATION, INC.,**
a Texas nonprofit corporation

By: _____
Name: _____
Title: _____

EXHIBIT F
MASTER REGULATIONS

[Master Regulations follow this cover page.]

DRAFT

RULES AND REGULATIONS FOR
THE LANTANA MASTER CONDOMINIUM
("Condominium")

Contents

ARTICLE I
GENERAL PROVISIONS GOVERNING
THE USE OF UNITS/RESIDENCES AND COMMON ELEMENTS

ARTICLE II
PROVISIONS GOVERNING COLLECTION AND FINING

ARTICLE III
UTILITY RULES

Adopted by

Board of Directors

Effective as of _____, 2025

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ARTICLE I

General Provisions

These Rules and Regulations (these "Regulations") for The Lantana Master Condominium are established by the Board of Directors, effective as of _____, 2025, pursuant to the rule-making and rule-enforcement authority granted to the Board of Directors by the Governing Documents.

These Regulations are in addition to the terms, provisions and covenants contained in the other Governing Documents. If there is a conflict among documents, the order of governing authority shall be as follows: Allocation Document (highest), Master Declaration, Certificate of Formation, Bylaws, these Regulations and then, with respect to Residence Owners, the Residential Declaration, Residential Certificate of Formation, Residential Bylaws, and Residential Regulations (if any) (lowest). An Owner of a Unit is not required to comply with any provision in these Regulations requiring an Owner or a Unit to seek approval of or conform with the Residential Association, Residential Board of Directors, Residential Declarant, Residential Manager, Residential Declaration, Residential Certificate of Formation, Residential Bylaws, Residential Regulations (if any) or similar references it being acknowledged that such items only relate to the Residences and the Residential Condominium. The Board of Directors is empowered to interpret, enforce, amend, adopt variances and individual waivers of and repeal these Regulations.

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

Further, the Residential Manager has been given the authority by the Residential Association to interface with the Residence Owners and other Persons described in these Regulations and to effect the Residential Association's rights and obligations set forth herein, but not to grant any waivers, make any decisions or otherwise make any independent elections whatsoever beyond the actions specifically authorized by the Residential Association. If the Residential Association terminates such authority of the Residential Manager, then immediately the Residential Association may enforce its rights and obligations hereunder itself or through another designated Person, and any reference to the Residential Manager (if the context indicates the Residential Manager is the agent of the Residential Association) shall be to the Residential Association or its Designee.

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

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

Section 1.1 Definitions.

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

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

"Amenity Areas" Those certain portions of the Hotel Unit designated by the Hotel Unit Owner for use by the other Owners and the Residence Owners from time to time.

"Assessments" The Monthly Assessments, Special Assessments and Additional Assessments.

"Associations" Collectively, the Master Association and the Residential Association.

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

"Common Elements" All portions of the Condominium, including both the General Common Elements and the Limited Common Elements, but excluding the Units.

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

"Designated Parking Spaces" The parking spaces that Hotel Unit Owner identifies for use by the Owners/Residence Owners, Tenants/Residential Tenants, and Owner's guests and invitees, as such parking spaces may be identified from time to time, but excluding any parking spaces that are identified as "reserved" or "designated" for other parties or Hotel Unit Owner's exclusive use.

"Estates Condominium" The form of real property established by the Residential Condominium Declaration for The Estates at The Lantana Condominium.

"Estates Unit" A portion of the Residential Unit I designated for separate ownership as created and identified in the Residential Declaration executed by the Owner of the Residential Unit I and recorded in the Official Public Records of the County.

"Governing Documents" Individually and collectively, the Act, the Allocation Document, the Certificate of Formation, the Bylaws, the Master Declaration, Policy Guidelines, and these Regulations, as each may be amended and supplemented; provided, however, that as to a Residence Owner or a Residence, the term "Governing Documents" shall also be deemed to include the Residential Governing Documents.

"Holiday" A legal holiday recognized as such by the government of the United States or the State of Texas and shall be deemed to include the weekday before and after a Holiday and the period between December 25 and January 1.

"Hotel Unit" The Unit as more particularly described in Section 2.2 of the Master Declaration, as shown on the Map.

"Legal Requirements" Any and all present and future judicial decisions, matters of record, statutes, rulings, rules, regulations, permits, certificates or ordinances of any Governmental Authority in any way applicable to the use and enjoyment of the Condominium, any Unit or the Property, zoning ordinances, subdivision and building codes, flood disaster laws and applicable architectural barrier, health and environmental laws and regulations.

"Manager" or "Management Office" The management staff in such staff's offices who are employees or independent contractors of the Master Association, and who may be employees of the Residential Association, or its or their managing agent.

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

"Master Declaration" The Master Condominium Declaration for The Lantana Master Condominium and all recorded amendments thereto.

"Owner" Any Person (including Declarant except as otherwise expressly provided) owning fee title to a Unit, but excluding: (i) any Person having an interest in a Unit solely as a security for an obligation, and (ii) a Sub-Unit Owner including a Residence Owner.

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

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

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

"Residence" A portion of the Residential Unit designated for separate ownership as created and identified in the Residential Declaration.

"Residence Owner" Any Person (including Residential Declarant except as otherwise expressly provided) owning fee title to a Residence, which Residence includes an undivided interest in the Residential Common Elements, but excluding any Person having an interest in a Residence solely as security for an obligation.

"Residential Assessments" The Monthly Residential Assessments, Special Residential Assessments and Additional Residential Assessments due or levied in accordance with the Residential Governing Documents.

"Residential Association" Collectively and individually, as applicable, The Estates at the Lantana Condominium Association, Inc., a Texas nonprofit corporation and/or The Villas at the Lantana Condominium Association, Inc., a Texas nonprofit corporation, which are organized under the Act and created for the purposes and possessing the rights, powers, authority and obligations set forth in the Governing Documents.

"Residential Board of Directors" The Board of Directors of the Residential Association.

"Residential Common Elements" All portions of the Residential Condominium, including both the Residential General Common Elements and the Residential Limited Common Elements but excluding the Residences.

"Residential Condominium" Collectively, the Villa Condominium and the Estates Condominium.

"Residential Declaration" Collectively and individually, as applicable, the Residential Condominium Declaration for The Estates at The Lantana Condominium and the Residential Condominium Declaration The Villas at The Lantana Condominium, and all recorded amendments thereto.

"Residential Governing Documents" Individually and collectively, the Governing Documents, the certificate of formation of the Residential Association, the bylaws of the Residential Association, the Residential Declaration, and any regulations of the Residential Condominium, as each may be amended and supplemented.

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

"Residential Tenant" Any Person having the right to occupy a Residence pursuant to a lease granted by a Residence Owner.

"Residential Unit" Collectively, the Units, as more particularly described as Residential Unit I and Residential Unit II in Section 2.2 of the Master Declaration, as shown on the Map.

"Retail Unit" The Unit as more particularly described in Section 2.2 of the Master Declaration, as shown on the Map.

"Tenant" Any Person having the right to occupy a Unit or a portion of a Unit pursuant to a lease granted by an Owner.

"Tenant/Residential Tenant" A Tenant or Residential Tenant.

"Unit" A physical portion of the Condominium that is designated for separate ownership or occupancy (the boundaries of which are depicted on the Map), which, to the extent applicable, is contained within the perimeter walls, floor, ceiling, windows, and doors of a Unit depicted on the Map, and includes: (a) all the Systems and Structure that exclusively serve such Unit and portions of the Skin that exclusively serve such Unit; and (b) the finish materials, floor covering, wall covering, fixtures and

appliances contained in the Unit, but excludes any: (i) portions of any Structure and Skin that serve more than one Unit; and (ii) Systems that serve more than one Unit, all as subject to and further described in Section 82.052 of the Act, but not including the Residences of the Residential Condominium unless specifically so provided.

"Unit/Residence" A Unit or a Residence.

"Villa Condominium" The form of real property established by the Residential Condominium Declaration for The Villas at The Lantana Condominium.

"Villas Unit" A portion of the Residential Unit II designated for separate ownership as created and identified in the Residential Declaration executed by the Owner of the Residential Unit II and recorded in the Official Public Records of the County.

Section 1.2 Compliance; Declarant and Residential Declarant Exemption.

(a) Compliance; Declarant and Residential Declarant Exemption. Each Owner/Residence Owner and all guests, invitees and Persons using or occupying a Unit/Residence belonging to such Owner/Residence Owner, shall comply with all Legal Requirements, the provisions of the Governing Documents, and any other policies or regulations adopted by the Board of Directors or Residential Board of Directors to supplement the Governing Documents or Residential Governing Documents, as any of these may be amended from time to time. Each Owner/Residence Owner shall be liable for damages to any Person or property for violations of the Governing Documents, whether the Owner/Residence Owner commits the violation or guests, Tenants, Residential Tenants or other invitees of such Owner/Residence Owner commit the violation. The regulations contained within any specific section shall not be interpreted to apply to the exclusion of other rules contained in these Regulations which would logically apply to the same subject matter. **Unless otherwise expressly stated, Declarant and Residential Declarant are exempt from all restrictions set forth in these Regulations to the extent such restrictions interfere in any manner with Declarant's and Residential Declarant's (i) plans for construction, development, use, sale, lease or other disposition of all or any portion of the Property, (ii) exercise of any Special Declarant Rights or Special Residential Declarant Rights, or (iii) exercise of any Development Rights or Residential Development Rights.**

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

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

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

Section 1.3 Obligations of Owners/Residence Owners.

(a) Safety. Each Owner/Residence Owner is solely responsible for such Owner/Residence Owner's own safety and for the safety, well-being and supervision of such Owner/Residence Owner's guests and any Person at the Condominium to whom the Owner has a duty of due care, control, or custody.

(b) Unit Keys. Each Owner shall at all times maintain with the Master Association a set of all keys required to enter each separately occupied portion of such Owner's Unit as provided in Section 3.8(a) of the Master Declaration, and shall provide replacement keys to the Master Association each time a lock on the Unit is changed. Each Residence Owner shall at all times maintain with the Residential Association a set of all keys required to enter such Residence Owner's Residence as provided in the Residential Declaration, and shall provide replacement keys to the Residential Association each time a lock on the Residence is changed. The Master Association and the Residential Association assume no liability related to possession of the keys. Except as specifically set forth in the Governing Documents, keys shall only be used (i) for emergency access, or (ii) in the event prior written approval is provided by the Owner/Residence Owner.

(c) Damage. An Owner/Residence Owner is responsible for any loss or damage the Owner/Residence Owner causes to the Unit/Residence and the personal property of other Owners/Residence Owners. By way of example but not limitation, an Owner/Residence Owner is responsible for water damage to the other Units/Residences due to water which emanates from such Owner/Residence Owner's Unit/Residence, including leaks or overflows of sinks, tubs, showers, shower pans, toilets, dishwashers and clothes washers. In case of continuous water overflow, the Owner/Residence Owner should immediately turn off the water source within such Unit/Residence. Any damage to plumbing pipes, drains and apparatus resulting from misuse, or from unusual or unreasonable use, shall be borne by the Owner/Residence Owner causing such damage.

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

(e) Risk Management. An Owner/Residence Owner may not permit anything to be done or kept in its Unit/Residence or on the Common Elements that is illegal or that may result in the cancellation or increase in any insurance premiums being paid by the Master Association, the Residential Association or any other Owner/Residence Owner in connection with the property.

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

the Governing Documents against such Residence Owner or such Residence Owner's Residence as provided in the Residential Declaration.

(g) Reimbursement for Damage. Except as otherwise provided in the Governing Documents, each Owner/Residence Owner shall promptly reimburse the Master Association or Residential Association on demand for the cost of damage caused by the negligent or willful conduct or omission of such Owner/Residence Owner.

(h) Certain Sales Prohibited. Without the Master Association's and the Residential Association's prior written permission, a Residence Owner may not conduct or permit a Residential Tenant to conduct a sale or activity on the Property that is advertised or attractive to the public, such as "estate sales", "yard sales" or "garage sales", and all Residence Owners and Tenants are prohibited from posting any sign, advertisement or notice on any part of the outside of a Unit (or on the inside, to the extent visible from any other Unit, the Common Elements, or the exterior of the Buildings) or on any Common Element whatsoever that sends a similar message. This Section 1.3(h) does not apply to marketing the sale or rental of a Unit/Residence, unless combined with a prohibited activity.

Section 1.4 Occupancy Standards.

(a) Number of Occupants in Residences. As used in this Section 1.4(a) and Section 1.4(b) only, the term "occupy" means occupancy of a Residence in excess of seven continuous days or 30 days in any consecutive 12 month period. Subject to any exception for familial status under any applicable fair housing law or other Legal Requirements, no more than two people may occupy a bedroom.

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

(c) Danger. No Residence may be occupied by a person who constitutes a threat to the health or safety of other persons, or whose occupancy could result in substantial physical damage to the property of others.

Section 1.5 Community Etiquette in the Residences and Residential Common Elements.

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

(b) Visitors and Visitor Parking. Visitors to Residences may be required to register at the residential lobby desk. The Residential Association may, but is not obligated to, establish and enforce certain rules, processes, procedures and policies to supplement these Regulations and assist the Residential Association in the parking of Residence Owner guests and invitees, including for daily, overnight and extended stay parking as well as parking for private events held by Residence Owners.

(c) Code of Conduct. All Persons will conduct themselves in a civil manner when dealing with the Master Association's and the Residential Association's Designees and other Owners and

Residence Owners. In return, such Persons are due the same courtesy and civility. The following actions are expressly prohibited: (i) verbal abuse; (ii) insults and derogatory name-calling; (iii) cursing; (iv) aggressive or threatening behavior; (v) hostile touching or physical contact; (vi) sexual harassment; (vii) publicly posting correspondence; and (viii) phone calls, emails or other communications that are designed, by their tone, time or frequency, to harass or intimidate.

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

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

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

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

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

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

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

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

(i) Packages. Each Residence Owner agrees that the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all Owners, the Manager,

the Residential Manager, Declarant, Residential Declarant and any manager of any other Unit and each of their respective Designees are not responsible for any item or article left with or delivered to such Persons on behalf of such Residence Owner or Residential Tenant.

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

(k) Smoking. The smoking of tobacco products is permitted in the individual Residences. All cigarette and cigar butts shall be disposed of properly. Smoking is prohibited in any entry foyers and outside of building entrances, other than any exterior area that is at least 30 feet from any entrance of the public terraces, entry foyers and the Buildings so long as such smoking (a) does not unreasonably disrupt or interfere with the use or enjoyment of such areas by Owners and other users of the Property and (b) is otherwise permitted by Legal Requirements or the owners of the applicable Units.

Section 1.6 Parking.

(a) Use of the Designated Parking Spaces. Owners and their tenants, guests, and invitees may use the Designated Parking Spaces for the sole purpose of parking their vehicles in the Designated Parking Spaces. Each user of the Designated Parking Spaces (a "Parking User") will endeavor to use the Designated Parking Spaces in a manner calculated to respect the rights and privileges of other users of the Designated Parking Spaces. Vehicles must be parked entirely within the lines and all directional signs, arrows and posted speed limits must be observed. Parking is prohibited in areas not striped for parking, in aisles, in fire lanes, drive-ways where "No Parking" signs are posted, in cross-hatched areas, and in other areas as may be designated by the Master Association or the Hotel Unit Owner. All cars parked in fire lanes will be subject to immediate towing at the car owner's expense. Motorcycles or bicycles parked in the bicycle parking area may not be chained to buildings, fences, or any other part of the Property, unless designated for that purpose. Designated Parking Spaces may be used for the parking of private passenger vehicles only and shall not be used for parking commercial vehicles or trucks (except sport utility vehicles, mini-vans, and pick-up trucks utilized as personal transportation), boats, personal watercraft, recreational vehicles, buses, taxi cabs, electronic scooters, or trailers. No Designated Parking Spaces may be used for the storage of machinery, equipment or other personal property. For purposes hereof, private passenger vehicles include automobiles, motorcycles, motorized bikes, station wagons, sport utility vehicles, minivans, and trucks not exceeding 21 feet in length.

(b) Vehicles. All vehicles are to be currently licensed, in good operating condition, parked within designated parking spaces, one vehicle to each space. Parking Users may not leave any vehicle in a state of disrepair (including, without limitation, flat tires, out-of-date inspection stickers or license plates) on the Property. Each vehicle must be muffled and must be maintained and operated to minimize noise, odor, and emissions. No servicing or repairs shall be made to any motor vehicle either on or within the Designated Parking Spaces or other areas on the Property, except for emergency repairs as necessary to enable movement of the vehicle to a repair facility. No motor vehicle shall be driven on or within any part of the Property other than on a driveway or parking space. Visitors' motor vehicles may be parked only in those parking spaces clearly marked or designated for visitors. All Parking Users shall cooperate with the Associations and the Hotel Unit Owner in keeping all parts of the Designated Parking Spaces and other parking areas on the Property neat and clean. The use of car horns on the Property is discouraged, except for the judicious use of a horn for right of way. Signs advertising a vehicle "for sale" are prohibited. A vehicle in violation of these Regulations may be stickered, wheel-locked, towed or otherwise removed from the Property by the Manager or the Hotel Unit Owner, at the expense of the vehicle's Residence Owner. No vehicle shall be kept in the Designated Parking Spaces if the Hotel Unit Owner or the Board of Directors deems it to be unsightly, inoperable, inappropriate, or otherwise violative of these Regulations and the Board of Directors and the Hotel Unit Owner shall have the right to remove such vehicles from the Designated Parking Spaces at the owner's sole cost and expense. No

removal or impoundment of a vehicle shall create any liability on the Associations or the Hotel Unit Owner. Notwithstanding anything to the contrary in these Regulations, no Parking User shall be permitted to park, place or store an electronic scooter or golf cart within the Designated Parking Spaces except in areas expressly dedicated to such motorized vehicles, as determined by the Hotel Unit Owner.

(c) Safety. Each Parking User will refrain from conduct that may reasonably be expected to materially endanger the health or safety of the average users of the Designated Parking Spaces, including employees. Parking Users shall not do anything, or permit anything to be done, in or about the Designated Parking Spaces, or bring or keep anything therein, that will in any way increase the possibility of fire or other casualty or obstruct or interfere with the rights of, or otherwise injure or annoy, other users of the Designated Parking Spaces, or do anything in conflict with laws, rules or regulations of any Governmental Authority. Parking Users shall not use or keep any illegal substance or flammable or explosive fluid or substance or otherwise dangerous fluid, chemical or substance, or any illuminating material, except for such substances contained in vehicles using the Designated Parking Spaces and other parking areas in reasonable and normal quantities and in accordance with reasonable and customary usage by such vehicles. All responsibility for damage to vehicles or persons is assumed by the Residence Owner of the vehicle or its driver. The Hotel Unit Owner, Declarant, Residential Declarant, the Associations, and each Owner and shall not be responsible for theft or damage to individuals or vehicles on the Property. No bailment is created. To reduce the chance of theft of damage, all Parking Users must place their personal items out of sight and lock their car doors. Parking Users park at their own risk at all times in the Designated Parking Spaces.

Section 1.7 General Use and Maintenance of Units/Residences.

(a) Units/Residences. The uses allowed in the Units/Residences are subject to Section 3.1 of the Master Declaration and Section 3.1 of the Residential Declaration.

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

(c) Maintenance. Any maintenance work on a Residence of a non-de minimis nature, including but not limited to work that (i) is structural in nature, (ii) affects any mechanical, electrical or plumbing systems within the Condominium, or (iii) involves more than \$25,000.00 in value shall require an executed copy of an agreement substantially in the provided to by Master Association and the Residential Association.

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

(e) Water Cut-Off. Except as allowed by the Governing Documents or in the case of an emergency, no Person may interfere with or interrupt the Property's water lines, including water lines to any Unit/Residence, without the prior knowledge and cooperation of the Master Association. An Owner/Residence Owner who requires a water cut-off for the purpose of remodeling shall submit a written request to the Residential Manager at least five days prior to the requested water cut-off. All instances of flooding or water damage must be reported immediately to the Master Association for any Unit or the Residential Association for any Residence.

(f) Cable/Central Antenna System. Residences have been prewired for cable service. No additional exterior cable lines may be connected to a Residence. Residential Declarant has installed a central antenna system that enables Residence Owners and Residential Tenants to receive cable service and/or other video programming or fixed wireless services described in the Over-the-Air Reception Device Rule adopted by the Federal Communications Commission, without the need for installation of individual antennas within a Residence Owner's or Residential Tenant's Residence or other area subject to such Residence Owner's or Residential Tenant's exclusive use and control. For so long as the Residential Condominium has a central antenna system for such services, Residence Owners and Residential Tenants may not install individual antennae for such service within their Residence or other area subject to such Residence Owner's or Residential Tenant's exclusive use and control, except as permitted by applicable laws and regulations and subject to: (i) all reasonable safety and installation rules established by the Residential Association from time to time; and (ii) the execution of any agreements reasonably required by the Residential Association relating to the installation and operation of any such antennae.

(g) Signage; Advertising. Subject to the provisions of any permitted easements on the Property, the Signage Rights set forth in the Master Declaration and any other provision now or hereafter provided in the Master Declaration, no sign, advertisement or notice shall be inscribed, painted, affixed or placed on any part of the Property without the prior written consent of the Master Association.

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

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

(j) Use of the Designated Parking Spaces by Residence Owners and Residential Tenants. The rights of each Residence Owner and Residential Tenants in the drive lanes, sidewalks, and entrances servicing the Designated Parking Spaces are limited to ingress and egress from such Designated Parking Spaces, and no Residence Owner or Residential Tenant shall use, or permit the use of, the drive lanes, sidewalks, or entrances for any other purpose. Subject to any rules, processes, procedures and policies, adopted by the Residential Association pursuant to Section 1.5(b) of these Regulations, Residence Owner or Residential Tenant shall permit the visit of Persons in such numbers or under such conditions as to interfere with the use and enjoyment of any of the entrances and other facilities of the Designated Parking Spaces by any other person or use. Fire exits and stairways are for emergency use only and shall not be used for any other purpose. No Residence Owner or Tenant shall encumber or obstruct, or permit the encumbrance or obstruction of any of the drive lanes, sidewalks, or of the Designated Parking Spaces. No vehicle may be parked in a manner that impedes or prevents ready access to the Property or the Designated Parking Spaces. All visitors of Residence Owners or Residential Tenants must park in parking spaces clearly marked or designated as visitor parking or use the valet service if available.

(k) Special Provisions Regarding the Retail Unit and the Hotel Unit.

(i) The Owners/Residence Owners shall not intentionally interfere with the efforts of any Owners or Tenants of the Retail Unit and/or the Hotel Unit to obtain a liquor licenses for restaurant or other applicable retail operations within the Buildings.

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

(l) Trash Disposal.

(i) General Duty. Owners/Residence Owners and all Persons using the Property will endeavor to keep the Property clean, will dispose of all refuse and trash (except as set forth in these Regulations) in receptacles for that purpose, will not litter the Property, will place lighted or smoldering items, including cigarettes, only in designated containers (and not in general trash receptacles) and will not store trash in a manner that unreasonably permits the spread of fire, odors or seepage or encouragement of vermin. If the Master Association shall provide or designate a service for picking up refuse and garbage, the cost and expense of such service shall be payable by the Owners/Residence Owners as set forth in the Master Declaration or Allocation Document.

(ii) Specific Trash Rules. Owners/Residence Owners must bag all trash and seal all trash bags before putting them into any designated trash room, area or receptacle (making certain that the doors to any such trash rooms, areas and receptacles are securely closed after depositing trash bags therein). Large boxes and bulky objects must be crushed or broken down and then placed neatly in the place designated for such items by the Master Association. Construction materials, solvents, paints and toxic waste must be removed from the Property by the Owner/Residence Owner or its contractor. If provided, a separate receptacle for newspapers and glass items should be used at all times.

(iii) Excess Trash. An Owner/Residence Owner will place trash bags entirely within a container, and may not place trash outside, next to or on top of a container. If a container is full, the Owner/Residence Owner should locate another container or hold the trash. Boxes and large objects should be crushed or broken down before placed in a container. An Owner/Residence Owner must arrange privately for removal of discarded furnishings or any unusually large volume of debris.

Section 1.8 General Use of Amenity Areas.

(a) Access Cards or Other Access Controls. Admittance to certain Amenity Areas may require use of a coded access card, fob or similar devices (an "Access Card"), in which case an appropriate Access Card will be issued to Residence Owners through the Management Office. Access Cards are personal to the Residence Owner to whom they are issued and may not be transferred or assigned except to Residential Tenants or Residence occupants provided that such transfer or assignment has been approved by the Residence Owner and Residential Association and all documentation required by the Residential Association has been completed to the satisfaction of the Residential Manager and submitted to the Management Office. A registered occupant of a Residence shall be entitled to have an Access Card activated and issued for such occupant's use during the period of time such occupant

occupies the Residence regardless of the number of Access Cards already issued to a Residence. Unless prior written consent of the Hotel Unit Owner, Master Association, or Residential Association, whichever is applicable, is given, the Management Office shall issue no more than two Access Cards per Residence. Each Residence Owner may have up to two replacement sets of Access Cards issued without charge in the event such cards are lost or stolen and any lost or stolen Access Cards will be deactivated. Thereafter, replacement of a lost or confiscated Access Card, or the purchase of additional Access Cards, may require the payment of a fee set by the Hotel Unit Owner, Master Association, or the Residential Association. Any Person in possession of an Access Card will, upon request of the Hotel Unit Owner, Master Association, or the Residential Association, produce a valid driver's license or other picture identification. An Access Card found in the possession of a Person to whom such card was not issued will be confiscated. **In the event a Residence Owner is delinquent in the payment of Residential Assessments and has failed to cure such delinquency after receiving notice thereof from the Residential Association, the Residence Owner may be prohibited from receiving a replacement Access Card until such delinquent Residential Assessments, and all associated costs, charges, and fees are paid to the Residential Association.**

(b) Fire and Safety. Except in the event of a relevant emergency, no Owner/Residence Owner or Person may use, tamper with, pry open or modify any fire or safety equipment on the Property, including alarms, extinguishers, monitors and self-closing doors. Each Owner/Residence Owner must be familiar with fire safety and evacuation plans and must participate in fire drills that occur when the Owner/Residence Owner is at the Property.

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

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

(e) Guests. Except for Residential Tenants, a non-owner of a Residence may not use the Amenity Areas unless accompanied at all times by a Residence Owner. The right of a Residence Owner to share the use of these facilities with such Residence Owner's guests or invitees is at all times subject to the immediate termination by the Residential Association if the Governing Documents are violated or if such termination is deemed by the Master Association or the Residential Association, respectively, to be in the Master Association's or the Residential Association's best interests.

(f) Animals Prohibited. Other than assistance animals required by Legal Requirements, no animals or pets are permitted in the Amenity Areas (unless authorized by the Master Association and Residential Association pursuant to these Regulations) at any time. This Section 1.8(f) expressly does not apply to any dog park that is part of the Amenity Areas.

(g) Disturbances Prohibited. No loud sounds or boisterous conduct is permitted in the Amenity Areas at any time, however, the reasonable use of a radio, television, CD player, iPod or MP3 player or similar device is permitted when used with headphones so that others are not disturbed, or during periods when a Residence Owner and such Residence Owner's guests are the sole users of such Amenity Area.

Section 1.9 Use of Amenity Areas.

(a) Access to Amenity Areas. The Master Association or Hotel Unit Owner may (i) designate the hours of access to and operation of the Amenity Areas, (ii) restrict the use of the Amenity Areas by requiring pre-scheduling and limiting the amount of time available to each Residence Owner to ensure fair access and (iii) restrict the use of the Amenity Areas for special bookings through the Management Office for activities such as organization of aerobics classes or work out classes by personal trainers or organization of informative classes with respect to diet, exercise and health issues or social activities. Residence Owners or other authorized Persons using the Amenity Areas must, at all times, respect the rights and privileges of others using the Amenity Areas.

(b) Income from Amenity Areas. All income or proceeds received in connection with the Amenity Areas shall be the property of the Hotel Unit Owner.

(c) Number of Guests. A Residence Owner, at any one time, may not have more than four guests using the Amenity Areas. By reservation through the Management Office, functions involving a larger number of guests may be permitted. Reserved functions must be confined to the specific Amenity Areas reserved, and the host Residence Owner must ensure that such Residence Owner's guests do not use the other Amenity Areas.

(d) Health and Safety. For their own well-being and protection, at all times while using the Amenity Areas, no Person who presents a risk to themselves or others without supervision or assistance by other Persons is permitted to use the Amenity Areas without proper supervision or assistance.

(e) Glass Containers Prohibited. Containers made of glass are not permitted at any time in the Amenity Areas.

(f) Swimming Pool. The following rules will condition any use of any swimming pool in the Amenity Areas: (i) customary bathing attire must be worn in the swimming pool; (ii) street clothes, cutoffs, underwear and nude bathing are not allowed in the swimming pool; (iii) no floats, pool toys or balls are permitted; (iv) pool furniture may not be removed from the swimming pool area; (v) running, rough play, wrestling, excessive splashing and loud behavior are prohibited in the pool area; and (vi) children who are not toilet trained must wear a double layer of swim diapers, including at least one non-disposable diaper cover, in and around the swimming pool.

(g) Fitness Center. The following rules will condition any use of any fitness center in the Amenity Areas: (i) customary exercise attire must be worn in the fitness center; (ii) street clothes, cutoffs and underwear (without other clothing) are not allowed in the fitness center; (iii) furniture may not be removed from the fitness center and (iv) rough play, wrestling and loud behavior are prohibited in the fitness center. Before the initial visit to the Property, all personal trainers of the Residence Owners must register with the Residential Manager by completing the provided information form and providing a copy of their certificate of insurance, as may be requested by the Residential Association.

Section 1.10 Health and Well-Being.

For the health, well-being and enjoyment of all Owners/Residence Owners, the following limitations and restrictions will be observed.

(a) Safety. No Person who presents a risk to themselves or others without supervision or assistance by other Persons is permitted to use the Amenity Areas, Common Elements, or Residential Common Elements without proper supervision or assistance.

(b) Safety Disclaimer. Certain Persons may, but are not obligated to, maintain or support certain activities within the Property designed to make the Condominium less attractive to intruders than it otherwise might be. The Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all Owners, the Manager, the Residential Manager, Declarant, Residential Declarant, any manager of any other Unit and each of their respective successors, assigns or Designees will not in any way be considered an insurer or guarantor of security within the Property, and may not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken or not undertaken. Each Owner/Residence Owner, guest and invitee on the Property assumes all risk for loss or damage to such person, such Owner/Residence Owner's Unit/Residence, to the contents of such Owner/Residence Owner's Unit/Residence, and to any other property on the Property. The Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all Owners, the Manager, the Residential Manager, Declarant, Residential Declarant, any manager of any other Unit and each of their respective successors, assigns or Designees expressly disclaim and disavow any and all representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any security systems, equipment or measures recommended, installed or undertaken within the Property.

Section 1.11 Construction and Architectural Control of a Residence.

(a) Prohibited Changes to the Residential Common Elements. Without the prior written approval of the Master Association and the Residential Association, a Residence Owner may not change, remodel, decorate, destroy or improve the Residential Common Elements, or do anything to change the appearance of the Residential Common Elements.

(b) Prohibited Changes to a Residence. Except as set forth in the Master Declaration or Residential Declaration, without prior written approval of the Architectural Reviewer, a Residence Owner may not make structural alterations or modifications to a Residence, including any alteration, modification, change or improvement to or on any System serving more than such Residence. In addition to the requirement to obtain prior written consent from the Architectural Reviewer, and as a condition precedent to the Architectural Reviewer's granting approval of any alteration, modification, change, improvement, or work, each Residence Owner must deliver to the Architectural Reviewer plans and specifications in accordance with the Master Declaration and the Residential Declaration.

(c) Application for the Architectural Reviewer's Approval. As part of the application to the Architectural Reviewer for its written consent for any alteration or modification covered under this Section 1.11, an Owner/Residence Owner must submit to the Architectural Reviewer: (i) complete plans and specifications showing the nature, kind, shape, size, materials, colors, connection to Condominium systems and location for all proposed work; (ii) evidence that the Contractor has all required licenses and certifications required by any Legal Requirement; and (iii) any other information reasonably requested by the Architectural Reviewer. As set forth in the Master Declaration, the Architectural Reviewer has the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of the Master Declaration. Further, any costs associated with the review of plans, specifications or other documents required by any third-party consultant will be billed back to the applicable Residence Owner, at cost.

(d) Construction Hours. Without the Architectural Reviewer's prior permission, no Contractor or any other Person may conduct any work in any Residence except between the hours of 8:30 a.m. and 5:00 p.m. on Business Days other than Holidays. This rule is intended to prevent

disturbances by construction-related utility cutoffs, noise, odors, workers and activity between 5:00 p.m. and 8:30 a.m. and on Saturday, Sunday or Holidays.

Section 1.12 Residence Owner Vehicle Restrictions.

(a) Authorized Vehicles. To be permitted within the Property, a vehicle must be operable and must display a current license tag and current inspection/registration stickers. For purposes of these Regulations, unless otherwise determined by the Master Association, permitted vehicles include automobiles, motorcycles, motorized bikes, passenger trucks, small vans, SUVs and similar passenger vehicles not exceeding 18 feet in length, six feet eight inches in height and eight feet in width.

(b) Motorized Vehicle Prohibitions. Commercial vehicles, including trucks, trailers, or vans; recreational vehicles; buses; boats; water craft and machinery or equipment are prohibited on any portion of the Residential Condominiums. No vehicle shall be parked on any portion of the Amenity Areas without the prior written consent of the Hotel Unit Owner. Parking shall only be allowed in Designated Parking Spaces. Residence Owners and Residential Tenants of Estates Units may operate personal golf carts within the Estates Condominium but such personal golf carts are prohibited on any other portion of the Condominium. No Residence Owner or Residential Tenant of a Villa Unit is permitted to use or operate a golf cart within the Property.

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

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

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

(f) Violations. A vehicle or non-motorized device in violation of these Regulations may be stickered, wheel-locked, barnacled, towed or otherwise ticketed or removed from the Property by the Hotel Unit Owner, Manager, or Residential Manager at the vehicle or non-motorized device owner's expense. The Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all Owners, the Manager, the Residential Manager, Declarant, Residential Declarant, any manager of any other Unit and each of their respective successors, assigns and Designees expressly disclaim any liability for damage to vehicles occasioned by the exercise of these remedies.

Section 1.13 Pets in the Condominium.

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

under the Fair Housing Act ("FHA"), and after following the required FHA promulgated processes and procedures for a request for a reasonable accommodation, submitting such request and supporting documentation to the Residential Association, and obtaining an approval for such request from the Residential Board of Directors, are permitted to have such assistance animal on the Property; provided however, such Residential Tenants are subject to these Regulations and any other restrictions and requirements regarding animals, as pets set forth herein, or as may be duly established by the Residential Board of Directors otherwise. Additionally, all pets must conform to any applicable Legal Requirements for animal care and control.

(b) Pet Agreement. Residence Owners must complete a pet registration agreement, in the form of the document attached as Attachment A to these Regulations, which must be filed with the Management Office immediately upon acquiring a pet or the Residence Owner occupying a Residence.

(c) Permitted Pets. A Residence Owner (but not a Residential Tenant) may keep in such Residence Owner's Residence up to two household pets (other than aquarium fish). Permitted house pets are limited to domesticated dogs, cats, caged birds and aquarium fish (such aquarium not to exceed 55 gallons of water unless otherwise approved by the Master Association and Residential Association in accordance with these Master Regulations). If required by any Legal Requirement, any such pet(s) must be appropriately vaccinated and licensed through the appropriate municipal or city department. Residence Owners may seek a variance to this Section 1.13(c) from the Master Association and the Residential Association pursuant to Section 1.2(b) of these Regulations.

(d) Prohibited Pets. No Residence Owner or any other Person may keep any dangerous or exotic animals, Pit Bull Terriers, American Staffordshire Terriers, Rottweilers, trained attack dog, any snake or arachnid or any other animal determined by the Residential Board of Directors in its sole discretion to be a potential threat to the well-being of people or other animals. No animal or pet may be kept, bred or maintained for any commercial purpose. Animals or pets belonging to Persons other than Residence Owners, such as guests, friends and relatives are prohibited from being in or on the Property, even for short visits or temporary stays unless (i) the owner of such animal or pet has completed a pet registration agreement, in the form substantially similar to the document attached as Attachment A to these Regulations, and such pet registration agreement has been filed with the Management Office and the owner of such animal or pet provided all other reasonably requested information regarding the animal or pet; and (ii) such animal or pet at all times complies with the limitations and regulations set forth in this Section 1.13. The Residential Board of Directors reserves the right to restrict the size or breed of a pet based on the well-being of people or other animals.

(e) Indoors/Outdoors. A Residence Owner's permitted pet must be maintained inside a Residence.

(f) Leashes. Pets must be leashed or carried while in any portion of the Property outside of the Residences. Pets may not be leashed to a stationary object on any portion of the Property outside of the Residences. No pet is allowed in any of the Amenity Areas other than any dog park that is part of the Amenity Areas.

(g) Disturbance. Pets must be kept in a manner that does not disturb another Residence Owner's peaceful enjoyment of such Residence Owner's Residence or any Person elsewhere on the Property, outside of the Residences. No pet may be permitted to bark, howl, whine, screech or make other loud noises for a period of more than ten consecutive minutes or more than 15 times within a ten minute period, or to create a nuisance, odor, unreasonable disturbance or noise.

(h) Damage. Each Residence Owner is responsible for any property damage, injury or disturbance such Residence Owner's pet may cause or inflict and must compensate any person injured or otherwise damaged by such Residence Owner's pet. A Residence Owner who keeps a pet at the Condominium **will indemnify and agrees to hold harmless the Board of Directors, the Master Association, the Residential Association, the Residential Board of Directors, all other Owners/Residence Owners, all other Tenants, all Residential Tenants, the Manager, the Residential Manager, Declarant, Residential Declarant, any manager of any other Unit and each of their respective successors, assigns or Designees from any loss, claim or liability of any kind or character whatever resulting from any action of such Residence Owner's pet or arising by reason of keeping or maintaining the pet at the Condominium.**

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

(j) Removal. If a Residence Owner or such Residence Owner's pet violates these Regulations, the Residence Owner or Person having control of the animal may be given a written notice by the Master Association or the Residential Association to correct the problem. After the first written warning, fines will be levied in accordance with the fining policy set forth in Section 2.2 of these Regulations. If violations occur repeatedly, or if the Residential Board of Directors determines, in its sole discretion, that any pet is dangerous or poses a threat to the safety of any Person, the Residence Owner, upon written notice from the Master Association or the Residential Association, shall be required to remove the pet. Each Residence Owner agrees to permanently remove the violating animal of such Residence Owner from the Property within ten days after receipt of such removal notice.

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

(l) Staff. Unless in connection with the rendering of concierge services, the staff of the Condominium is prohibited, while on duty, to walk or care for pets. Owners are requested not to ask the staff to assist them with their pets. Emergency situations requiring staff assistance will be left to the sole discretion of the Residential Manager.

Section 1.14 Miscellaneous.

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

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

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

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

(e) Complaints. Any complaints about violations of these Regulations shall be made in writing to the Master Association and to the Residential Association, and shall identify the type of infraction and the date of infraction and must be signed by the witness to the infraction.

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

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

(h) Risk. Each Residence Owner and any other Person uses the Amenity Areas, the Common Elements, any Residential Common Elements and such Person's Residence at such Person's own risk. The Amenity Areas, the Common Elements, Residential Common Elements and the Amenity Areas are unattended and unsupervised. Each Residence Owner and any other Person is solely responsible for such Residence Owner's, guests of Residence Owners or Person's own safety. **The Board of Directors, the Master Association, the Residential Association, the Residential Board of**

Directors, the other Owners, the Manager, the Residential Manager, Declarant, Residential Declarant, any manager of any other Unit and each of their respective successors, assigns or Designees disclaim any and all liability or responsibility for property damage, injury or death occurring from use of the Amenity Areas, the Common Elements, Residential Common Elements and the Amenity Areas.

ARTICLE II

Rules Governing Assessment Collection and Fining

Section 2.1 Assessment Collection Rules and Procedures.

To the extent permitted by the Legal Requirements, and pursuant to the Act:

(a) **Due Date.** An Owner/Residence Owner will timely and fully pay all Assessments and Residential Assessments in accordance with the provisions of the Governing Documents and the Residential Governing Documents. Monthly Assessments and Monthly Residential Assessments are due and payable on the first calendar day of each month pursuant to the Master Declaration and the Residential Declaration, or on such other date as may be established by the Associations.

(b) **Delinquent.** Any Assessment or Residential Assessment that is not fully paid when due is delinquent. When Assessments or Residential Assessments of an Owner/Residence Owner become delinquent, the delinquency status of an Owner/Residence Owner remains until all outstanding Assessments and Residential Assessments are paid in full. The defaulting Owner/Residence Owner is liable to the Associations for the cost of title reports, credit reports, certified mail, long distance calls, court costs, filing fees, administrative fees and other reasonable costs and attorneys' fees incurred by the Associations in collecting the delinquent Assessments and delinquent Residential Assessments.

(c) **Late Fees and Interest.** If either of the Master Association or the Residential Association, whichever is applicable, do not receive full payment of an Assessment or a Residential Assessment which is due and owing by 5:00 p.m. on the fifth calendar day following the due date, the Associations may charge the delinquent Owner/Residence Owner a late fee in the amount of at least \$150.00 and collect interest on the delinquent Assessment amount at the Past Due Rate until the delinquency is paid in full.

(d) **Insufficient Funds.** The Master Association or the Residential Association may levy a charge in the amount of at least \$50.00 or the actual bank charge, whichever is greater, against an Owner/Residence Owner if the check on which payment is made is returned to the Master Association or the Residential Association marked "insufficient funds" or the equivalent. Until the Master Association or the Residential Association receives payment in full, the Master Association or the Residential Association may collect interest at the Past Due Rate on unpaid amounts.

(e) **Delinquency Notices.** If the Master Association or the Residential Association has not received full payment of an Assessment or a Residential Assessment by the due date, the Master Association or the Residential Association may send one or more written notices of nonpayment to the defaulting Owner/Residence Owner stating the delinquent amount. Such delinquency-related correspondence may state that if full payment is not timely received, the Master Association or the Residential Association may pursue any or all of their respective remedies under the Governing Documents and the Residential Governing Documents or state law at the sole cost and expense of the defaulting Owner/Residence Owner.

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

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

(h) Notification of Mortgagee. The Associations, may notify the Owner/Residence Owner's Mortgagee of the default in payment of any Assessment or any Residential Assessment.

(i) Notification of Credit Bureau. The Associations may file a report on the defaulting Owner/Residence Owner with one or more credit reporting services.

(j) Notice of Lien. The Master Association or the Residential Association may cause a notice of their respective assessment lien against the Unit/Residence to be publicly recorded. A copy of the notice of lien will be sent to the defaulting Owner/Residence Owner, and may be sent to its Mortgagee or its Residential Mortgagee.

(k) Right to Accelerate. If an Assessment or a Residential Assessment is payable in installments and if an Owner/Residence Owner defaults in the payment of any installment, the Master Association (with respect to an Assessment) and the Residential Association (with respect to a Residential Assessment) may declare such Assessment or such Residential Assessment in default and accelerate the due date on all remaining installments of that Assessment or that Residential Assessment.

(l) Notice to Owner/Residence Owner. A Special Assessment, Special Residential Assessment, Additional Assessment or Additional Residential Assessment payable in installments may be accelerated only after the Master Association (with respect to a Special Assessment or Additional Assessment) or the Residential Association (with respect to a Special Residential Assessment or Additional Residential Assessment) gives the Owner/Residence Owner at least 15 days prior notice of the default and the Master Association's or the Residential Association's intent to accelerate the unpaid balance if the default is not cured within such notice period.

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

(n) Foreclosure of Lien - Nonjudicially. The Board of Directors and the Residential Board of Directors may instruct an attorney, officer or agent of the Master Association or the Residential Association to notify the defaulting Owner/Residence Owner of the Master Association's or the Residential Association's intent to foreclose its assessment lien, to post the property for sale at public auction, and to conduct a public auction of the Units owned by such defaulting Owner/Residence Owner in accordance with the Act, the Governing Documents and the Residential Governing Documents and all other requirements of Texas law.

(o) Foreclosure of Lien- Judicially. The Associations may file suit against the Owner/Residence Owner for judicial foreclosure of their respective assessment lien. This action may be combined with a claim against the Owner/Residence Owner for recovery of a money judgment.

(p) Suit Against Owner/Residence Owner. Whether or not the Master Association or the Residential Association forecloses their respective assessment lien, the Board of Directors and the Residential Board of Directors may elect to file suit to recover any delinquent Assessments or Residential Assessments against the defaulting Owner/Residence Owner and the Owner/Residence Owner shall be personally liable for any judgment obtained by the Master Association or the Residential Association.

(q) Possession Following Foreclosure. If the Master Association or the Residential Association purchases Units/Residences at public sale, the Board of Directors or the Residential Board of Directors may immediately institute appropriate actions to recover possession of the Units/Residences.

(r) Application of Payments. All payments received by the Associations may be applied in the following order, starting with the oldest charge in each category, until that category is fully paid, regardless of the amount of payment, notations on checks, and the date the obligations arose: (i) collection costs and attorneys' fees of the Master Association; (ii) fines due and payable to the Master Association; (iii) reimbursable expenses of the Master Association; (iv) late charges and interest due and payable to the Master Association; (v) delinquent Special Assessments or Additional Assessments; (vi) delinquent Monthly Assessments; (vii) current Special Assessments or Additional Assessments; (viii) current Monthly Assessments; (ix) collection costs and attorneys' fees of the Residential Association; (x) fines due and payable to the Residential Association; (xi) reimbursable expenses of the Residential Association; (xii) late charges and interest due and payable to the Residential Association; (xiii) delinquent Special Residential Assessments or Additional Residential Assessments; (xiv) delinquent Monthly Residential Assessments; (xv) current Special Residential Assessments or Additional Residential Assessments; and (xvi) current Monthly Residential Assessments.

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

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

(u) Notice of Payment. If the Master Association or the Residential Association receives full payment of the delinquency after recording a notice of lien, the Master Association or the Residential Association (as applicable) will cause a release of notice of lien to be publicly recorded, a copy of which will be sent to the Owner/Residence Owner; provided, however, the Owner/Residence Owner prepays the reasonable cost of preparing and recording the release.

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

(w) Limited Right of Redemption. If the Master Association or the Residential Association buys a Unit/Residence at the non-judicial foreclosure sale of its assessment lien, the Master Association's ownership or the Residential Association's ownership of such Unit/Residence is subject to a right of redemption by the Owner/Residence Owner, as provided by the Act, the Master Declaration and the Residential Declaration.

(x) Waiver. Properly levied collection costs, late fees, and interest may not be waived by the Board of Directors or Residential Board of Directors, unless a majority of the Board of Directors or the Residential Board of Directors (as applicable) determines that extraordinary circumstances warrant an adjustment to the account, in which case the adjustment must be described in detail in the minutes of the Board of Directors or the Residential Board of Directors' meeting. Because of the potential for inadvertently causing a waiver of the provisions of this policy, the Board of Directors and the Residential Board of Directors will exercise extreme caution in granting adjustments to an Owner/Residence Owner's account.

Section 2.2 Fining Rules and Procedure.

(a) Policy. The Associations use fines to discourage violations of the Governing Documents and the Residential Governing Documents and to encourage present and future compliance when a violation does occur, not to punish violators or generate revenue for the Associations. The Associations will enforce this policy in accordance with Section 82.102 of the Act and applicable Legal Requirements.

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

(c) Violation Notice. Before levying a fine, the Master Association or the Residential Association will give the Owner/Residence Owner a written violation notice and an opportunity for a hearing. The written violation notice will contain the following items: (i) the date the violation notice is mailed or prepared; (ii) a description of the violation; (iii) a reference to the rule being violated; (iv) a description of the action required to cure the violation; (v) the amount of the fine; (vi) a statement that not later than the 30th day after the date of the violation notice, the Owner/Residence Owner may request a hearing before the Board of Directors or the Residential Board of Directors to contest the fine; and (vii) the date the fine will be levied. Pursuant to Section 2.2(f) of these Regulations the Associations must give notice of a levied fine to the Owner/Residence Owner. A fine may be levied by Master Association or the Residential Association at the hearing described in Section 2.2(f) of these Regulations, at which the Owner/Residence Owner is actually present. If the fine is levied at the hearing, the Board of Directors or the Residential Board of Directors must state its decision to levy the fine and the fine amount, and then, no further notice is required to be sent to the Owner/Residence Owner concerning the fine amount.

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

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

(f) Right to Hearing. Prior to commencement of the mediation and arbitration process provided in the Master Declaration for a Dispute or the Residential Declaration for a Residential Dispute, an Owner/Residence Owner has the right to request a hearing by the Board of Directors or the Residential Board of Directors in writing regarding the alleged breach of the Governing Documents or the Residential Governing Documents described in a violation notice described in Section 2.2(b) of these Regulations. The Board of Directors and the Residential Board of Directors has ten days after receiving such request from an Owner/Residence Owner to give the Owner/Residence Owner notice of the time, place and date of the hearing. The hearing must be scheduled for a date within 30 days from the date the Master Association or the Residential Association receives the Owner/Residence Owner's request and should be scheduled to provide a reasonable opportunity for both the Owner/Residence Owner and the Board of Directors or the Residential Board of Directors (as applicable) to attend. The Owner/Residence Owner's request for a hearing suspends only the levy of a fine. The hearing will be held in a closed or executive session of the Board of Directors or the Residential Board of Directors. At the hearing the Board of Directors or the Residential Board of Directors will consider the facts and circumstances surrounding the violation and the Owner/Residence Owner may attend in person, or may be represented by another person or written communication.

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

(h) Levy of Fine. Within 30 days after levying a fine outside of a hearing, the Associations must give the Owner/Residence Owner notice of the levied fine.

(i) Amount. The Associations may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Associations may establish a schedule of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation and should be uniform for similar violations of the same provision of the Governing Documents and the Residential Governing Documents. Fines may include one-time, daily or other periodic amounts. The Master Association and the Residential Association will keep a record of the fine amounts and schedules adopted by the Board of Directors and the Residential Board of Directors which shall be kept in the records of either the Master Association or the Residential Association, as applicable.

(j) Type of Levy. Fines levied for repeat violations described in Section 2.2(e) of these Regulations may vary based on the frequency of such violations. If the repeat violation is ongoing or continuous, the fine may be levied on a periodic basis, including, but not limited to, a daily fine,

beginning on the date of the repeat violation notice. If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

(k) Collection of Fines. The Associations are not entitled to collect a fine from an Owner/Residence Owner to whom it has not given a violation notice and an opportunity to be heard. The Associations may not foreclose their respective assessment lien on a debt consisting solely of fines. The Associations may not charge interest or late fees for unpaid fines.

(l) Effective Date. These fining rules will become effective upon recordation of these Regulations in the Real Property Records of the County.

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

ARTICLE III

Utility Rules

Section 3.1 To the extent permitted by the Legal Requirements:

(a) Background. These utility shut-off rules are based on and subject to any applicable requirements of the Governing Documents and the Residential Governing Documents, the rules of the governing public utility commission for discontinuance of master-metered utilities, and any applicable state or local law. The Associations intends for these rules to comply with Legal Requirements relating to discontinuance of utilities to a Unit/Residence.

(b) Content of Notices. Before terminating a utility servicing a Unit/Residence, the Master Association or the Residential Association shall give three written notices to the Owner/Residence Owner. Two of those notices will also be given to the Tenant/Residential Tenant, if any. All notices will prominently display "UTILITY SHUT-OFF," "TERMINATION NOTICE," or similar language. All notices will also contain the following: (a) the amount of past due utility payments, plus all interest, late fees and collection costs thereon; (b) the form and place of payment; (c) the date by which payment must be received to avoid utility shut-off; (d) a statement that the utility will be shut-off on or after a stated date; and (e) the exact location where the Tenant/Residential Tenant or Owner/Residence Owner may go during normal working hours to make arrangements for payment of the delinquency and for reconnection of the Unit/Residence utility.

(c) First Notice. In addition to the above requirements, the first notice must invite the Owner/Residence Owner to a scheduled hearing before the Board of Directors or the Residential Board of Directors. The notice must state the time, date, and place of the hearing to which the Owner/Residence Owner is invited. The hearing date must be at least ten days after the date the notice is given.

(d) Hearing. Pending the hearing, the Master Association or the Residential Association may continue to exercise its other rights and remedies for collection of the delinquency, as if the declared default were valid. The invitation to a hearing suspends only the termination of service. The hearing will be held in a closed or executive session of the Board of Directors or the Residential Board of Directors and any audio or video recording of the hearing is prohibited without the prior written consent

of the Board of Directors or the Residential Board of Directors. At the hearing, the Board of Directors or the Residential Board of Directors will consider the facts and circumstances surrounding the delinquency. The Owner/Residence Owner may attend the hearing in person, or may be represented by another person or written communication. No audio or video recording of the hearing may be made. The minutes of the hearing must contain: (a) a copy of the invitation notice; (b) proof of delivery to the Owner/Residence Owner, or a statement by the person handling delivery of its time, date, and method; and (c) a statement of the results of the hearing. If the Owner/Residence Owner appears at the hearing, the notice requirements will be deemed satisfied.

(e) Second Notice. If full payment is not received by the date of the hearing, the Board of Directors or the Residential Board of Directors will give a second written notice to the Owner/Residence Owner and Tenant/Residential Tenant, if any. The second notice must be given at least five days before the scheduled shut-off.

(f) Third Notice. At least one day prior to the scheduled termination, the Board of Directors or the Residential Board of Directors will give a third and final written notice to the Owner/Residence Owner and Tenant/Residential Tenant, if any, if full payment has not been received. The third notice will contain the same information as the second notice.

(g) Delivery of Notices to Owner/Residence Owner. The Master Association or the Residential Association will deliver all three notices to such Owner/Residence Owner's Unit/Residence. If the Owner/Residence Owner lives at the Condominium, the notices may be hand-delivered to the Owner/Residence Owner or posted on the front door to the Owner/Residence Owner's Unit/Residence in a sealed envelope, provided the first notice is also sent by certified mail return receipt requested. Additional copies may be delivered by regular mail, e-mail, or fax transmission.

(h) Delivery of Notices to Owner/Residence Owner and Tenant/Residential Tenant. If the Unit/Residence is not occupied by the Owner/Residence Owner, the Master Association or the Residential Association will deliver copies of the second and third notices to the Owner/Residence Owner's Tenant/Residential Tenant. The notices may be hand-delivered to the Tenant/Residential Tenant or posted on the Unit/Residence door in a sealed envelope. Additional copies may be delivered by regular mail, e-mail, or fax transmission.

(i) Calculating Days. In calculating days, the day after the date on which a notice is post-marked or posted on the door, as the case may be, is deemed "Day One."

(j) Shut-Off Fees. At the time of the second notice, a charge of \$75.00 or more (the "Shut-Off Fee"), depending on the time and expense incurred by the Master Association or the Residential Association related to the shut-off will be assessed against the Owner/Residence Owner and such Owner/Residence Owner's Unit/Residence. To avoid the shut-off after the second notice is given, the Owner/Residence Owner must immediately pay all past due utility payments owed to the Master Association or the Residential Association, including the Shut-Off Fee. The Owner/Residence Owner solely bears the cost of discontinuing and restarting any Unit/Residence utility.

(k) Form of Payment. Payment to forestall a Unit/Residence utility shut-off or to restore service after a shut-off must be in the form of cash or a cashier's check, payable to the Master Association or the Residential Association, and received by the Master Association's Manager or designated officer or the Residential Association's Manager or a designated officer.

(l) Limitations on Disconnection. As a collection remedy, the Master Association and the Residential Association may not disconnect a Unit/Residence utility on a day, or on a day immediately

preceding a day, when authorized personnel of the Master Association or the Residential Association (as applicable) are not available to receive payment and reconnect service. Further, the Master Association and the Residential Association may not disconnect a Unit/Residence utility if the Master Association or the Residential Association (as applicable) has knowledge or reason to believe that the disconnection is likely to be life-threatening for an Owner/Residence Owner of the Unit/Residence.

Adopted by the unanimous consent of the Board of Directors on _____, 2025 pursuant to that certain Consent in Lieu of Directors Meeting executed by the Board of Directors.

**THE LANTANA MASTER CONDOMINIUM
ASSOCIATION, INC.,**
a Texas nonprofit corporation

By: _____
Name: _____
Title: _____

SUBSCRIBED AND SWORN BEFORE ME by _____, _____ of The Lantana Master Condominium Association, Inc., a Texas nonprofit corporation, for and on behalf of said entity on this _____ day of _____, 2025.

Notary Public in and for the State of Texas

My commission expires: _____

ATTACHMENT A

PET AGREEMENT

This Pet Agreement (this "Agreement") is executed as of _____, 20__, by and between _____ (the "Residential Manager") and _____ (the "Residence Owner").

RECITALS:

A. The Residence Owner is the owner of Residence ____ within The ____ at The Lantana Condominium (the "Condominium").

B. Pursuant to the Master Regulations, the Residence Owner is permitted to maintain domestic dogs, cats, caged birds or aquarium fish (the "Pet") within the Residence Owner's Residence and other specified areas on the Property (collectively, the "Designated Areas").

C. The Residence Owner and the Residential Manager now desire to enter into this Agreement for establishing rules and regulations governing Residence Owner's maintenance of any permitted Pet within the Designated Areas.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, Residence Owner hereby acknowledges and agrees that the Residence, Residence Owner and Residence Owner's Pet shall be subject to the following:

1. **Number and Size of Pet.** Residence Owner may maintain up to two Pets (other than aquarium fish) within the Residence Owner's Residence. Any permitted animal, older than six months in age, must be sterilized unless a qualified veterinarian certifies that the animal is too old or sick to undergo spay or neutering procedures. Pets belonging to Persons other than Residence Owners are prohibited, even for short visits or temporary stays. Residence Owner must be able to provide the Residential Manager with evidence of the above requirement if requested. If the Residence Owner is unable to comply with this Agreement due to disability, the Residence Owner shall receive a variance by the Master Association and the Residential Association pursuant to the Master Regulations. The Residential Manager shall require a written statement from a qualified professional verifying the need for a support animal by such disabled Residence Owner.

2. **Location.** A Residence Owner's permitted Pet must be maintained inside the Residence, and may not be outside a Residence except when the Residence Owner is present with the Pet. Pets are only permitted in the Designated Areas and are not permitted in the Amenity Areas. Permitted cats and dogs are required to wear identification collars, and must be leashed or carried, but are prohibited from being leashed to stationary objects, while in any portion of the Property outside of the Residences. This Section 2 expressly does not apply to any dog park that is part of the Amenity Areas.

3. **Disturbance.** The maintenance of the Residence Owner's Pet: (a) must comply with all rules and orders adopted from time to time, including mandatory micro chipping (the "Ordinance"); (b) may not disturb another Owner or any Person elsewhere on the Property, outside of the Residence; and (c) may not be permitted to bark, howl, whine screech or make other loud noises for extended or repeated periods not to exceed ten minutes, create a nuisance, odor, or create any other unreasonable disturbance.

4. **Pet Waste Removal.** As described in the Ordinance, the Residence Owner is required to immediately remove any feces created by their Pet on any portion of the Property outside of the

Residence, and must possess a device for the safe and sanitary removal and disposal of Pet feces when Pets expel waste in the designated areas on the Property. The Master Association and the Residential Association may levy a fine or take other action against a Residence and its Residence Owner each time feces or urine are discovered on Property outside of the Residence and are attributed to the Pet in the custody of that Residence Owner.

5. **Liability.** The Residence Owner shall have the sole responsibility for maintaining and insuring its Pet in accordance with the Ordinance. THE RESIDENCE OWNER HEREBY INDEMNIFIES AND AGREES TO DEFEND AND HOLD HARMLESS THE BOARD OF DIRECTORS, THE MASTER ASSOCIATION, THE RESIDENTIAL ASSOCIATION, THE RESIDENTIAL BOARD OF DIRECTORS, ALL OTHER OWNERS, ALL OTHER TENANTS, ANY OTHER RESIDENTIAL TENANTS, THE MANAGER, THE RESIDENTIAL MANAGER, DECLARANT, ANY MANAGER OF ANY OTHER UNIT OWNER AND EACH OF THEIR RESPECTIVE ASSIGNS, SUCCESSOR AND DESIGNEES FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, SUITS, JUDGMENTS, DAMAGES, COSTS AND EXPENSES (INCLUDING ATTORNEY FEES AND COURT COSTS) ARISING FROM BODILY INJURY (INCLUDING, WITHOUT LIMITATION, MENTAL ANGUISH, EMOTIONAL DISTRESS AND DEATH) AND/OR LOSS OR DAMAGE TO PROPERTY SUFFERED OR INCURRED BY ANY SUCH OWNER OR ANY FAMILY MEMBER, GUEST OR INVITEE OF OWNER, TENANT OR RESIDENTIAL TENANT OF SUCH RESIDENCE, CAUSED BY OWNER'S PET OF ANY RESIDENCE OWNER WHETHER CAUSED OR ALLEGEDLY CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF SUCH INDEMNIFIED PARTIES.

6. **Residential Governing Documents.** This Agreement shall be subject in all respects to the provisions of the Residential Governing Documents. Any failure by Residence Owner to comply with the terms and provisions of this Agreement shall be and constitute a violation of the Residential Governing Documents.

7. **Definitions.** Those capitalized terms not expressly defined herein have the same meaning as defined in the Regulations for The Lantana Master Condominium (the "Master Regulations") and all amendments thereto.

8. **Commencement of Pet Agreement.** The Residence Owners may not keep or permit on the Property an animal of any kind, at any time, without completing this Agreement upon acquiring a Pet or the Owner occupying a Residence with a Pet. The Residence Owner may not substitute any other animal for the one described in this Agreement. The Residence Owner may not harbor any Pets that are not registered or permitted by this Agreement. No Pet may be kept, bred or maintained for any commercial purposes.

Animal name: _____

Type: _____

Breed: _____

Color: _____ Weight: _____

Age: _____ Sex: _____

License no.: _____

Current Shot Certificate (on file)? Yes _____ No _____

Veterinarian: _____

Address: _____

Phone: _____

Animal name: _____

Type: _____

Breed: _____

Color: _____ Weight: _____

Age: _____ Sex: _____

License no.: _____

Current Shot Certificate (on file)? Yes _____ No _____

Veterinarian: _____

Address: _____

Phone: _____

EXECUTED as of the date first above

RESIDENCE OWNER:

By:_____

Name:_____

Title:_____

RESIDENTIAL MANAGER:

By:_____

Name:_____

Title:_____

EXHIBIT G

RESIDENTIAL CONDOMINIUM DECLARATION AND RESIDENTIAL MAP

[Residential Condominium Declaration and Residential Map follow this cover page.]

DRAFT

Upon Recording: Return to:

Winstead PC
500 Winstead Building
2728 N. Harwood Street
Dallas, Texas 75201
Attention: Jeanne Caruselle Katz, Esq.

RESIDENTIAL CONDOMINIUM DECLARATION
FOR
THE VILLAS AT THE LANTANA CONDOMINIUM

Made and Established on _____, 2025

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RESIDENTIAL CONDOMINIUM DECLARATION
FOR
THE VILLAS AT THE LANTANA CONDOMINIUM

This RESIDENTIAL CONDOMINIUM DECLARATION FOR THE VILLAS AT THE LANTANA CONDOMINIUM is made and established effective as of _____, 2025 by Residential Declarant.

RECITALS:

A. Residential Declarant is the fee simple owner of the Residential Unit II in the Master Condominium.

B. Pursuant to the provisions of the Act and the Master Declaration, Residential Declarant desires to subdivide the Residential Unit II and create the Residential Condominium.

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

NOW, THEREFORE, Residential Declarant does hereby submit the Residential Unit II to the provisions of the Act and the Residential Condominium established hereby, and does hereby publish and declare that, subject to existing matters of record, the following terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, limitations and obligations are hereby established and run with the Residential Property and will be a burden and benefit to Residential Declarant, the Residential Association, the Residence Owners and their respective heirs, legal representatives, successors and assigns:

ARTICLE I

Definitions

Section 1.1 Terms Defined. As used in this Residential Declaration, the following terms have the meanings set forth below, provided that those capitalized terms not expressly defined herein have the same meaning as defined in the Master Declaration:

"Acquired Property." As defined in Section 14.2 of this Residential Declaration.

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

"Additional Residential Assessments." Residential Assessments levied by the Residential Association against one or more but less than all Residence Owners pursuant to Section 7.2 of this Residential Declaration.

"Affiliate." Any Person who controls, is controlled by, or is under common control with another Person.

"Affiliate of Declarant." "Affiliate of a declarant" as defined in Section 82.003(a)(1) of the Act.

"Approved Builder." Any builder approved to construct Residences by the Architectural Reviewer from time to time.

"Area of Common Responsibility." Those portions of a Residence that are maintained, repaired, and/or replaced by the Residential Association in lieu of a Residence Owner. The Area of Common Responsibility is set forth on the Designation of ACR Chart. Except as otherwise provided in the Residential Governing Documents, the estimated and actual costs associated with the maintenance, repair, and replacement (including replacement reserves) of the Area of Common Responsibility shall be charged to each Residence as part of the Monthly Residential Assessments.

"Area of Common Responsibility Easement." An easement as more particularly described in Section 3.6(g) of this Residential Declaration.

"Construction Dispute." Any claim, grievance or other dispute involving Residential Declarant, any Affiliate of Declarant, or any Approved Builder, between Residence Owners, or between Residence Owners and the Residential Association and arising out of or relating to the engineering, design or construction of the Residential Property, including the interpretation or enforcement of any warranty.

"County." Gillespie County, Texas.

"Damaged Residence." One or more Residences damaged or destroyed by fire or other casualty.

"Designee." A Person acting at the request of another Person, including contractors, subcontractors, employees, agents, representatives and licensees.

"Designation of ACR Chart." The Designation of Area of Common Responsibility and Maintenance Responsibility Chart attached hereto as Exhibit D as amended from time to time.

"Director." A member of the Residential Board of Directors.

"Governmental Authority." Any and all applicable courts, boards, agencies, commissions, offices or authorities of any nature whatsoever for any governmental entity (federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence.

"Governmental Impositions." All real estate and personal property taxes, charges, assessments, standby fees, excises and levies and any interest, costs or penalties with respect thereto, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which at any time prior to or after the execution hereof, may be assessed, levied or imposed upon the Residential Condominium or any Residence therein by any Governmental Authority.

"Hotel Unit." The Unit in the Master Condominium designated as the Hotel Unit, as more particularly described in Section 2.2(b) of the Master Declaration, as shown and numbered on the Master Map.

"Hotel Unit Owner." The Owner from time to time of the Hotel Unit.

"Legal Requirements." Any and all then-current judicial decisions, statutes, rulings, rules, regulations, permits, certificates or ordinances of any Governmental Authority in any way applicable to any Residence Owner's use and enjoyment of the Residential Condominium, or any Residence, including the Restrictive Covenants, zoning ordinances, subdivision and building codes, flood disaster laws and applicable architectural barrier, health and environmental laws and regulations.

"Maintenance Manual." As defined in Section 5.2(b) of this Residential Declaration.

"Master Association." The Lantana Master Condominium Association, Inc., a Texas nonprofit corporation, the condominium association created pursuant to the Master Declaration.

"Master Condominium." The form of real property established in the Master Declaration.

"Master Declarant." Wine Country Hospitality Partners, LLC, a Delaware limited liability company, and its successors and assignees having the rights, powers, authority and obligations described in the Master Declaration.

"Master Declaration." The Master Condominium Declaration for The Lantana Master Condominium, and all recorded amendments thereto.

"Master Expenses." Expenses allocated to the Residential Unit II Owner under the Master Declaration for which each Residence Owner is responsible, including the Amenity Costs, and the Residential Unit II Owner's portion of those expenses incurred by the Master Association for (a) expenses incurred by the Master Association for (i) maintenance and repair of the Common Elements as provided in of the Master Declaration; (ii) casualty, public liability and other insurance coverage required to be maintained by the Master Association; and (iii) Governmental Impositions levied and assessed against the Common Elements; (b) expenses that are payable to the Master Association pursuant to the Master Budget, as described in Article VII of the Master Declaration; and (c) all other Assessments described in the Master Declaration.

"Master Map." The map and plans attached as Exhibit C to the Master Declaration.

"Master Regulations." The rules and regulations adopted by the Board of Directors of the Master Association, if any, as amended from time to time.

"Monthly Residential Assessment." Assessments established and collected by the Residential Board of Directors pursuant to Article VII of this Residential Declaration for payment of the Residential Common Expenses and other Residential Charges when due.

"Past Due Rate." The maximum lawful rate of interest under Texas law or, if no maximum lawful rate exists, the rate of 18% per annum.

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

"Real Property." That certain real property located in the County and more particularly described as Exhibit A attached to this Residential Declaration, together with all the rights and appurtenances pertaining thereto, including any additional real property that becomes part of the Residential Property, but excluding, to the extent appurtenant, the Residential Easements.

"Released Party." As defined in Section 6.6 of this Residential Declaration.

"Residence." A physical portion of the Residential Condominium that is designated for separate ownership or occupancy (the boundaries of which are depicted as units on the Residential Map) with the unrestricted right of ingress thereto and egress therefrom, and an undivided interest, appurtenant to the Residence, in and to the Residential Common Elements and which includes all Residential Systems which exclusively serve such Residence. The term "Residence" will not include any of Residential Systems which serve more than one Residence, all as subject to and further described in Section 82.052 of the Act. The term "Residence" will not encompass any Units in the Master Condominium, except the Residential Unit II as subdivided by this Residential Declaration.

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

"Residential Access Easement." An easement as more particularly described in Section 3.6(a) of this Residential Declaration.

"Residential Allocated Interests." The undivided interests of each Residence Owner in the Residential Common Elements and the Residential Common Expenses allocated to each Residence as reflected on Exhibit B attached to this Residential Declaration, as may be reallocated in accordance with the Residential Reallocation Percentages as required from time to time pursuant to this Residential Declaration.

"Residential Assessments." Monthly Residential Assessments, Special Residential Assessments and Additional Residential Assessments, due to the Residential Association by a Residence Owner or levied against a Residence by the Residential Association.

"Residential Association." The Villas at The Lantana Condominium Association, Inc., a Texas nonprofit corporation organized under the Act and the TNCL and created for the purposes and possessing the rights, powers and authority set forth in the Residential Governing Documents.

"Residential Board of Directors." The board of directors of the Residential Association named in the Residential Certificate of Formation and their successors as duly elected or appointed and qualified from time to time.

"Residential Budget." A budget prepared by the Residential Association and delivered to each Residence Owner that includes the anticipated Residential Common Expenses and Residential Charges for the Residential Property for the ensuing fiscal year and a statement setting forth each Residence Owner's monthly share thereof.

"Residential Bylaws." The bylaws of the Residential Association, as amended from time to time, adopted by the Residential Board of Directors.

"Residential Certificate of Formation." The certificate of formation of the Residential Association filed with the Secretary of State of Texas, as amended from time to time.

"Residential Charges." Any costs, expenses, dues, interest fees, late fees, fines, collection costs, attorney's fees and any other sums arising under the Residential Governing Documents.

"Residential Common Elements." The Residential Limited Common Elements and the Residential General Common Elements.

"Residential Common Elements Easement." An easement as more particularly described in Section 3.6(b) of this Residential Declaration.

"Residential Common Expenses." Expenses for which the Residential Association is responsible, including: (a) the Master Expenses; (b) the insurance coverage as may be maintained by the Residential Association as described in Section 6.2 of this Residential Declaration and the Residential Governing Documents; (c) Residential Governmental Impositions levied and assessed against the Residential Common Elements; (d) utilities related to the Residential Common Elements and the Residences (if such utilities are not separately metered); (e) professional services for the Residential Association, such as management, including management fees payable to Residential Manager, accounting, reserve studies, and legal services; (f) reserves established by the Residential Association; (g) such other costs and expenses reasonably related to the proper maintenance, care, operation, management and administration of the Residential Association and the Residential Common Elements; (h) such other costs and expenses reasonably related to the proper maintenance, care, operation, management and administration of an Area of Common Responsibility; (i) any costs incurred by the Residential Association relating to any services and access rights made available to Residence Owners by the Hotel Unit Owner; and (j) all expenses assessed to the Residential Property pursuant to the Restrictive Covenants.

"Residential Condominium." The form of real property established by this Residential Declaration with respect to the Residential Unit II, in which portions of the Residential Unit II are designated for individual ownership or occupancy and the remainder of the Residential Unit II is designated for common ownership or occupancy solely by the Residence Owners, containing a maximum of 40 Residences.

"Residential Declarant." Lantana Land Holdings LLC, a Delaware limited liability company, and its successors and assignees having the rights, powers, authority and obligations described in this Residential Declaration evidenced by a written instrument filed for record in the Real Property Records of the County assigning the rights, powers, authority and obligations of Residential Declarant under this Residential Declaration.

"Residential Declarant Control Period." The period commencing on the date of this Residential Declaration and continuing until the date which is 120 days after the date that deeds to 75% of the Residences that may be created in accordance with this Residential Declaration have been recorded in the Real Property Records of the County for Residence Owners other than Residential Declarant.

"Residential Declarant's Mortgagee." Any Person that is the holder of the Residential Lien Indebtedness of Residential Declarant.

"Residential Declaration." This Residential Condominium Declaration for The Villas at The Lantana Condominium and all recorded amendments hereto, which Residential Declaration and all amendments hereto, will be recorded in the Real Property Records of the County.

"Residential Development Rights." A right or combination of rights to: (a) create, relocate or properly designate Residences or Residential Common Elements within the Residential Condominium and to make and record corrections to the Residential Map to conform the Residential Map to the actual location of the Residences and/or the proper designation of the elements of the Residential Condominium as Residences or Residential Common Elements; (b) convert Residences into Residential Common Elements or convert Residential Common Elements into Residences; (c) convert Residential General Common Elements into Residential Limited Common Elements or Residential Limited Common Elements into Residential General Common Elements; (d) exercise the rights reserved by Master Declarant in Section 3.7 of the Master Declaration; (e) subdivide or combine Residences within the Residential Condominium; (f) add real property to the Residential Condominium; and (g) relocate the boundaries of Residences or Residential Common Elements. The Residential Development Rights so reserved may be exercised by Residential Declarant to the extent and only if permitted by the Act and at all times while Residential Declarant owns any Residence or other real property interest in the Residential Condominium, or for such lesser time as may be permitted by the Act.

"Residential Dispute." Any claim, grievance or other dispute, other than a Construction Dispute: (a) arising out of or relating to the interpretation, application or enforcement of the Residential Governing Documents; (b) between or among (i) two or more Residence Owners other than Residential Declarant, (ii) one or more Residence Owners and Residential Declarant, or (iii) one or more Residence Owners and the Residential Association; (c) arising out of or relating to the proper party to bear a maintenance cost or expense or expenditure (including capital expenditures) or the proper amount of the expense, fee or Residential Assessment to be charged or collected; (d) arising out of or relating to the rights, obligations and duties of any Residence Owner, the Residential Association, the Architectural Reviewer, or Residential Declarant under the Residential Governing Documents; (e) arising out of or relating to the authority of the Residential Association or Residential Declarant under any Legal Requirement or under the Residential Governing Documents to: (i) require any Residence Owner to take any action or not to take any action involving such Residence Owner's Residence or the Residential Limited Common Elements appurtenant thereto; or (ii) alter, subtract from or add to the Residential Common Elements or the Residential Condominium; or (f) arising out of or relating to the failure of the Residential Association, in accordance with Legal Requirements and the Residential Governing Documents to: (1) properly conduct elections; (2) give adequate notice of meetings or actions; (3) properly conduct meetings; or (4) allow inspection of books or records. The following will not be considered "Residential Disputes" unless all parties otherwise agree to submit the matter to the dispute resolution provisions of Article XI of this Residential Declaration: (A) any suit by the Master Association or the Residential Association to obtain a temporary restraining order and such ancillary relief as the court may determine to be necessary to maintain the status quo and preserve the Residential Association's or the Master Association's ability to enforce the provisions of the Residential Governing Documents; (B) any action permitted under Article VII of this Residential Declaration in connection with the enforcement of any Residence Owner's obligation to pay Residential Assessments under this Residential Declaration or collection of any past due or unpaid Residential Assessments; (C) any dispute between Residence Owners which does not include Master Declarant, the Architectural Reviewer, Residential Declarant, the Master Association or the Residential Association, if such dispute would constitute a cause of action independent of any of the Residential Governing Documents; (D) any dispute that primarily involves title to any Residence or the Residential

Common Elements; (E) any claim, grievance or other dispute between Residential Declarant and a Residence Owner, if such claim, grievance, or other dispute constitutes a cause of action independent of any of the Residential Governing Documents; or (F) any suit in which the applicable statute of limitations would expire within 180 days of the giving of notice as provided in Article XI of this Residential Declaration unless the Persons against whom the Residential Dispute is made agree to toll the statute of limitations for a period of time necessary to comply with Article XI of this Residential Declaration.

"Residential Easements." Collectively the easements set forth in Section 3.6 of this Residential Declaration.

"Residential General Common Elements." All portions of the Residential Common Elements that are not the Residential Limited Common Elements, as well as the Residential Unit II's interest in the Common Elements of the Master Condominium including: (a) the Access Easement as described in Section 3.8(a) of the Master Declaration; (b) the Common Elements Easement as described in Section 3.8(b) of the Master Declaration; (c) the Amenity Easement as described in Section 3.8(c) of the Master Declaration; (d) the Support Easement as described in Section 3.8(f) of the Master Declaration; (e) the Systems Easement as described in Section 3.8(g) of the Master Declaration; and (f) the Vertical Access Easement as described in Section 3.8(j) of the Master Declaration.

"Residential Governing Documents." Individually and collectively, the Governing Documents, this Residential Declaration, the Residential Certificate of Formation, Residential Bylaws and the Residential Regulations.

"Residential Governmental Impositions." All real estate and personal property taxes, charges, assessments, standby fees, excises and levies and any interest, costs or penalties with respect thereto, general and special ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever which at any time prior to or after the execution hereof may be assessed, levied or imposed upon the Residential Condominium or any Residence therein by any Legal Requirements and Governmental Authority.

"Residential Improvements." The buildings located on the Residential Condominium and related infrastructure, and the pavement, fencing, landscaping, facilities, plumbing, recreational facilities, Residential Systems, electrical and telephone lines, computer cables, and man-made objects of every type, existing or placed on the Residential Condominium, including all cable television, cellular phone, internet and other utility or communication installations or equipment.

"Residential Insurance Proceeds." Any and all proceeds that the Master Association, the Residential Association or a Residence Owner is entitled to receive from an insurance company as a result of a casualty loss, including such proceeds in connection with a casualty loss to a Residence or the Residential Common Elements.

"Residential Insurance Trustee." The Residential Association acting as a trustee in connection with the Residential Insurance Proceeds.

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

"Residential Limited Common Elements." Those portions of the Residential Common Elements that are allocated by this Residential Declaration and the Residential Map for the exclusive use by one or more, but less than all of the Residences.

"Residential Maintenance Standard." Maintenance in good repair in an attractive and clean first class condition, including the operation, upkeep, repair and restoration, ordinary wear and tear excepted, to the extent necessary to maintain the Residential Condominium or the Residences, as applicable, in such first class condition reasonably suitable for its intended purpose, and at all times consistent with the Maintenance Standard.

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

"Residential Map." The plats and plans attached to this Residential Declaration as Exhibit E, and made a part of this Residential Declaration, including a survey plat of the Residential Property and dimensional drawings that horizontally and vertically identify and describe the Residences and the Residential Common Elements and all amendments thereto.

"Residential Mortgagee." Any Person, including Residential Declarant's Mortgagee, so long as Residential Declarant is a Residence Owner, that is the holder of Residential Lien Indebtedness and which has provided the Residential Association with written notice of its name, address and description of the Residence encumbered by such Residential Lien Indebtedness.

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

"Residential Reallocation Percentage." The percentage of the undivided interest of each Residence Owner in the Residential Common Elements, as set forth in a Supplemental Residential Declaration, determined by dividing (a) the acreage of a Residence as shown on the Residential Map by (b) the combined total acreage of all of the Residences as shown on the Residential Map, which measurement will be the measurement used to establish the initial Residential Allocated Interests set forth on Exhibit B attached to this Residential Declaration as a result of any increase in the number of Residences subject to this Residential Declaration.

"Residential Regulations." The rules and regulations of the Residential Association, if any, initially adopted by the Residential Board of Directors and as amended from time to time, relating to the appearance, use and occupancy of the Residential Property, including the exterior appearance, use and occupancy of the Residences and other construction on the Residential Property.

"Residential Rents." Any and all rental or other income received by a Residence Owner in connection with the leasing of a Residence or the granting or licensing of a right to use all or any portion of such Residence.

"Residential Structures." All foundations, footings, columns, flat slabs, sheer walls, girders, support beams, post tension cables or rods and including any and all other structural components that support, uphold or are a part of the Residential Property or other Residential Improvements.

"Residential Support Easement." An easement as more particularly described in Section 3.6(d) of this Residential Declaration.

"Residential Systems." All fixtures, utilities, equipment, pipes, lines, wires, computer cables, conduits, circuits, junction boxes, hangers, pull boxes, terminal points, electronic devices, air compressors, air handlers, chillers and other systems used in the production, heating, cooling and/or transmission of air, water, gas, electricity, communications, waste water, sewage, lighting, audio and video signals, and other utility services, including the main switch gear conduits, plumbing chases and mechanical shafts exclusively serving the Residential Property.

"Residential Systems Easement." An easement as more particularly described in Section 3.6(c) of this Residential Declaration.

"Residential Taking." The taking or threat of taking of all or a portion of the Residential Property for any public or quasi-public use, by eminent domain proceedings or otherwise, by a Governmental Authority or by an action in the nature of eminent domain (whether permanent or temporary) or the sale or other transfer of the Residential Property in lieu thereof.

"Residential Tenant." Any Person having the right to occupy a Residence pursuant to a lease granted by a Residence Owner.

"Residential Unit I." The Unit in the Master Condominium designated as the Residential Unit I, as more particularly described in Section 2.2(c) of the Master Declaration, as shown and numbered on the Master Map.

"Residential Unit I Owner." The owner of the Residential Unit I in the Master Condominium.

"Residential Unit II." The Unit of the Master Condominium designated as the Residential Unit II and subdivided by this Residential Declaration, as more particularly described in Section 2.2(d) of the Master Declaration, as shown and numbered on the Master Map.

"Residential Unit II Owner." The owner of the Residential Unit II in the Master Condominium.

"Residential Utility Easement." An easement as more particularly described in Section 3.6(e) of this Residential Declaration.

"Restrictive Covenants." Collectively, all items filed of record in the Real Property Records of the County affecting title to the Real Property.

"Retail Unit." The Unit in the Master Condominium designated as the Retail Unit, as more particularly described in Section 2.2(a) of the Master Declaration, as shown and numbered on the Master Map.

"Sales Restriction Period." The period commencing on the date that a Residence is conveyed to a Residence Owner by Residential Declarant and ending on the later of (a) 12 months after the date a Residence Owner achieves completion of construction of a single family residence on the Residence in accordance with its purchase and sale agreement, (b) the date on which 100% of the Residences are conveyed to a Residence Owner by Residential Declarant, or (c) approval by Residential Declarant.

"Special Residential Assessments." Residential Assessments established and collected from time to time by the Residential Association pursuant to Article VII of this Residential Declaration for payment when due of costs relating to the repair and restoration of the Residential Common Elements, and for payment of non-recurring and other non-budgeted Residential Common Expenses, when due.

"Special Residential Declarant Rights." Rights reserved for the benefit of Residential Declarant to (a) exercise any Residential Development Right, (b) use any Residential Easement for the purpose of making improvements within the Residential Condominium or on the Residential Property, (c) appoint or remove any officer or board member of the Residential Association during the Residential Declarant Control Period, and (d) exercise the rights and powers enumerated in Section 3.5 of this Residential Declaration.

"Supplemental Residential Declaration." An instrument executed by Residential Declarant and recorded in the Real Property Records of the County for the purpose of modifying the Residential Allocated Interests, adding to the Residential Condominium, withdrawing any portion thereof from the effect of this Residential Declaration or for such other purposes as are provided in this Residential Declaration.

"TNCL." The Texas Nonprofit Corporation Law, as amended from time to time.

"Waiving Party." As defined in Section 6.6 of this Residential Declaration.

"Working Capital Contribution." An amount equal to the Monthly Residential Assessment multiplied by **three** to be contributed to the Residential Association by each Residence Owner (but not Residential Declarant) as provided in Section 10.3 of this Residential Declaration.

ARTICLE II

General Provisions

Section 2.1 Creation of Residences, Residential Map.

(a) The Residential Property is hereby divided into fee simple estates composed of separately designated Residences and each such Residence's undivided interest in and to the Residential Common Elements. Each Residence, together with such Residence's undivided interests in the Residential Common Elements, is for all purposes a separate parcel of and estate in real property. The separate parcels of and estates in real property designated hereby will be created on the date of filing of this Residential Declaration in the condominium records of the County and will continue until this Residential Declaration is revoked or terminated in the manner provided in this Residential Declaration. Master Declarant has the right (but not the obligation), by Supplemental Residential Declaration, to supplement the Residential Unit II by adding additional facilities thereto or to designate additional portions of the Master Condominium as part of the Residential Unit II, as described in the Master Declaration. Each Residence includes the spaces and Residential Improvements within the lower, upper, and lateral boundaries as defined by the Residential Map, including the roof and foundation of any Residential Improvements, landscaping, driveways, sidewalks, fences, yards, utility lines and meters and all other Residential Improvements located within the Residence. In addition, each Residence also includes Residential Improvements, fixtures, and equipment serving the Residence exclusively, whether located within, outside, or below the Residence, whether or not attached to or contiguous

with the Residential Improvements, including any below-grade foundation, piers, retaining walls, fence, or other structural supports; sewage injection pumps, sewage grinder pumps, plumbing, sewerages, and utility lines, pipes, drains, and conduits; landscape irrigation, drainage facilities and subterranean components of plant material, including roots of trees on the Residence; and any other below-grade item that serves or supports the Residence exclusively.

(b) The Residential Map sets forth, among other things, the following: (i) a general description and diagrammatic plan of the Residential Condominium; (ii) the location and dimension of all real property subject to the Residential Development Rights; (iii) each Residence, showing its location within the Residential Property, the number of the Residence, the Residential Limited Common Elements appurtenant thereto; and (iv) such other information as is desirable or required pursuant to the Act, including a certification as to compliance with the Act. The measurements set forth on the Residential Map as to each Residence are approximate values taken from the plans and specifications for the Residential Property and may not be precisely accurate as to any Residence due to variances in construction. RESIDENTIAL DECLARANT, ANY OWNER OF A UNIT DESIGNATED IN THE MASTER DECLARATION, MASTER DECLARANT, AND THEIR SUCCESSORS, ASSIGNS, OR DESIGNEES WILL NOT BE LIABLE TO ANY RESIDENCE OWNER AS A RESULT OF ANY DISCREPANCIES IN ACTUAL MEASUREMENTS FROM THOSE SET FORTH ON THE RESIDENTIAL MAP OR IN ANY RESIDENTIAL CONDOMINIUM PURCHASE CONTRACT TO WHICH RESIDENTIAL DECLARANT, ANY OWNER OF A UNIT DESCRIBED IN THE MASTER DECLARATION, MASTER DECLARANT, AND THEIR SUCCESSORS, ASSIGNS, OR DESIGNEES, IS OR WAS A PARTY, AND EACH RESIDENCE OWNER, BY ACCEPTING A DEED TO A RESIDENCE, WAIVES ANY SUCH CLAIM OR CAUSE OF ACTION AGAINST RESIDENTIAL DECLARANT, ANY OWNER OF A UNIT DESCRIBED IN THE MASTER DECLARATION, MASTER DECLARANT AND THEIR SUCCESSORS, ASSIGNS, OR DESIGNEES. Residential Declarant (without the joinder of any other Residence Owner) may, if necessary, file a Supplemental Residential Declaration amending the Residential Map to reflect the actual measurements for each Residence, any other appropriate changes and amendments to Exhibit B attached to this Residential Declaration to reflect the Residential Reallocation Percentage.

Section 2.2 Allocation of Interests in Residential Common Elements. The initial Residential Allocated Interests have been determined by dividing the acreage of each Residence as shown on the Residential Map by the total acreage of all Residences as shown on the Residential Map and are shown opposite the Residence numbers in Exhibit B attached to this Residential Declaration. The Residential Common Elements will remain undivided. Each Supplemental Residential Declaration filed in accordance with Section 2.1 of this Residential Declaration will include a revised listing of all Residences reflecting the Residential Reallocation Percentage opposite the Residence description. The Residential Allocated Interests shown in Exhibit B attached to this Residential Declaration, as may be amended from time to time, are final and binding irrespective of any actual discrepancies that may exist.

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

Section 2.4 Permissible Relationships; Description.

(a) Ownership of Units. A Residence may be acquired and held by more than one Person in any form of ownership recognized by the Legal Requirements.

(b) Description of Units. Any contract or other instrument relating to the acquisition, ownership, conveyance, transfer, lease or encumbrance of a Residence will legally describe such Residence by its identifying Residence designation, followed by the words "[Residence] _____ of The Villas at The Lantana Condominium, located in the Residential Unit II within The Lantana Master Condominium, located in Gillespie County, Texas, with an undivided interest, appurtenant to the Residence in and to the Residential Common Elements in the percentage designated for the Residence on Exhibit B attached to the Residential Declaration," with further reference to the recording data for this Residential Declaration (including the Residential Map and any amendments to this Residential Declaration). Every such description will be good and sufficient for all purposes to acquire, own, convey, transfer, lease, encumber or otherwise deal with such Residence, and any such description will be construed to include all incidents of ownership relating to a Residence.

Section 2.5 Obligations of Residence Owners and Residences. Upon the filing of this Residential Declaration and the acceptance of a deed to a Residence by a Residence Owner, any and all obligations (including the obligations to pay Assessments as defined and provided for in the Master Declaration), liabilities, limitations, rights, waivers, benefits, or burdens that are vested, or that may in the future become vested, in or upon Residential Declarant in relation to the Residences pursuant to the Master Declaration are hereby assumed by each Residence Owner and will automatically be the joint obligations (including the obligations to pay Assessments as defined in the Master Declaration), liabilities, rights, waivers, benefits or burdens of the Residence Owners and the Residences. EACH RESIDENCE OWNER AGREES TO INDEMNIFY AND HOLD HARMLESS THE BOARD OF DIRECTORS, RESIDENTIAL BOARD OF DIRECTORS, MASTER DECLARANT, RESIDENTIAL DECLARANT, MANAGER, AND RESIDENTIAL MANAGER FROM SUCH RESIDENCE OWNER'S SHARE OF ANY AND ALL LIABILITIES, COSTS, EXPENSES (COMMON OR OTHERWISE), CHARGES AND RESIDENTIAL ASSESSMENTS RELATING OR APPERTAINING TO SUCH RESIDENCE OWNER'S RESIDENCE IN PROPORTION TO SUCH RESIDENCE OWNER'S RESIDENTIAL ALLOCATED INTEREST UNDER THIS RESIDENTIAL DECLARATION.

Section 2.6 Mortgage of Residence. A Residence Owner will be entitled from time to time to mortgage or encumber such Residence Owner's Residence by creating a lien covering such Residence under the provisions of a deed of trust, but any lien created thereby will be subject to the terms and provisions of this Residential Declaration and the Master Declaration, and any mortgagee or other lienholder which acquires a Residence through judicial foreclosure, public sale or any other means will be subject to the terms and provisions of the Residential Governing Documents. A Residence Owner that mortgages such Residence Owner's Residence will notify the Residential Association, giving the name and address of said Residence Owner's Residential Mortgagee. The Residential Association will maintain such information in a book entitled "Residential Mortgagees of Residences."

ARTICLE III

Uses, Reservations and Restrictions

Section 3.1 Permitted Use. Except for those Residences owned by Residential Declarant, no Residence will be used or occupied other than for single-family residential purposes. Each Residence will

also be subject to limitations on use, occupancy, architectural standards and such other matters as are set forth in the Residential Governing Documents. The uses allowed in the Residences are subject to Section 3.1 of the Master Declaration. The Residences must be used solely for private residential purposes. This restriction does not prohibit use of a Residence for personal, business or professional purposes, provided that: (a) such use is incidental to the Residence's residential use; (b) there is no external evidence of such use; and (c) such use does not entail excessive visits to the Residential Property by the public, employees, suppliers or clients.

Section 3.2 Leases. Residences may only be leased in accordance with the terms of the Residential Governing Documents.

Section 3.3 Parking. Vehicles of the Residence Owners and their guests, licensees and invitees **may only be parked** in accordance with the Residential Governing Documents.

Section 3.4 Compliance with Residential Governing Documents. Each Residence Owner, by accepting a deed conveying title to a Residence and any Residential Tenant having the right to occupy any portion of a Residence pursuant to a lease granted by a Residence Owner or Residential Declarant, will automatically be deemed to have agreed to strictly comply with the provisions of the Residential Governing Documents and all Legal Requirements. A failure or refusal of a Residence Owner or Residential Tenant to so comply with any such provisions, after written notice, will constitute a Residential Dispute that will be resolved in accordance with Article XI of this Residential Declaration. In addition, a Residence Owner's voting rights in the Residential Association may by written notice be suspended by the Residential Association during the period of such noncompliance.

Section 3.5 Residential Declarant Reservations and Rights.

(a) Special Residential Declarant Rights. In accordance with, and only if permitted by the Act, Residential Declarant for itself and its assigns, successors and Designees, reserves the right at all times while Residential Declarant or any Affiliate of Declarant owns any Residence or any other real property interest in the Residential Condominium, to exercise the Special Residential Declarant Rights which include:

(i) The right to file a Supplemental Residential Declaration amending the Residential Map to reflect the actual size and location for each Residence and any other appropriate changes and amendments to Exhibit B attached to this Residential Declaration to reflect the Residential Reallocation Percentage;

(ii) The right to establish, vacate, relocate and use the Residential Easements as set forth in this Residential Declaration;

(iii) The right to include, in any instrument initially conveying a Residence, such additional reservations, exceptions and exclusions as it may deem consistent with and in the best interests of the Residence Owners and the Residential Association;

(iv) The right to have and use an easement over, under and across any and all of the Residential Property to the extent that same may be necessary or useful for the exercise of any Special Residential Declarant Rights or the performance of any obligations of Residential Declarant; and

(v) The right to authorize Master Declarant and its Designees to conduct within the Residential Property all operations necessary in Master Declarant's sole

discretion to complete the construction and development of the Residential Condominium, including the entry by Master Declarant upon the Residential Common Elements and the operation thereon of such vehicles and equipment as may be necessary in the sole discretion of Master Declarant or its Designees for such purposes.

(b) Residential Development Rights. In accordance with, and only if permitted by the Act, Residential Declarant for itself and its assigns, successors and Designees, reserves the right at all times while Residential Declarant or any Affiliate of Declarant owns any Residence or any other real property interest in the Residential Condominium, to exercise the Residential Development Rights.

(c) Alteration of Residences. Residential Declarant reserves the right, by a Supplemental Residential Declaration, to supplement or modify any Residence by adding additional facilities or deleting facilities, to designate additional portions of the Residential Condominium as part of any Residence, or to combine Residences. Residential Declarant also reserves the right, without the vote or consent of the Residential Association or any other Residence Owner, to make alterations, additions or improvements in, to and upon any Residence owned by Residential Declarant or its Affiliates, whether structural or non-structural.

(d) Sale or Lease Rights. Residential Declarant reserves the right to maintain a model unit or sales office within any Residence in connection with the sale or leasing of Residences, in such location as determined by Residential Declarant. No such model unit will be larger than 10,000 square feet, and Residential Declarant will have the right to relocate such model unit from time to time. Residential Declarant will have the right to authorize placement, upon the Residential Common Elements, of signs designating any such model unit and/or a sales or leasing and advertising the sale or leasing of the Residences. Such signs may be placed in such locations and will be of such size and character as Residential Declarant may determine. In the event Residential Declarant elects to lease any unsold Residences to third parties, Residential Declarant reserves the right, from time to time, at Residential Declarant's sole expense, to hire a rental management firm for the leasing and operation of such leased Residences. Residential Declarant will have the right to authorize Master Declarant and its Designees within the Residences and within the Residential Common Elements, all operations necessary in its sole discretion to complete the construction and development of the Residential Condominium and to market and sell the Residences. Irrespective of any restriction or regulation, during the construction of the Residential Improvements or in exercising the Residential Development Rights or any of the Special Residential Declarant Rights, Residential Declarant may enter upon the Residential Property and operate thereon such vehicles and equipment as may be necessary in the sole discretion of Residential Declarant or its Designees for such purposes.

(e) Rights During Warranty Period. For as long as Residential Declarant, its successors or assigns, any Designee, or any Approved Builder remain liable under any warranty, whether statutory, express or implied, for any act or omission of Residential Declarant, its successors or assigns, any Designee, or any Approved Builder in the development, construction, sale and marketing of any portion of the Residential Condominium, Residential Declarant, its successors and assigns, any Designee, and any Approved Builder has the right, in Residential Declarant's, or in its successor's, its assign's, any Designee's, or any Approved Builder's sole discretion and from time to time, to enter the Residential Common Elements and the Residences for the purpose of making necessary inspections, tests, repairs, improvements or replacements required for Residential Declarant, its successors or assigns, any Designee, or any Approved Builder to fulfill any of its warranty obligations, provided that no such entry into a Residence will unreasonably interfere with the use of such Residence by its Residence Owner. Failure of the

Residential Association or any Residence Owner to provide such access may result in the appropriate warranty being nullified and of no further force or effect. Residential Declarant additionally reserves the right to maintain a construction office within any Residence owned by Residential Declarant or any Affiliates of Declarant or on the Residential Common Elements in connection with the construction of the Residential Condominium or any other property owned by Residential Declarant or an Affiliate of Declarant, in such location as determined by Residential Declarant. Residential Declarant will have the right to relocate such construction office from time to time. Nothing in this Section 3.5(e) will be deemed or construed as Residential Declarant making or offering any warranty, all of which are disclaimed.

(f) Limitations on Rights. Residential Declarant may not add or delete facilities from any Residence or combine Residences, unless Residential Declarant or an Affiliate of Declarant is the owner of such Residence or Residences or if the Residence Owner expressly consents to such deletion or combination. Subject to the foregoing, Residential Declarant is permitted to divide a Residence into separate Residences or combine one or more Residences into a single Residence in the sole discretion of Residential Declarant. No such additions to, deletions from, or changes of configuration or size of any such Residence, or combination of Residences will affect the interest in the Residential Common Elements, the share of Residential Common Expenses, or the voting rights appurtenant to the Residences. Any Residences which are combined will be treated for all such purposes as separate Residences. Residential Declarant may separate any Residences it has combined, at its sole expense, into separate and distinct Residences as originally set forth in the Residential Map. In no event will any such alteration, improvement or change interfere with any structural support of any Residence or the Residential Common Elements or the provision of utility service to any Residence or the Residential Common Elements. All work done in accordance with the provisions of this Section 3.5 must be done in compliance with the Residential Governing Documents and all applicable Legal Requirements. Nothing in this Residential Declaration, however, will obligate Residential Declarant to add to the Residential Condominium or otherwise take any of the actions to which Residential Declarant is entitled pursuant to this Section 3.5.

(g) Master Declarant Rights. In accordance with, and only if permitted by the Act, and at all times while Residential Declarant or any Affiliate of Declarant owns any Residence, Residential Declarant reserves the right to exercise each of (i) the Residential Development Rights and (ii) the Special Residential Declarant Rights. In addition, Residential Declarant on behalf of Master Declarant reserves the right to (A) exercise the Development Rights and Special Declarant Rights as permitted in Section 3.7 of the Master Declaration, (B) make and record corrections to the Residential Map to conform the same to the actual location of the Residential Improvements, the actual size and location of the Residences and/or the proper designation of the elements of the Residential Improvements as Residences, Residential General Common Elements or Residential Limited Common Elements, (C) include, in any instrument initially conveying a Residence, such additional reservations, exceptions and exclusions as it may deem consistent with and in the best interests of Master Declarant, Residential Declarant, the Owners of a Unit designated by the Master Declaration, and the Master Association, or (D) have and use an easement over, under and across any and all of the Residential Common Elements to the extent that same may be necessary or useful in constructing, repairing or completing the Residences or the Residential Common Elements, or as may be reasonably necessary for the exercise of any Special Declarant Rights or Special Residential Declarant Rights, or the performance of any obligations of Residential Declarant or Master Declarant.

In addition to all other rights granted or reserved to Residential Declarant in the Residential Governing Documents, in order that the development of the Residential Condominium may be undertaken and

established as a fully operating development, Residential Declarant has the following rights, and the Residence Owners and the Residential Association will refrain from interfering with Residential Declarant's activities in such regard: (i) Residential Declarant and its Designees have the right to conduct any activity or operations on or in connection with the Residential Condominium that Residential Declarant determines to be necessary or advisable in connection with the completion of the development of the Residential Condominium, including the right to alter its construction plans and designs as Residential Declarant deems advisable in the course of development or enlargement of any Residential Improvements; (ii) Residential Declarant, its Designees, and the Approved Builder have the right to erect, construct and maintain on any of the Residential Property owned by Residential Declarant or any Affiliates of Declarant, such Residential Structures as may be reasonably necessary for the conduct of its or their business of completing said development and establishing the Residential Condominium as a community and disposing of the same by sale, lease or otherwise; (iii) Residential Declarant and its Designees have the right to conduct on the Residential Property its business of developing, subdividing, grading and constructing Residential Improvements in the Residential Condominium and of disposing of the Residences thereon by sale, lease or otherwise; (iv) Residential Declarant has the right to determine in its sole discretion the nature of and the types of Residential Improvements to be constructed as part of the Residential Condominium; (v) Residential Declarant (without the joinder of any Person) has the right to file any amendments or any Supplemental Residential Declarations to this Residential Declaration; (vi) Residential Declarant and its Designees have the right to modify, change, re-configure, remove and otherwise alter any Residential Improvements located on the Residential Common Elements, except as prohibited or limited elsewhere by the Residential Governing Documents; and (vii) Residential Declarant and its Designees have the right to enter upon the Residential Property and operate thereon such vehicles and equipment as will be necessary in the sole discretion of Residential Declarant or its Designees for such purposes. In general, Residential Declarant is exempt from all restrictions set forth in this Residential Declaration to the extent such restrictions interfere in any manner with Residential Declarant's plans for construction, development, use, sale, lease or other disposition of all or any portion of the Residential Property.

Residential Development Rights may be exercised as to different portions of the Residential Property at different times. Residential Declarant provides no assurance whether any Residential Development Right will be exercised, the portions of the Residential Property as to which Residential Development Rights may be exercised or as to the order of exercise of any Residential Development Rights. The exercise of any Residential Development Right in any portion of the Residential Property does not obligate Residential Declarant to exercise that Residential Development Right in any other portion of the Residential Property.

Section 3.6 Easements. Each Residence Owner, by virtue of this Residential Declaration, accepts a deed conveying title to such Residence Owner's Residence subject to the Residential Easements reserved and granted in this Section 3.6, which will be covenants running with the Real Property, except where otherwise indicated, and will be for the benefit and in favor of, as applicable, the Residence Owners, Residential Declarant, the Residential Association and their guests, licensees and invitees for all proper purposes.

(a) **Residential Access Easement.** Residential Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Residential Access Easement over, on and across each Residence as may reasonably be necessary for its own benefit and for the benefit of each Residence Owner, the Residential Association and its agents, employees and representatives, including Residential Manager and Residential Manager's agents and employees as the case may be, as may reasonably be necessary for: (i) the access of a Residence by its Residence Owner, provided no other reasonable means of access exists; (ii) the exercise by Residential Declarant of the Special Residential Declarant Rights or the performance of any obligations of Residential

Declarant under the Residential Governing Documents; (iii) the maintenance, repair or replacement of any of the Residential Common Elements therein, including any Residential Systems not located exclusively within a Residence or accessible therefrom; (iv) the making of emergency repairs therein necessary to prevent damage to the Residential Common Elements or to any Residence; (v) the evacuation of all or any part of the Residential Property in the event of an emergency; (vi) the police department, fire department, emergency medical services or similar persons in response to an emergency situation and (vii) such other reasonable purposes as are deemed by the Residential Association to be necessary for the performance of the obligations of the Residential Association as described in the Residential Governing Documents. Each Residence Owner must provide the Residential Association with a key to such Residence Owner's Residence which may be used in such Residence Owner's absence for Residential Access Easement purposes.

The Residential Association, its agents, employees and representatives, may enter a Residence to the extent reasonably necessary in case of an emergency originating in or threatening the Residence or any other Residence whether the Residence Owner or Residential Tenant of such Residence is present at the time. The Person making such entry will take reasonable precautions to protect such premises and any property contained therein from damage and theft. This right of entry may be exercised by all police officers, firefighters and other emergency personnel in the performance of their respective duties. Also, the Residential Association, its agents, employees and representatives may enter a Residence to perform installations, alterations or repairs to the mechanical, electrical or utility services which, if not performed, would affect the use of other Residences or the Residential Common Elements; provided that, if possible, requests for any entry will be made in advance and at a time convenient to the Residence Owner and further subject to the foregoing limitations. In case of an emergency, the right of entry is immediate and if a Residence Owner refuses to provide entry, such Residence Owner is liable for the cost of repairs to the Residence or Residential Common Elements caused by the chosen method of access under such circumstances.

(b) Residential Common Elements Easement. Residential Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Residential Common Elements Easement over, on and across the Residential Common Elements for its own benefit and for the benefit of each Residence Owner and the Residential Association for ingress and egress from each Residence, together with the non-exclusive right to use and enjoy the Residential General Common Elements, and the exclusive right to use and enjoy the Residential Limited Common Elements appurtenant to such Residence Owner's Residence (subject to the rights of other Residence Owners to use and enjoy such Residential Limited Common Elements if appurtenant to more than one Residence). A Residence Owner who does not occupy a Residence is deemed to delegate this right of enjoyment to the Residential Tenants of such Residence Owner's Residence, and is not entitled to use the Residential General Common Elements.

(c) Residential Systems Easement. Residential Declarant hereby grants and reserves a Residential Systems Easement over, on and across the Residential Property for its own benefit and for the benefit of each Residence Owner and the Residential Association for the use of and the connection to any portion of the Residential Systems.

(d) Residential Support Easement. Residential Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Residential Support Easement over, on and across the Residential Structures for its own benefit and the benefit of Residential Unit II Owner, each Residence Owner, the Master Association and the Residential Association, for support of all portions of the Residential Improvements. The Residential Structures will be maintained by the

Residential Association in accordance with the Residential Maintenance Standard and Section 5.1 of this Residential Declaration.

(e) Residential Utility Easement. Residential Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Residential Utility Easement over, on and across the Residential Common Elements for its own benefit, the benefit of the Residential Association and the benefit of utility companies supplying utility service to the Residential Condominium for supplying utility service to any part of the Residential Condominium. Residential Declarant hereby reserves for Residential Declarant, prior to the termination of the Residential Declarant Control Period, and grants to the Residential Association, after the termination of the Residential Declarant Control Period, the right to grant easements for purpose of utilities over any and all of the Residential Common Elements. Residential Declarant may record an easement agreement or easement relocation agreement in the condominium records, specifically locating or relocating any Residential Utility Easement subsequent to the recordation of this Residential Declaration, and each Residence Owner, by acceptance of the deed to a Residence, hereby grants Residential Declarant an irrevocable power of attorney, coupled with an interest, with full power and authority to locate or relocate any Residential Utility Easement.

(f) Easement to Inspect and Right to Correct. For a period of ten years after the expiration of the Residential Declarant Control Period, Residential Declarant reserves for itself and for Residential 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 Residential Systems, Systems, Structure, Residential Improvement, Improvement, or condition that may exist on any portion of the Residential Condominium, including the Residences, and a perpetual nonexclusive easement of access throughout the Residential Condominium to the extent reasonably necessary to exercise this right. The party exercising the easement 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 a utility panel may be warranted by a change of circumstance, imprecise siting, or desire to comply more fully with applicable law. This Section 3.6(f) may not be construed to create a duty for Residential Declarant, or for Residential Declarant's architect, engineer, other design professionals, builder, and general contractor, and may not be amended without Residential Declarant's written and acknowledged consent. In support of this reservation, each Residence Owner, by accepting an interest in or title to a Residence, hereby grants to Residential Declarant, and Residential Declarant's architect, engineer, other design professionals, builder, and general contractor an easement of access and entry over, across, under, and through the Residential Condominium, including all Residential Common Elements and each Residence for the purposes contained in this Section 3.6(f).

(g) Area of Common Responsibility Easement. Residential Declarant hereby grants and reserves a perpetual, assignable and non-exclusive Area of Common Responsibility Easement over, on and across the Residential Property, including the Residences, for its own benefit, the benefit of the Residential Association for the Residential Association or its designee to maintain, repair and/or replace the Area of Common Responsibility. The Residential Association shall determine a schedule to perform the services to the Area of Common Responsibility and the Residential Association shall use reasonable efforts to provide written notice to a Residence Owner in advance of a need to access a Residence, save and except in case of emergency, which shall be determined in the reasonable discretion of the Residential Association or its representatives. If the Residential Association damages any Residential Improvements located within a Residence in exercising the Area of Common Responsibility Easement, the Residential Association will restore such Residential Improvements to the condition which existed prior to

any such damage, within a reasonable period of time not to exceed 180 days after the date the Residential Association is notified in writing of the damage by the Residence Owner of the damaged Residential Improvements.

(h) **Miscellaneous.** None of the Residential Easements granted or reserved in this Section 3.6 will be used in a manner that materially adversely affects the structural integrity of the Residential Improvements. Except as otherwise provided by this Section 3.6, notwithstanding the assignability of the Residential Easements, no Residential Easement may be assigned by a Residence Owner to any Person that is not a Residential Tenant of the Residence that is benefited by the respective Residential Easement nor will any Residence Owner that is benefited by a Residential Easement grant a sub-easement or a license to any area covered by any Residential Easement. Use and availability of any facilities or areas covered by the Residential Easements are subject to the Master Regulations set forth by the Master Association.

Section 3.7 Restriction on Resale of Residences. A Residence Owner may not offer such Residence Owner's Residence for sale or advertise or otherwise market or attempt to market such Residence Owner's Residence for sale in any way during the Sales Restriction Period, unless Residential Declarant expressly waives the Sales Restriction Period in writing. Each Residence Owner agrees that the breach of this provision during the Sales Restriction Period will entitle the Residential Association to exercise the remedy of specific performance or damages or both against the Residence Owner. This restriction will not apply to any foreclosure or exercise of the power of sale by the holder of any Residential Lien Indebtedness. Residential Declarant is exempt from all restrictions in this Section 3.7.

Section 3.8 Encroachments. If, as a result of the original construction, reconstruction, repair, shifting, settlement or other circumstance, any portion of the Residential Common Elements encroaches upon a Residence, a perpetual easement over, on and across such Residence for such encroachment and for the maintenance of the same is hereby granted and conveyed to the Residential Association by each Residence Owner at the time each Residence is conveyed to the Residence Owner. If as a result of the original construction, reconstruction, repair, shifting, settlement or other circumstance any portion of a Residence encroaches upon the Residential Common Elements, or upon any adjoining Residence, an irrevocable and perpetual easement for such encroachment and for the maintenance of the same over, on and across such Residence, or such portion of the Residential Common Elements, as applicable, is hereby granted to the Residence Owner of such Residence. Such encroachments and easements will not be considered or determined to be encumbrances either upon a Residence or upon the Residential Common Elements. The easements granted herein are not intended to permit the continuance of any Residential Improvements installed by a Residence Owner not otherwise approved in advance by the Architectural Reviewer.

Section 3.9 Variance. The use of the Residential Condominium is subject to the restrictions contained in the Residential Governing Documents. Residential Declarant may grant a variance or waiver of a restriction or rule during the Residential Declarant Control Period. Residential Declarant, during the Residential Declarant Control Period, may grant a variance or waiver of a restriction or rule on a case-by-case basis when unique circumstances dictate, and may limit or condition its grant. To be effective, a variance must be in writing and executed by Residential Declarant and the Master Association. The grant of a variance shall not constitute a waiver or estoppel of the right to deny a variance in other circumstances.

ARTICLE IV

Matters Regarding the Residential Association

Section 4.1 General. The Residential Association has been incorporated as a nonprofit corporation under the Texas Business Organizations Code. In addition to the powers conferred on the Residential Association under the Residential Governing Documents, the Residential Association may take all actions authorized by Section 82.102 of the Act. Any and all actions taken by the Residential Association pursuant to the Residential Governing Documents are binding on all Residence Owners. This Residential Declaration is not intended to place any limitations or restrictions on the power of the Residential Association or the Residential Board of Directors, except as set forth in this Residential Declaration or the Residential Governing Documents.

Section 4.2 Allocation of Votes in the Residential Association. Each Residence Owner will automatically be a member of the Residential Association. Each member will be entitled to cast a number of votes equal to such Residence Owner's Residential Allocated Interest with respect to any matter on which members of the Residential Association are entitled to vote. Any matter described in this Residential Declaration as requiring approval by a stated percentage or a majority of the Residence Owners will be calculated on the basis of the percentage of votes cast in person or by proxy at a duly called meeting for such purpose. A Residence Owner may assign its voting rights as a member of the Residential Association to any other Residence Owner by use of a proxy in accordance with the Act.

Section 4.3 Suspended Voting Rights. All voting rights of a Residence Owner may be suspended during any period that such Residence Owner is delinquent in the payment of any Residential Assessment duly established pursuant to this Residential Declaration or is otherwise in default under the terms of the Residential Governing Documents. Following a Residence Owner's cure of any such delinquency or default in full, its voting rights will be completely reinstated within 24 hours after such cure is effected.

Section 4.4 Right of Action by Owners, Limitation of Liability of Officers and Directors of Residential Association. Residence Owners, acting collectively or individually, will have the right to maintain actions against the Residential Association for its willful failure to perform its duties and responsibilities hereunder; provided, however, except as otherwise provided by the Residential Governing Documents, no other action may be brought against the Residential Association or its Affiliates, parents, subsidiaries, officers, Directors, agents (including Residential Manager), employees, predecessors, successors, contractors, consultants, managers, insurers, sureties and assigns by the Residence Owners. Subject to the Residential Association's obligations under this Residential Declaration, and except as otherwise provided by the Residential Governing Documents, each Residence Owner hereby releases, acquits and forever discharges the Residential Association, and its Affiliates, parents, members, subsidiaries, officers, Directors, agents (including Residential Manager), employees, predecessors, successors, contractors, consultants, managers, insurers, sureties and assigns and agrees to hold such Persons harmless of and from any and all claims, damages, liabilities, costs and/or expenses (including reasonable attorneys' fees) relating to the construction of, repair or restoration of the Residences or the Residential Common Elements, or the sale to the Residence Owners of the Residences or the Residential Common Elements. This release will release and forever discharge the Residential Association and its Affiliates, parents, members, subsidiaries, officers, Directors, agents (including Residential Manager), employees, predecessors, successors, contractors, consultants, managers, insurers, sureties and assigns from all claims and causes of action, whether statutory or under the common law, known or unknown, now accrued, or that arise in the future. Notwithstanding the provisions of Section 13.2 of this Residential Declaration, this Section 4.4 may not be amended or revised without the approval of 100% of

the Residence Owners with the written consent of not less than 100% of the Residential Mortgagees, except for any changes required to due to changes in the Legal Requirements.

Section 4.5 Limitation of Liability of Officers, Directors, Employees and Agents of the Residential Association. No officer, Director, employee or agent of the Residential Association (including Residential Manager) will be liable to any Residence Owner of any Residence or any Residential Tenant, for any claims, actions, demands, costs, expenses (including attorneys' fees), damages or liability, of any kind or nature, except as otherwise expressly set forth in the Residential Governing Documents, and such officers, Directors, employees and agents will be indemnified in accordance with the provisions of the Residential Governing Documents.

ARTICLE V

Maintenance, Alterations, Taxes and Utilities

Section 5.1 Maintenance.

(a) Maintenance of Residences. Each Residence Owner of a Residence, except as otherwise expressly provided in the Residential Governing Documents, is required to maintain, repair and, when necessary, replace, at its cost and expense, all portions of such Residence Owner's Residence in accordance with the Residential Maintenance Standard and any procedures or requirements of the Residential Governing Documents. In addition, all instances of water damage within a Residence must be reported to the Residential Association in writing immediately. Each Residence Owner will be responsible for the routine cleaning of any yard space, patio, terrace, and/or balcony within such Residence Owner's Residence, keeping the same in a neat, clean, odorless, orderly, and attractive condition.

(b) Residential Association Maintenance Responsibility.

(i) All Residential Common Elements will be maintained by the Residential Association (unless provided otherwise in the Residential Governing Documents) in accordance with the Residential Maintenance Standard, the cost and expense of which will constitute a Residential Common Expense and be allocated and payable by the Residence Owners in accordance with Section 7.1(a) of this Residential Declaration. The Residential Association will establish and maintain an adequate reserve fund for such purposes, to be funded by Monthly Residential Assessments rather than by Special Residential Assessments; provided, however, that the Residential Association may require Special Residential Assessments for such purposes in accordance with Section 7.1(c) of this Residential Declaration. Additionally, after the expiration of the Residential Declarant Control Period, the Residential Association will engage a third-party to produce a reserve study once every three years to confirm the sufficiency of the funding of the reserve fund, the cost of which will be a Residential Common Expense. Nothing in this Residential Declaration will be deemed or construed as relieving any Residence Owner from liability or responsibility for damage to the Residential Common Elements caused by the negligence or misconduct of a Residence Owner or its occupants or invitees.

(ii) Additionally, the Area of Common Responsibility will be maintained by the Residential Association (unless provided otherwise in the Residential Governing Documents) in accordance with the Residential Maintenance Standard, the cost and expense of which will constitute a Residential Common Expense and be allocated and

payable by the Residence Owners in accordance with Section 7.1(a) of this Residential Declaration. The Residential Association will establish and maintain an adequate reserve fund for such purposes, to be funded by Monthly Residential Assessments rather than by Special Residential Assessments; provided, however, that the Residential Association may require Special Residential Assessments for such purposes in accordance with Section 7.1(c) of this Residential Declaration. Additionally, after the expiration of the Residential Declarant Control Period, the Residential Association will engage a third-party to produce a reserve study once every three years to confirm the sufficiency of the funding of the reserve fund, the cost of which will be a Residential Common Expense. Nothing in this Residential Declaration will be deemed or construed as relieving any Residence Owner from liability or responsibility for damage to any Area of Common Responsibility caused by the negligence or misconduct of a Residence Owner or its occupants or invitees. Residential Declarant, during the Residential Declarant Control Period, and the Residential Association thereafter, may add or remove services from the Designation of ACR Chart by recording a new designation instrument, as reasonably determined by Residential Declarant or the Residential Association, as applicable.

(c) Limitation of Liability. Neither the Master Association, the Residential Association, Manager, Residential Manager, Master Declarant, Residential Declarant, nor any Owner of a Unit designated in the Master Declaration, will be liable (i) for injury or damage to any person or property caused by the elements or by the Residence Owner or occupant of any Residence or any other Person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Residential Common Elements or the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Residential Association or Master Association is responsible to maintain under this Residential Declaration or the Master Declaration, respectively; (ii) to any Residence Owner or occupants of any Residence for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Residential Common Elements or in or upon any of the Common Elements of the Master Condominium or (iii) to any Residence Owner or occupant for any damage or injury caused in whole or in part by the failure of the Residential Association or Master Association to discharge its respective responsibilities under the Residential Governing Documents where such damage or injury is not a foreseeable, natural result of the Residential Association's or Master Association's failure to discharge its respective responsibilities.

Section 5.2 Inspection Obligations.

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

(b) Inspection Responsibilities. Residential Declarant will provide the Residential Association with maintenance criteria, maintenance manuals, and warranty requirements for the Residential Condominium (collectively the "Maintenance Manual"). The inspectors will inspect component parts of the Residential Improvements in accordance with the Maintenance Manual. The Residential Association will update the Maintenance Manual on a regular basis. The Residential Association will be responsible for meeting all requirements under such Maintenance Manual.

(c) Schedule of Inspections. Such inspections will take place as recommended in the Maintenance Manual. The inspectors will provide written reports of their inspections to the Residential Association promptly following completion thereof. The written reports will identify any items of maintenance or repair that either require current action by the Residential Association or will need further review and analysis. The Residential Board of Directors will report the contents of such written reports to the members of the Residential Association at the next meeting of the members following receipt of such written reports or as soon thereafter as reasonably practicable and will include such written reports in the minutes of the Residential Association. Subject to the provisions of this Residential Declaration, the Residential Board of Directors will 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.

(d) Notice to Residential Declarant. After the expiration of the Residential Declarant Control Period, the Residential Association will deliver to Residential Declarant 30 days advance written notice of all such inspections (and an opportunity to be present during such inspection, personally or through an agent) and will provide Residential Declarant (or its designee) with a copy of all written reports prepared by the inspectors.

(e) Limitation. The provisions of this Section 5.2 will not apply during the Residential Declarant Control Period unless otherwise directed by Residential Declarant.

Section 5.3 Failure of Residence Owner to Maintain. If any Residence Owner fails or neglects to maintain, repair, or clean such Residence Owner's Residence or Residential Limited Common Element appurtenant to such Residence Owner's Residence as required by the Residential Governing Documents and such failure or neglect continues for five days after such Residence Owner's receipt of written notice of such neglect or failure from the Residential Association, then the Residential Association acting on its own behalf may, but will not be obligated to enter the Residence or Residential Limited Common Element and take appropriate steps to perform or cause to be performed, the maintenance, repair, cleaning and replacement in the manner as required by the Residential Governing Documents. The defaulting Residence Owner will, upon demand, reimburse the Residential Association for all costs and expenses incurred in the exercise of its rights in this Residential Declaration. Any Residential Charges for such costs and expenses not paid within ten days from the defaulting Residence Owner's receipt of demand from the Residential Association will bear interest at the Past Due Rate. EACH RESIDENCE OWNER (TO THE EXTENT ARISING THROUGH SUCH RESIDENCE OWNER) WILL INDEMNIFY AND HOLD HARMLESS EACH OF THE OTHER RESIDENCE OWNERS, RESIDENTIAL DECLARANT, THE RESIDENTIAL ASSOCIATION, AND RESIDENTIAL MANAGER FROM AND AGAINST ALL LIABILITIES AND OBLIGATIONS ARISING FROM ANY SUCH RESIDENCE OWNER'S FAILURE TO MAINTAIN, REPAIR OR CLEAN ITS RESIDENCE AS REQUIRED BY SECTION 5.1(a) OF THIS RESIDENTIAL DECLARATION OR ANY LIMITED COMMON ELEMENT APPURTENANT THERETO REQUIRED TO BE MAINTAINED BY SUCH RESIDENCE OWNER PURSUANT TO THE RESIDENTIAL GOVERNING DOCUMENTS. SUBJECT TO RESIDENTIAL DECLARANT'S AND THE RESIDENTIAL ASSOCIATION'S OBLIGATIONS UNDER THIS RESIDENTIAL DECLARATION, AND EXCEPT AS OTHERWISE PROVIDED BY THE RESIDENTIAL GOVERNING DOCUMENTS, EACH RESIDENCE OWNER HEREBY RELEASES, ACQUITS AND FOREVER DISCHARGES RESIDENTIAL DECLARANT, THE RESIDENTIAL ASSOCIATION, AND THEIR AFFILIATES, PARENTS, MEMBERS, SUBSIDIARIES, OFFICERS, DIRECTORS, AGENTS (INCLUDING RESIDENTIAL MANAGER), EMPLOYEES, PREDECESSORS, SUCCESSORS, CONTRACTORS, CONSULTANTS, INSURERS, SURETIES AND ASSIGNS AND AGREES TO

HOLD SUCH PERSONS HARMLESS OF AND FROM ANY AND ALL CLAIMS, DAMAGES, LIABILITIES, COSTS AND/OR EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) RELATING TO THE CONSTRUCTION OF, REPAIR OR RESTORATION OF, OR THE SALE TO THE RESIDENCE OWNERS OF THE RESIDENCES OR THE RESIDENTIAL COMMON ELEMENTS. THIS RELEASE WILL RELEASE AND FOREVER DISCHARGE RESIDENTIAL DECLARANT, THE RESIDENTIAL ASSOCIATION AND THEIR AFFILIATES, PARENTS, MEMBERS, SUBSIDIARIES, OFFICERS, DIRECTORS, AGENTS (INCLUDING RESIDENTIAL MANAGER), EMPLOYEES, PREDECESSORS, SUCCESSORS, CONTRACTORS, CONSULTANTS, INSURERS, SURETIES AND ASSIGNS FROM ALL CLAIMS AND CAUSES OF ACTION, WHETHER STATUTORY OR UNDER THE COMMON LAW, KNOWN OR UNKNOWN, NOW ACCRUED, OR THAT ARISE IN THE FUTURE.

Section 5.4 Approval Required by the Architectural Reviewer. PURSUANT TO THE RESIDENTIAL GOVERNING DOCUMENTS, ALL IMPROVEMENTS ON A RESIDENCE MUST BE APPROVED IN ADVANCE AND IN WRITING BY THE ARCHITECTURAL REVIEWER. NO IMPROVEMENTS SHALL BE CONSTRUCTED ON ANY RESIDENCE UNTIL APPROVAL IS OBTAINED IN ACCORDANCE WITH THE MASTER DECLARATION.

Section 5.5 Mechanic's Liens; Indemnification. No labor or services performed or materials furnished and incorporated in a Residence will be the basis for the filing of a lien against the Residence of any other Residence Owner not expressly consenting to or requesting the same or against the Residential Common Elements. **EACH RESIDENCE OWNER WILL INDEMNIFY AND HOLD HARMLESS EACH OF MEMBERS OF THE BOARD OF DIRECTORS, MASTER ASSOCIATION, RESIDENTIAL BOARD OF DIRECTORS, RESIDENTIAL ASSOCIATION, OWNERS, OTHER RESIDENCE OWNERS, TENANTS, RESIDENTIAL TENANTS, MANAGERS, RESIDENTIAL MANAGERS, MASTER DECLARANT, RESIDENTIAL DECLARANT, OR MANAGERS OF THE RETAIL UNIT, THE HOTEL UNIT, OR THE RESIDENTIAL UNIT I AND EACH OF THEIR RESPECTIVE SUCCESSORS, ASSIGNEES OR DESIGNEES, FROM AND AGAINST ALL LIABILITIES AND OBLIGATIONS ARISING FROM THE CLAIM OF ANY MECHANIC'S LIEN AGAINST THE UNIT OR RESIDENCE OF SUCH OTHER OWNERS OR RESIDENCE OWNERS OR THE COMMON ELEMENTS OR RESIDENTIAL COMMON ELEMENTS.** All contracts for labor, services and/or materials with respect to any of the Residences will be in compliance with the provisions hereof.

Section 5.6 Taxes.

(a) Payment of Residential Governmental Impositions. Each Residence Owner will be responsible for and will pay when due all Residential Governmental Impositions lawfully levied or assessed against such Residence Owner's Residence, except to the extent such Governmental Impositions are being actively and diligently contested in good faith by appropriate legal proceedings. Any Residential Governmental Impositions lawfully levied or assessed with respect to the Residential Property not separately billed to the Residence Owners will constitute a Residential Common Expense and be payable by the Residential Association when due.

(b) Notice to Taxing Authorities. Residential Declarant will give written notice to the appropriate taxing authorities of the creation of the Residential Condominium established pursuant to this Residential Declaration. Each Residence Owner has an undivided interest in the Land under and pursuant to the Master Declaration and this Residential Declaration and such interest is set forth in Exhibit C attached to this Residential Declaration. Each Residence Owner must promptly request and diligently pursue from the applicable taxing authority separate tax parcel status and a separate tax identification number for such Residence Owner's Residence.

(c) Residences Not Separately Assessed. If any Residential Governmental Impositions with respect to the Residential Property are not separately billed to the Residence Owners, each Residence Owner will pay its respective allocated portion of Residential Governmental Impositions (which such allocations will be determined in the manner set forth in this Residential Declaration) when requested by the Residential Association (but in no event prior to 20 days or later than ten days before the date of delinquency, without any additional notice or grace period) to permit the Residential Association to make full payment of Residential Governmental Impositions prior to the date on which such Residential Governmental Impositions would become delinquent; provided that the Residential Association may not require any Residence Owner to make any payment to the Residential Association for Residential Governmental Impositions to the extent such amounts have already been deposited by such Residence Owner in accordance with any escrow arrangement.

(d) Failure to Pay Residential Governmental Impositions. The Residential Association or any Residential Mortgagee may pay the portion of Residential Governmental Impositions that any Residence Owner has failed to pay when due, and the Residential Association or such Residential Mortgagee will have a lien against such Residence that may be enforced by any means available at law or in equity, including non-judicial foreclosure sale of such Residence in accordance with Texas Property Code Section 51.002 (as now written or hereafter amended); provided, however, no such lien for delinquent Residential Governmental Impositions will be valid until a notice of such lien is duly recorded in the Real Property Records of the County, notwithstanding any applicable statute, law (including case law), equitable doctrine ordinance or regulation that permits any such lien to attach absent such recordation in the Real Property Records. Each Residence Owner, by its acquisition of such Residence, grants a power of sale in connection with such lien in favor of the Residential Association or any Residential Mortgagee that makes payment of Residential Governmental Impositions on behalf of a defaulting Residence Owner. Any lien pursuant to this Section 5.6(d) will have the same priority as a lien by the Residential Association for Residential Assessments; provided that any such lien for delinquent Residential Governmental Impositions will be subordinate to the lien of any Residential Lien Indebtedness encumbering the defaulting Residence Owner's Residence, which Residential Lien Indebtedness was recorded prior to the date such lien for Residential Governmental Impositions was duly recorded (notwithstanding any applicable statute, law (including case law), equitable doctrine ordinance or regulation that permits any such lien to attach absent such recordation in the Real Property Records).

(e) Termination of Section 5.6. This Section 5.6 will terminate and be of no further force or effect whatsoever, upon the later of the date upon which (i) each Residence within the Residential Condominium will be separately assessed and billed as a separate tax parcel by the tax assessor and (ii) all the Residential Governmental Impositions due and owing prior to all Residences being separately assessed and billed as a separate tax parcel by the tax assessor have been paid in full to the appropriate taxing authority.

Section 5.7 Utilities. Each Residence Owner will be responsible for and will pay all charges for gas, water, electricity, and other utilities relating to such services used or consumed at or with respect to the occupancy of its Residence; to the extent such charges are separately metered by the respective utility companies. Any utility charges not so separately metered will constitute an Additional Residential Assessment and be payable to the Residential Association in accordance with Section 7.2 of this Residential Declaration and relating to such services used or consumed at or with respect to the occupancy of each Residence will be divided among the Residence Owners in proportion to their Residential Allocated Interests. Any utility charges not so separately metered and charges relating to such

services used in connection with the use and maintenance of the Residential Common Elements will constitute a Residential Common Expense and be payable by the Residential Association.

ARTICLE VI

Insurance

Section 6.1 Insurance. All insurance coverage required to be obtained pursuant to this Article VI, Article VI of the Master Declaration or purchased at the election of a Residence Owner or the Residential Association must:

- (a) be in such form, approved by the Residential Association and must be issued by responsible insurance companies licensed to do business in the State of Texas ("admitted" or "eligible insurer") and must be rated by Best's Insurance Guide (or any successor publication of comparable standing) as "A-VIII" or better;
- (b) not be subject to rights of contribution with insurance purchased by other Residence Owners or the Residential Association;
- (c) waive any right to claim (i) by way of subrogation against Residential Declarant, Master Declarant, Tenants, the Master Association, the Board of Directors, any Manager, the Owners of a Unit designated by the Master Declaration, the Residence Owners, and their respective agents and employees; and (ii) invalidity arising from the acts of the insured; and
- (d) provide that insurance trust agreements will be recognized.

Section 6.2 Insurance by the Residential Association.

(a) Commencing upon the first conveyance of any Residence to a Residence Owner other than Residential Declarant, the Residential Association will obtain and maintain as a Residential Common Expense, all insurance coverage required by the Act and to the extent such insurance is not maintained by the Master Association. In addition, each insurance policy maintained by the Residential Association will provide that: (i) each Residence Owner is named as an insured under such policies with respect to liability arising out of the Residence Owner's ownership of an undivided interest in the Residential Common Elements or membership in the Residential Association; (ii) no action or omission by any Residence Owner, unless validly exercised on behalf of the Residential Association, will void the policy or be a condition to recovery under the policy; and (iii) such policy is primary insurance if at the time of a loss under the policy any Residence Owner has other insurance covering the same property covered by the policy.

(b) The Residential Association will carry such other or additional insurance in such amounts and against such risks as the Residential Association may reasonably deem necessary or appropriate with respect to the Residential Common Elements or the operation of the Residential Association, including liability insurance for all officers, Directors, trustees and employees of the Residential Association. The premiums for all insurance coverage maintained by the Residential Association pursuant to this Section 6.2 will constitute a Residential Common Expense and be payable by the Residential Association.

(c) In accordance with Section 82.111 of the Act:

(i) If the cost to repair damage to a Residence or Residential Common Element covered by the Residential Association's insurance is less than the amount of the applicable insurance deductible, the party who would be responsible for the repair in the absence of insurance will pay the cost for the repair of the Residence or Residential Common Element.

(ii) If the Residential Association's insurance provides coverage for the loss and the cost to repair the damage to a Residence or Residential Common Element is more than the amount of the applicable insurance deductible, the Residential Association's deductible and costs incurred before Residential Insurance Proceeds are available should be paid by the Residence Owner of the Residence from which the cause of the damage emanated, as determined by the Residential Association, and if the cause of such damage emanated from a Residential Common Element, such costs will be a Residential Common Expense.

(iii) If damage to a Residence or the Residential Common Elements is due wholly or partly to an act or omission of any Residence Owner or a guest or invitee of such Residence Owner, the Residential Association may assess the deductible expense and any other expense in excess of Residential Insurance Proceeds against the Residence Owner and the Residence Owner's Residence.

Section 6.3 Insurance by Residence Owners. A Residence Owner will be responsible for obtaining and maintaining at such Residence Owner's sole cost and expense a condominium homeowners insurance policy covering: (a) all alterations, additions, betterments and improvements to such Residence Owner's Residence, the Residential Limited Common Elements appurtenant to such Residence Owner's Residence, and all other personal property located in the foregoing or constituting a part thereof and (b) damage to Residential Common Elements or other Residences (excluding any alterations, additions, betterments and improvements made to such Residences), the cause of which originates from such Residence Owner's Residence. Nothing in this Residential Declaration will be deemed or construed as prohibiting a Residence Owner, at its sole cost and expense, from obtaining and maintaining such further and supplementary insurance coverage as such Residence Owner may deem necessary or appropriate.

Section 6.4 Other.

(a) Unavailability of Coverage. The Residential Association will not be liable for failure to obtain any insurance coverage required by this Residential Declaration or for any loss or damage resulting from such failure, if such failure is because such insurance coverage is not reasonably available.

(b) Prohibited Insurance Policies. Neither the Residential Association nor any Residence Owner may obtain any policy of insurance where: (i) under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Residence Owner or a Residential Mortgagee or become a lien against the Residential Condominium; (ii) by the terms of the carrier's charter, bylaws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent the Residential Association, Residence Owners or Residential Mortgagees from collecting Residential Insurance Proceeds.

Section 6.5 Residential Insurance Trustee. By acceptance of a deed to a Residence, each Residence Owner will be deemed to have irrevocably appointed the Residential Association as the Residential Insurance Trustee. All property insurance policies required to be obtained by the Residential

Association as described in this Article VI will be issued in the name of the Residential Association as Residential Insurance Trustee for the Residential Condominium. Loss payable provisions will be in favor of the Residential Insurance Trustee as a trustee for the Residential Association, each Residence Owner and each Residential Mortgagee. The Residential Insurance Trustee will not be liable for the payment of premiums, nor the renewal or sufficiency of policies, except those policies required to be purchased and maintained by the Residential Association pursuant to this Article VI. The duty of the Residential Insurance Trustee will be to: (i) purchase and maintain the insurance required to be obtained by the Residential Association in this Article VI; (ii) submit and adjust any claim for loss; (iii) negotiate losses, execute releases of liability and other documents, and perform all other acts necessary to accomplish such purposes; and (iv) receive, hold or otherwise properly dispose of any proceeds of insurance in trust for the Residence Owners, the Residential Mortgagees, as their interests may appear.

Section 6.6 Waiver of Subrogation. Without in any way limiting the other provisions of this Article VI, (a) each Residence Owner (other than Residential Declarant) and the Residential Association as between each other and (b) each Residence Owner (other than Residential Declarant) as between each other on account of any loss or damage to any improvements or betterments to a Residence made by such Residence Owner or any personal property contained in the Residence (the "Waiving Party") hereby waives any rights it may have against each other (the "Released Party") (including, but not limited to, a direct action for damages) on account of any loss or damage occasioned, to their respective property, and the contents of each arising from any risk (without regard to the amount of coverage or the amount of deductible) covered by the all-risk full replacement cost property insurance required to be carried by the Residential Association as specified above. The Residential Association and each Residence Owner immediately will give to each insurance company which has issued policies of insurance to such Residence Owner, written notice of the terms of this mutual waiver, and cause such policies to be endorsed, if necessary, to prevent the invalidation of such coverage by reason hereof. If a Waiving Party is carrying an all risk full replacement cost insurance policy in the promulgated form used in the State of Texas and an amendment to such promulgated form is passed, such amendment will be deemed not a part of such promulgated form until it applies to the policy being carried by the Waiving Party. SAID WAIVER WILL APPLY EVEN IF SUCH LOSS OR DAMAGE IS CAUSED BY THE FAULT, NEGLIGENCE OR OTHER TORTIOUS CONDUCT, ACTS OR OMISSIONS OF THE RELEASED PARTY OR THE RELEASED PARTY'S DIRECTORS, EMPLOYEES, AGENTS OR INVITEES OR IF THE RELEASED PARTY OR THE RELEASED PARTY'S DIRECTORS, EMPLOYEES, AGENTS OR INVITEES WOULD OTHERWISE BE LIABLE UNDER STRICT LIABILITY.

ARTICLE VII

Residential Assessments

Section 7.1 Monthly and Special Residential Assessments by the Residential Association. The Residential Association possesses the right, power, authority and obligation to establish a regular Monthly Residential Assessment and Special Residential Assessments as set forth below.

(a) Residential Common Expenses. The Residential Association possesses the right, power, authority and obligation to establish a regular Monthly Residential Assessment sufficient in the judgment of the Residential Association to pay all Residential Common Expenses when due. Such Monthly Residential Assessments so established will be payable by the Residence Owners on the first day of each calendar month, and will be applied to the payment of Residential Common Expenses and other Residential Charges for which the Residential Association is responsible.

(b) Budget for Common Expenses. Prior to the commencement of each fiscal year of the Residential Association, the Residential Association will deliver to the Residence Owners a Residential Budget, incorporating the share of the Residential Common Expenses, including the Common Expenses owed by the Residential Unit II under the Master Declaration and all assessments due and payable to the Hotel Unit Owner in accordance with the Residential Governing Documents, in sufficient detail so as to inform each Residence Owner of the nature and extent of the Residential Common Expenses anticipated to be incurred and will be accompanied by a statement setting forth each Residence Owner's monthly share thereof, which will be determined in accordance with such Residence Owner's Residential Allocated Interests, and the date as of which such Monthly Residential Assessment commences to be payable. No further communication will be necessary to establish the amount of each Residence Owner's obligation regarding the Monthly Residential Assessment payable hereunder and the failure of the Residential Association to timely deliver the Residential Budget provided for in this Residential Declaration will not excuse or relieve a Residence Owner from the payment of the Monthly Residential Assessments contemplated hereby, in which case, each Residence Owner will continue to pay to the Residential Association an amount equal to such Residence Owner's Monthly Residential Assessment as established pursuant to the most recent Residential Budget delivered to the Residence Owners. Any Residential Budget prepared and delivered to the Residence Owners as contemplated in this Article VII may be amended as and to the extent reasonably necessary, and the amount of a Residence Owner's Monthly Residential Assessment changed to correspond therewith.

(c) Special Residential Assessments. In addition to the Monthly Residential Assessments contemplated by Section 7.1(a) of this Residential Declaration, the Residential Association possesses the right, power and authority to establish Special Residential Assessments from time to time as may be necessary or appropriate in the judgment of the Residential Association to pay (i) the operation and management of the Residential Condominium, the administration of the Residential Association and the maintenance of and replacement of Residential Common Elements and (ii) the Residence Owner's share of Special Assessments established by the Master Association from time to time for the proper maintenance, care, alteration, improvement, replacement, maintenance, operation and management of the Common Elements of the Master Condominium, and the administration of the Master Association, as described in Section 7.1 of the Master Declaration.

Section 7.2 Additional Residential Assessments. In addition to the Monthly Residential Assessments and Special Residential Assessments contemplated in Section 7.1 of this Residential Declaration, the Residential Association possesses the right, power and authority to establish or levy Additional Residential Assessments in accordance with the provisions of this Residential Declaration against an individual Residence Owner or a Residence for charges properly borne solely by one or more but less than all Residence Owners, such as (without limitation) charges for additional services, damages, fines or fees, interest, collection costs, attorneys' fees, insurance deductible payments, or any other amount owing the Master Association by a Residence Owner. Additional Residential Assessments will be the personal obligation of the Residence Owner against whom the Additional Residential Assessment is assessed, and will constitute a lien against the Residence in the same manner and with the same consequences as the Monthly Residential Assessment and any duly authorized Special Residential Assessment.

Section 7.3 Obligation to Pay Residential Assessments. Each Residence Owner will be personally obligated to pay such Residence Owner's share of all Residential Assessments duly established pursuant to this Article VII to the Residential Association. Unpaid Residential Assessments due as of the date of the conveyance or transfer of a Residence will not constitute a personal obligation of the new

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

Section 7.4 Lien to Secure Payment of Residential Assessments. Residential Declarant hereby reserves and assigns to the Residential Association a lien, pursuant to the provisions of the Act, against each Residence, the Residential Rents, if any, payable to the Residence Owner and Residential Insurance Proceeds any Residence Owner may be entitled to receive, to secure the payment of all Residential Assessments, which lien will be and constitute a lien and encumbrance, in favor of the Residential Association, upon such Residences, the Residential Rents, and any Residential Insurance Proceeds. The liens established in this Residential Declaration will be prior and superior to all other liens and encumbrances subsequently created upon such Residences, Residential Rents and Residential Insurance Proceeds, regardless of how created, evidenced or perfected, other than the lien securing the payment of Residential Lien Indebtedness (provided such lien was recorded prior to the date on which the Residential Assessment became delinquent) and the liens for unpaid Residential Governmental Impositions. The liens and encumbrances created in this Residential Declaration may be enforced by any means available at law or in equity, including a non-judicial foreclosure sale of the Residence of a defaulting Residence Owner; such sale to be conducted in the manner set forth in Texas Property Code Section 51.002 (as now written or as hereafter amended). Each Residence Owner, by the acquisition of such Residence Owner's Residence, grants to the Residential Association a power of sale in connection with the Residential Association's liens. By written resolution, the Residential Association may appoint, from time to time, an officer, agent, trustee or attorney of the Residential Association to exercise the power of sale on behalf of the Residential Association. The Residential Association may bid for and purchase the Residence owned by such Residence Owner, as a Residential Common Expense, at any such foreclosure sale. The foreclosure by a Residential Mortgagee of a Residence Owner's Residence in order to satisfy Residential Lien Indebtedness will extinguish the subordinate lien for any Residential Assessments which became payable prior to the date of such foreclosure sale, provided that in no event will a defaulting Residence Owner be relieved from liability incurred for past Residential Assessments. Each Residence Owner acknowledges that the Residential Association's rights under this Section 7.4 may be exercised by the Master Association and the Hotel Unit Owner in accordance with the Residential Governing Documents.

Section 7.5 Commencement of Obligation to Pay Residential Assessments. Each Residence Owner, other than Residential Declarant, will be obligated to commence payment of all Residential Assessments against such Residence Owner's Residence on the date such Residence Owner's Residence is conveyed to the Residence Owner. If such date is other than the first day of a month, then such Residence Owner will be obligated to pay only a pro rata share of the Residential Assessment against such Residence Owner's Residence based on the number of days during such month that the Residence Owner will hold title to the Residence Owner's Residence. If a Residential Tenant occupies a

Residence and that Residence Owner becomes delinquent in the payment of any Residential Assessment against such Residence, the Residential Association will have the right, upon written notice to the Residential Tenant and Residence Owner, to collect any rental payments due from the Residential Tenant until the full amount of the Residential Assessment plus any applicable late fees or fines are collected. Prior to the commencement of the initial Monthly Residential Assessment, Residential Declarant will pay all Residential Common Expenses of the Residential Condominium (excluding portions thereof allocable to reserves); provided, however, nothing contained in this Residential Declaration will prevent Residential Declarant from collecting from the purchaser of a Residence at closing any expenses, such as Residential Governmental Impositions or insurance, to the extent that Residential Declarant prepaid on behalf of the Residence being purchased. After commencement of the initial Monthly Residential Assessment and prior to the end of the period that expires on the date that is the earlier to occur of the date that (a) is three years after Residential Declarant's first conveyance of a unit or (b) the Residential Declarant Control Period expires, Residential Declarant will pay the amount by which the Residential Common Expenses of the Residential Condominium (excluding the portion thereof allocable to reserves) exceed Monthly Residential Assessments required to be paid by Residence Owners other than Residential Declarant; thereafter, Residential Declarant will pay Monthly Residential Assessments the same as any other Residence Owner. If such date is other than the first day of a month, then Residential Declarant will be obligated to pay only a pro rata share of the Residential Assessments against such Residence based on the number of days remaining during such month.

Section 7.6 Redemption by Residence Owner. The Residence Owner at a foreclosure sale of the Residential Association's lien for Residential Assessments may redeem the Residence owned by such Residence Owner in accordance with the provisions of the Act.

Section 7.7 Notice of Default. If the Residence Owner defaults in its monetary obligations to the Residential Association, the Residential Association will notify any Residential Mortgagee in accordance with the provisions of Article XIV of this Residential Declaration and may notify other lienholders of the default and the Residential Association's intent to foreclose its lien.

Section 7.8 Alternative Actions. Nothing contained in this Residential Declaration will prohibit the Residential Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien.

Section 7.9 Master Association Lien. In addition to the liens created under this Article VII, each Residence Owner acknowledges that pursuant to Section 7.4 and Section 7.5 of the Master Declaration, the Master Association possesses a first and prior lien to secure the payment of the Master Expenses by the Residence Owners to the Master Association. Residential Declarant is authorized by the Master Declaration to grant, and hereby grants, a revocable license in favor of the Residential Association to collect the Master Expenses from the Residence Owners and deliver such payments to the Master Association. By acquisition of a Residence, each Residence Owner grants to the Master Association a power of sale over such Residence Owner's Residence and the Residential Limited Common Elements and Residential Allocated Interest appurtenant thereto, in connection with the liens held by the Master Association. If the Residential Association fails to timely collect a Residence Owner's pro-rata portion of the Master Expenses and deliver such pro-rata portion of the Master Expenses to the Master Association, then after 30 days' written notice to the Residential Association by the Master Association, the Residential Association's license to collect the Master Expenses from the applicable Residence Owner will terminate, and the Master Association may enforce the Master Association's lien against the applicable Residence in accordance with the provisions of the Master Declaration. Each Residence Owner acknowledges that the Master Association's rights under this Section 7.9 and the Master Association's rights under Section 7.4 and Section 7.5 of the Master Declaration may be exercised by the Hotel Unit Owner in accordance with the Residential Governing Documents.

Section 7.10 Statement of Expenses and Access to Records. Upon request, the Residential Association will promptly provide any Residence Owner, contract purchaser or Residential Mortgagee with a written statement of all unpaid Residential Assessments due with respect to such Residence. The Residential Association may impose a reasonable charge for the preparation of such statement to the extent permitted by the Act. The Residential Association will make available during normal business hours for inspection, upon request by the Residence Owners, Residential Mortgagees, prospective purchasers, and any of their authorized agents, current copies of the books, records and financial statements of the Residential Association (including, if such is prepared, the most recent annual audited financial statement available).

ARTICLE VIII

Loss and Obsolescence

Section 8.1 Loss or Damage. The provisions of this Article VIII will apply if the Residential Condominium or any part thereof is damaged or destroyed by fire or other casualty, provided that if any of the provisions of this Article VII conflict with the Master Declaration, the Master Declaration will govern.

(a) **Notice to Owners and Mortgagees.** The Residential Association will give prompt written notice of any substantial damage or destruction to the Residence Owners, the Master Association and all Residential Mortgagees.

(b) **Restoration and Repair.** The Residential Association will promptly proceed with the full restoration and repair of such damage or destruction unless (i) the Residential Condominium is terminated; (ii) repair or replacement would be illegal under any Legal Requirement; or (iii) at least 80% of the Residence Owners, including the Residence Owner of a Residence that will not be rebuilt or repaired, vote not to rebuild.

(c) **Special Residential Assessment.** The amount by which such restoration and repair costs exceed collectible Residential Insurance Proceeds may be and constitute a Special Residential Assessment payable by the Residence Owners within 60 days of the date notice of such Special Residential Assessment is delivered by the Residential Association, in accordance with Section 7.1 of this Residential Declaration.

(d) **Insurance Proceeds.** Any excess Residential Insurance Proceeds remaining after such restoration and repair, or any insurance or sales proceeds available absent such restoration and repair, will be received and held in trust by the Residential Insurance Trustee in separate accounts for each Residence Owner, as their interests may appear (with any proceeds attributable to Residential Limited Common Elements allocated among the Residence Owners to which such Residential Limited Common Elements are appurtenant and any other proceeds allocated in accordance with the Residential Allocated Interests of the Residence Owners), and distributed as follows: (1) first, to the payment of any Governmental Impositions in favor of any assessing entity having authority with respect to the Residential Common Elements or such Residence; (2) second, to the payment of the balance of the mortgage of such Residence; (3) third, to the payment of any delinquent Residential Assessment with respect to such Residence; and (4) the balance, if any, to each Residence Owner entitled thereto.

(e) **Residence Owner's Liability for Insurance Deductible.** If repair or restoration of the Residential Condominium is required as a result of an insured loss, the Residential Association may levy a Special Residential Assessment, in the amount of the insurance

deductible, against the Residence Owner or Residence Owners who would be responsible for the cost of the repair or reconstruction in the absence of insurance.

Section 8.2 Damaged Residence. The following provisions will govern in relation to a Damaged Residence:

(a) Notice to Mortgagees. The Residence Owner of the Damaged Residence will give prompt written notice of any substantial damage or destruction to the Residential Association and to the Residential Mortgagees of the Damaged Residence; and

(b) Restoration and Repair. The Residence Owner of the Damaged Residence will promptly proceed with the full restoration and repair of such damage or destruction and pay all costs of such restoration, repair and replacement or rebuilding in excess of the net proceeds of the collectible Residential Insurance Proceeds, unless: (i) the Residential Condominium is terminated; (ii) repair or replacement would be illegal under any Legal Requirement or (iii) at least 80% of the Residence Owners, including the Residence Owner of the Damaged Residence, vote not to rebuild;

(c) Cost Obligations. The Residence Owner of each Damaged Residence will pay all costs of such restoration, repair and replacement or rebuilding in excess of the net proceeds of the collectible Residential Insurance Proceeds.

Section 8.3 Matters Relating to Restoration and Repairs. Any restoration and repair work undertaken by the Residential Association or a Residence Owner pursuant to this Article VIII will be performed in a good and workmanlike manner in order to restore the Residential Improvements to a condition similar to that existing prior to such damage or destruction, provided, however, that in no event will the Residential Association be responsible for restoring, repairing or replacing any Improvements to a Residence made by or on behalf of a Residence Owner, or the contents located in such Residence. All such restoration and repair work, whether done by the Residential Association or a Residence Owner, will be effected in a manner so as to observe all vertical and horizontal Unit and Residence boundaries existing prior to such damage or destruction. If a Residence Owner decides to rebuild or repair any Residence in excess of its full replacement cost, such party will be responsible for any such costs exceeding the full replacement value of such Residence; provided, however, that if the Residence Owners holding not less than 80% of the Residential Allocated Interests will vote to incur such expenses, such additional expenses, to the extent they exceed the replacement value of such Residence will be funded by means of a Special Residential Assessment.

Section 8.4 Obsolescence of Residential Common Elements. If the Residence Owners holding not less than 80% of the Residential Allocated Interests vote at a meeting of the Residential Association duly called for the purposes of considering same that the Residential Common Elements or any part thereof are obsolete, the Residential Association will promptly proceed with the necessary replacements and improvements thereof pursuant to a budget established for such purpose and the cost thereof will be and constitute a Special Residential Assessment payable by all the Residence Owners within 30 days of the date notice of such Special Residential Assessment is delivered to them by the Residential Association.

Section 8.5 Residential Association as Attorney-in-Fact. Each Residence Owner will be deemed to have hereby irrevocably made, constituted and appointed the Residential Association, and each and every one of its successors in interest hereunder, as Residence Owner's true and lawful attorney-in-fact, for and in such Residence Owner's name, place and stead, upon the damage or destruction of the Residential Property, or any part thereof, or upon any determination by the Residence

Owners made pursuant to this Article VIII, to take any and all actions, and to execute and deliver any and all instruments, as the Residential Board of Directors may, in its sole and absolute discretion, deem necessary or advisable to effect the intents and purposes of this Article VIII, hereby giving and granting unto the Residential Association full power and authority to do and perform all and every act whatsoever requisite or necessary to be done in and about the Residential Property as fully, to all intents and purposes, as a Residence Owner might or could do, hereby ratifying and confirming whatsoever the Residential Association may do by virtue of the provisions of this Residential Declaration. The Residential Association is hereby authorized, in the name and on behalf of all the Residence Owners, to do and perform all actions necessary or appropriate to effect the intent and purposes of this Article VIII as aforesaid, including the power and authority to make and settle claims under any insurance policies maintained by the Residential Association, to contract for and with respect to restoration and repair work, contract for and with respect to replacements and improvements to the Residential Common Elements, to contract for and with respect to a sale of the Residential Property and to execute and deliver all instruments necessary or incidental to any such actions.

Section 8.6 Coordination of Reconstruction or Repairs for Casualty of Multiple Residences. If more than one Residence is damaged or if a Residence and the Residential Common Elements are damaged, and the Residence Owners and the Residential Association, as applicable, are required to restore and repair the Residence or Residential Common Elements, as the case may be, pursuant to this Article VIII, the following provisions will apply:

(a) Distribution of Insurance Proceeds. The Residential Insurance Trustee will distribute, in accordance with Section 82.111 of the Act, to the Residence Owners of Damaged Residences the proceeds paid on insurance policies maintained by such Residence Owner for use in the restoration and repair of its Residence.

(b) Selection of Contractor. Prior to the commencement of any repair or restoration, the Residence Owners of the Damaged Residences (the "Affected Owners") will select one or more qualified and reputable contractors for the repair of the Damaged Residences or Residential Common Elements. If the Affected Owners are unable to agree upon the selection of a contractor or contractors or whether a single contractor should perform one or more phases of the required work that disagreement will be considered a Residential Dispute.

(c) Security for Costs. In any instance of repair or restoration pursuant to this Section 8.6, any Affected Owner may require that an estimate of the cost or expense of performing such repair or restoration be made by a reputable independent professional construction cost-estimating firm, unless a construction contract providing for the performance of such repair and restoration for a stipulated sum has already been executed. If said amount or stipulated sum, or if the actual amount incurred in performing repair or restoration, exceed the amount of the Residential Insurance Proceeds, if any, paid or payable by reason of the damage (plus any applicable deductible), then any Affected Owner or the Residential Mortgagee may at any time give notice to the other Affected Owners demanding that each Affected Owner deposit with the Residential Insurance Trustee the amount of such excess cost and expense attributable to each Affected Owner pursuant to this Section 8.6. In lieu of depositing its share of such excess amount based upon said estimate or stipulated sum, or actual cost and expense of performing such repair or restoration, any Affected Owner may deliver to the Residential Insurance Trustee security for payment of its share reasonably acceptable to the other Affected Owners, the Residential Mortgagees and the Residential Insurance Trustees. Such security may be in the form of, but will not be limited to, an irrevocable and unconditional letter of credit in favor of the Residential Insurance Trustee in the face amount of the share owed or an irrevocable loan commitment, satisfactory to the other Affected Owners and the Residential Mortgagees, issued by

a responsible lending institution, to disburse an amount equal to such Affected Owner's share of such excess amount to the Residential Insurance Trustee to pay the cost and expense of any such repair or restoration as the work progresses in proportion to such Affected Owner's share of the cost and expense of any such repair or restoration. If the amount of the security required is based on an estimate of the cost and expense of repair and restoration, then the amount of security required to be deposited or available will be readjusted upward or downward as the work progresses based on the actual cost and expense of the work. If any Affected Owner fails to pay or, as the case may be, deposit such Affected Owner's share of the cost and expense (or estimated cost and expense) of performing any repair or restoration in accordance with this Section 8.6 or fail to deliver the security provided for herein within ten days after receipt of any other Affected Owner's written demand therefor, then the Residential Mortgagee of an Affected Owner may (but will not be obligated to) advance the defaulting Affected Owner's share and the defaulting Affected Owner will, upon written demand, reimburse such Residential Mortgagee for such payment and such Residential Mortgagee's reasonable cost and expenses incurred in connection with such payment. Any amounts so expended will be secured by liens which will be enforceable in the same manner as liens securing delinquent Residential Assessments as set forth in this Residential Declaration.

ARTICLE IX

Condemnation

Section 9.1 Condemnation. The provisions in Article IX of the Master Declaration will govern if the Residential Condominium or any part thereof, is subject to a Residential Taking.

Section 9.2 The Residential Association as Attorney-in-Fact. Each Residence Owner, by acceptance of title to, or possession of, a Residence, hereby irrevocably makes, constitutes and appoints the Residential Association, and each and every one of its successors in interest hereunder (which appointment will be deemed a power coupled with an interest), as Residence Owner's true and lawful attorney-in-fact, for and in Residence Owner's name, place and stead, upon the condemnation of the Residential Condominium or any part thereof, or upon any determination by the Residence Owners made pursuant to this Article IX, to take any and all actions, and to execute and deliver any and all instruments, as the Residential Association may, in its sole and absolute discretion, deem necessary or advisable to effect the intents and purposes of this Article IX, hereby giving and granting unto the Residential Association full power and authority to do and perform all and every act whatsoever requisite or necessary to be done in and about the premises as fully, to all intents and purposes, as a Residence Owner might or could do, hereby ratifying and confirming whatsoever the Residential Association may do by virtue hereof. The Residential Association is hereby authorized, in the name and on behalf of all Residence Owners, to do and perform all actions necessary or appropriate to effect the intent and purposes of this Article IX as aforesaid, including the power and authority to make and settle claims under any insurance policies maintained by the Residential Association, except as may be limited by the Master Declaration, and to execute and deliver all instruments necessary or incidental to any such actions.

ARTICLE X

Residential Declarant Control Period

Section 10.1 Initial Directors. The Residential Board of Directors will be initially established by Residential Declarant as set forth in the Residential Certificate of Formation.

Section 10.2 Residential Declarant Control Period.

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

(b) Not later than 60 days after Residential Declarant has conveyed to Residence Owners (other than Residential Declarant) title to at least 25% of the Residences, the Residential Board of Directors may appoint an owner-representative for the Residential Board of Directors who will be a Residence Owner (other than Residential Declarant or its employees) who must reside in his/her Residence, as his primary residence, at least six months of each calendar year. Such representative is not a Director and may not vote on Residential Board of Director matters, but may attend all meetings of the Residential Board of Directors and will perform such duties and will assume such obligations as may be delegated to the representative by the Residential Board of Directors. The term of the advisory directors will expire at the election of the members of the Residential Board of Directors in accordance with Section 10.2(c) of this Residential Declaration.

(c) Not later than 120 days after Residential Declarant has conveyed to Residence Owners other than Residential Declarant title to 50% of the Residences that may be created in accordance with this Residential Declaration, an election will be held by the Residential Association, pursuant to the Residential Bylaws, for the election of not less than one-third of the members of the Residential Board of Directors by Residence Owners other than Residential Declarant. The term of any members of the Residential Board of Directors elected in accordance with this Section 10.2(c) will expire at the election of the members of the Residential Board of Directors in accordance with Section 10.2(d) of this Residential Declaration.

(d) Prior to the termination of the Residential Declarant Control Period, the Residential Association will elect at least three Directors to the Residential Board of Directors pursuant to the Residential Bylaws. The Director receiving the highest number of votes will serve an initial term of three years, the Director receiving the next highest vote will serve an initial term of two years and the Director receiving the next highest vote will serve an initial term of one year, with such terms to commence as of the date on which the Residential Declarant Control Period terminates. If, as of the date of such election, the board consists of more than three Directors, the additional Directors will be those receiving the next highest votes, respectively, and will serve an initial term of one year, commencing on the date on which the Residential Declarant Control Period terminates.

Section 10.3 Working Capital Contributions.

(a) Each Residence Owner will, at the time such Residence Owner purchases a Residence from Residential Declarant, contribute an amount to the Residential Association equal to the Working Capital Contribution. Such amount will be a contribution of working capital to the Residential Association and will not be considered as an advance payment of any Residential Assessment. Residential Declarant will not be required to make any Working Capital Contributions.

(b) Any purchaser of a Residence from a Residence Owner other than Residential Declarant will contribute an amount to the Residential Association equal to the Working Capital

Contribution at the time of purchase. Such amount will be a contribution of working capital to the Residential Association and will not be considered as an advance payment of Monthly Residential Assessments.

Section 10.4 Residential Declarant's Right to Inspect and Correct Accounts. For a period of four years and one day after termination or expiration of the Residential Declarant Control Period, Residential Declarant reserves for itself and for Residential Declarant's accountants and attorneys, the right, but not the duty, to inspect, correct, and adjust the Residential Association financial records and accounts established during the Residential Declarant Control Period. The Residential Association may not refuse to accept an adjusting or correcting payment made by or for the benefit of Residential Declarant. By way of illustration but not limitation, Residential Declarant may find it necessary to re-characterize an expense or payment to conform to Residential Declarant's obligations under the Residential Governing Documents or applicable law. This Section 10.4 may not be construed to create a duty for Residential Declarant. In support of this reservation, each Residence Owner, by accepting an interest in or title to a Residence, hereby grants to Residential Declarant a right of access to the Residential Association's books and records that is independent of Residential Declarant's rights during the Residential Declarant Control Period.

ARTICLE XI

Matters for Mediation and Arbitration

Section 11.1 Mediation. All Residential Disputes except those relating to equitable remedies, which are not be resolved within 15 days after same have arisen (unless such greater time is provided elsewhere in the Residential Governing Documents) will be submitted for, or determined by non-binding mediation. Mediation of any Residential Dispute will be initiated by any Residence Owner making a written demand therefor to the other Residence Owner or Residence Owners involved in such Residential Dispute and the Residential Association. With respect to such mediation, the parties will, within ten days after delivery of such written notice to the Residential Association, agree to a mediator who is: (a) a reputable Person actively engaged in the community associations or the commercial real estate industry for a continuous period of not less than ten years and (b) is in no way affiliated, or has had material business dealings with any Residence Owner or any member of the Residential Association. If the parties are unable to agree upon a mediator, a mediator having the qualifications set forth above will be appointed by the American Arbitration Association office in Austin, Texas. Such mediation will occur within 30 days after the mediator has been agreed upon or appointed and will occur at a mutually acceptable location in Austin, Texas or, if the parties are unable to agree on a date, time, and/or location, at a date, time and location in Austin, Texas selected by the mediator. The costs of such mediation services will be shared equally (but each party will bear the cost of their own travel and attorney's fees); provided, however, that if the Residential Dispute is not resolved pursuant to such mediation, the provisions of Section 11.2 of this Residential Declaration will govern the payment of attorneys' fees and costs and expenses of mediation or arbitration, as applicable under this Article XI. As used herein, the 15 day time period during which Residential Disputes may be resolved prior to being submitted for mediation commences on the date that written notice of such Residential Dispute is received by a Person involved in the Residential Dispute from the demanding party involved in the Residential Dispute.

Section 11.2 Final Offer Arbitration. If the parties are unable to resolve any Residential Dispute at mediation, no later than 30 calendar days after the parties have reached an impasse at mediation, and except as otherwise provided in Section 11.4 of this Residential Declaration, the parties will submit their Residential Dispute to binding arbitration. The parties agree to select a single impartial arbitrator from a list taken from the American Arbitration Association of commercial arbitrators, and if they cannot agree on an arbitrator, each party will select a person and those two so selected will then

select the single impartial arbitrator who will thereafter serve as an arbitrator with respect to the Residential Dispute. The issues in dispute will be submitted as "baseball" or final-offer arbitration, whereby each party will submit what it deems to be its most reasonable position to the arbitrator and the arbitrator will select one of those two positions. The arbitrator will have no discretion to select or award a position other than to select one of those submitted by the parties. To the extent rules governing arbitration are deemed necessary by the arbitrator (or by agreement of the parties); the current Rules for Commercial Mediation and Arbitration promulgated by the American Arbitration Association will apply. The decision of the arbitrator will be rendered no later than ten days from the initiation of the arbitration procedure. The parties may resort to any court of competent jurisdiction for enforcement of, or any other action relating to, the arbitrator's award. The party or parties whose position is not selected or awarded will be responsible for all attorneys' fees, costs and expenses (incurred in connection with the mediation or arbitration, as applicable, of a Residential Dispute under this Article XI) of the party whose position is selected or awarded for the mediation or arbitration, as applicable, of the Residential Dispute under this Article XI. EACH RESIDENCE OWNER, BY ACCEPTANCE OF A DEED TO ITS RESIDENCE, ON BEHALF OF ITSELF, ITS TENANTS, THE RESIDENTIAL ASSOCIATION AND ALL PARTIES CLAIMING BY, THROUGH OR UNDER SUCH RESIDENCE OWNER, IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY RESIDENTIAL DISPUTE.

Section 11.3 Construction Disputes.

(a) Mediation Required Prior to Arbitration. Any Construction Dispute not resolved within 15 days after the same has arisen will be submitted for, or determined by, non-binding mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by any party. Mediation of any Construction Dispute will be initiated by any party making a written demand therefor to all other parties involved in such Construction Dispute. Any mediation will be governed by the Construction Industry Mediation Rules of the American Arbitration Association in effect at the time the Construction Dispute arises. With respect to such mediation, the parties will, within 15 days after demand is filed agree upon a mediator who is: (i) a reputable Person actively engaged in the construction industry or a lawyer experienced in the practice of construction law for a continuous period of not less than ten years and (ii) not an Affiliate or had any material business dealings with, any member of the Residential Association, or any other party, including Residential Declarant or an Affiliate of Declarant, involved in the mediation. If the parties are unable to agree upon a mediator, a mediator having the qualifications set forth above will be appointed by the American Arbitration Association office in Austin, Texas. Such mediation will occur within 30 days after the mediator has been agreed upon or appointed and will occur at a mutually acceptable location in Austin, Texas. The costs of such mediation services will be shared equally (but each party will bear the cost of their own travel and attorneys' fees); provided, however, that if the Construction Dispute is not resolved pursuant to such mediation, the provisions of Section 11.3(d) of this Residential Declaration will govern the payment of attorneys' fees and costs and expenses of mediation or arbitration under this Article XI.

(b) Arbitration. Any Construction Dispute not resolved by mediation as described in Section 11.3(a) of this Residential Declaration will be resolved by arbitration. EACH RESIDENCE OWNER, BY ACCEPTANCE OF A DEED TO ITS RESIDENCE, ON BEHALF OF ITSELF, ITS TENANTS, THE RESIDENTIAL ASSOCIATION AND ALL PARTIES CLAIMING BY, THROUGH OR UNDER IT, IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY CONSTRUCTION DISPUTE. If the parties do not come to an agreement at mediation, and are unable to resolve any Construction Dispute within 30 days of such mediation session (the "Construction Resolution Period"), any

party to the Construction Dispute may initiate binding arbitration (as the exclusive remedy with respect to a Construction Dispute under this Residential Declaration) by making a written demand therefor to the other parties involved in such Construction Dispute no later than 45 days after the expiration of the Construction Resolution Period. The parties agree that the arbitration will be governed by the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect, unless the parties mutually agree otherwise. Except as otherwise provided below, the parties agree to select a single impartial arbitrator within 15 days of submitting the Construction Dispute to arbitration. If the parties cannot agree upon a single arbitrator, a demand for arbitration will be filed in writing with the American Arbitration Association at the office in Austin, Texas with copies to all parties.

Arbitration will be conducted with a single arbitrator unless the claim, demand, or amount in controversy exceeds \$1,500,000, in which case a panel of three arbitrators will be used. If the amount in controversy exceeds \$1,500,000 and the parties cannot mutually agree upon three panel members, the parties will be required to obtain a list of proposed neutral parties through the American Arbitration Association office in Austin, Texas. The parties will then proceed with the selection of panel members in accordance with the American Arbitration Association Construction Industry Arbitration Rules. Any arbitrator(s) utilized, whether appointed or agreed, must be (i) reputable Person(s) actively engaged in the construction industry or as a lawyer experienced in the practice of construction law for a continuous period of not less than ten years and (ii) not an Affiliate of, or have or had material business dealings with any Residence Owner, any member of the Residential Association, or any other party, including Residential Declarant or an Affiliate of Declarant, involved in the arbitration. The arbitrator will establish reasonable procedures and requirements for the production of relevant documents and require the exchange of information concerning witnesses to be called. The parties will be entitled to discover all documents and information reasonably necessary for a full understanding of any legitimate issue raised in the arbitration and the parties may use all methods of discovery available under the Texas Rules of Civil Procedure and will be governed thereby. There will be a prehearing meeting between the parties at which the arbitrator will make and set schedules for discovery and hearings consistent with their powers as set forth herein. The Texas Rules of Evidence will be applied by the arbitrator but liberally construed to allow for the admission of admissible evidence that is helpful in resolving the controversy. Rulings on the admission of evidence made by the arbitrator at the hearing will be final and not subject to any appeal. At the time of the award, the arbitrator will prepare and provide to the parties the findings of fact and conclusions of law supporting the award if requested by any party involved in the arbitration.

(c) General. In no event will a Residential Dispute or a Construction Dispute be initiated after the date when institution of legal or equitable proceedings based on such Residential Dispute or Construction Dispute would be barred by the applicable statute of limitations. With respect to any Construction Dispute, all demands and all answering statements thereto which include any monetary claim, counterclaim or cross-claim must state the monetary amount being sought. If the monetary amount is unliquidated or has not been fully determined, the demand or answering statement seeking such recovery must state, in good faith, the minimum amount of such monetary claim, exclusive of interest and attorneys' fees. In any arbitration of a Residential Dispute, the party or parties whose position is not selected or awarded will be responsible for all attorneys' fees, costs and expenses (incurred in connection with the mediation and arbitration of a Residential Dispute under this Article XI) of the party whose position is selected or awarded for the arbitration of the Residential Dispute under this Article XI. In any arbitration of a Construction Dispute, the arbitrator(s) will determine the prevailing party and award to such prevailing party, in addition to any other relief to which such party is entitled to recover, its reasonable attorneys' fees, expert witness fees, costs (including arbitration fees), and

other reasonable expenses incurred in connection with the arbitration of such Construction Dispute under this Article XI. The parties may resort to any court of competent jurisdiction for enforcement of, or any other action relating to, the arbitrator's award.

(d) Consolidation. A Construction Dispute may be consolidated with similar proceedings and resolved pursuant to the dispute resolution procedures contained in this Article XI to include participation of the Approved Builder, contractors, sub-contractors, sub-subcontractors, design professionals or any other person or entity if such proceedings involve common issues of law or fact. Consent to consolidate proceedings involving an additional person or entity will not constitute consent to resolve any claim, dispute or other matter in question other than the Construction Dispute or with a Person not named or described therein. It is expressly understood and agreed that Residential Declarant or any Affiliate of Declarant will have the right, but not the obligation, to join in any such dispute resolution proceedings against any other party whose work or services on or in connection with the Residential Property may be at issue or whose claims(s) involve the design or construction of the Residential Property, including the Approved Builder.

(e) Construction Disputes Asserted by the Residential Association. Notwithstanding anything to the contrary contained in this Residential Declaration, as a precondition to the Residential Association initiating the mandatory dispute resolution procedures set forth in this Section 11.3, the Residential Association must:

(i) Obtain an inspection and a written, independent third-party report (the "Construction Dispute Report") from a licensed professional engineer which: (A) identifies the Residences or Residential Common Elements subject to the Construction Dispute, including a description of the present physical condition of such Residences or Residential Common Elements; and (B) describes any modifications, maintenance, or repairs to the Residences or Residential Common Elements subject to the Construction Dispute performed by any Owner and/or the Residential Association. For the purposes of this Section 11.3(e)(i), an independent third-party report is a report obtained directly by the Residential Association and paid for by the Residential Association and not prepared by a Person employed by or otherwise affiliated with the attorney or law firm that represents or will represent the Residential Association in the Construction Dispute. The Residential Association must have provided at least ten days prior written notice of the inspection to each party subject to the Construction Dispute, which notice will identify the independent third-party engaged to prepare the Construction Dispute Report, the specific Units and Common Elements to be inspected, and the date and time the inspection will occur. Each party subject to the Construction Dispute may attend the inspection, personally or through an agent. Upon completion, the Construction Dispute Report will be provided to each party subject to the Construction Dispute. In addition, if the Construction Dispute Report identifies an alleged design issue or issue arising out of the provision of professional services by a licensed registered professional, the Residential Association must also obtain a certificate of merit in accordance with Chapter 150 of the Texas Civil Practice and Remedies Code.

(ii) Permit each party subject to the Construction Dispute the right, for a period of six months after receipt of the Construction Dispute Report pursuant to Section 11.3(e)(i) of this Residential Declaration, to inspect and correct, any condition identified in the Construction Dispute Report.

(iii) Obtain approval to initiate the mandatory dispute resolution procedures from Residence Owners holding 67% of the total votes in the Residential Association by person or proxy in accordance with Section 82.110 of the Act at a regular, annual or special meeting of the Residential Association called in accordance with the Residential Bylaws and provide all deliveries to the Owner required under Section 82.119 of the Act prior to providing the notice of such meeting to the Residence Owners.

Section 11.4 Exclusive Remedy. Except as otherwise provided for a Residential Dispute in this Section 11.4, with respect to any Residential Dispute or Construction Dispute subject to mediation or arbitration, as applicable, under this Article XI, it is agreed that the mediation and arbitration provisions of this Article XI will be the sole remedy of the Residence Owners involved in such Residential Dispute or Construction Dispute. Notwithstanding any other provisions of this Residential Declaration, the foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by the parties will be specifically enforceable under prevailing arbitration law in any court having jurisdiction thereof. The foregoing agreement to arbitrate will not constitute any agreement or consent to arbitration of any dispute, claim, controversy or matter that does not constitute a "Residential Dispute" or "Construction Dispute", as applicable. The foregoing agreement to arbitrate any Residential Dispute or Construction Dispute will not constitute any agreement or consent to arbitration with any Person not named or described in this Residential Declaration, provided that any arbitration proceeding initiated under the terms of this Section 11.4 may, at the request of any party, be joined or consolidated with other arbitration proceedings involving additional parties if the Residential Dispute or Construction Dispute, as applicable, and the subject of such other proceedings arise out of common or interrelated factual occurrences. Any award of the arbitrator will be final and binding upon the Residence Owners involved in the Residential Dispute or Construction Dispute and such Residence Owners' Residential Mortgagees and non-appealable judgment thereon may be entered by any court having jurisdiction. Notwithstanding the foregoing, Residential Declarant will have the right, but not the obligation, in its absolute and sole discretion, to opt out of mandatory, binding arbitration for a Residential Dispute, not a Construction Dispute, after Residential Declarant receives written demand from a party in accordance with Section 11.2 of this Residential Declaration. By delivering written notice to the demanding party on or before the tenth day following the date upon which Residential Declarant received the arbitration demand, Residential Declarant may opt out of and will automatically be released from the mandatory, binding arbitration provisions in this Article XI for the respective Residential Dispute. Upon the demanding party's receipt of Residential Declarant's opt out notice, such party will be responsible to notify any other parties involved in the Residential Dispute, and the claims, grievances, and disputes of the Residential Dispute applicable to Residential Declarant will no longer be deemed a Residential Dispute or subject to this Article XI.

ARTICLE XII

Disclosures

Section 12.1 Transmission Disclaimer. The Residences are not constructed to be soundproof or free from vibrations. Sounds and vibrations can also be generated from sources located within a particular Residence or the other portions of the Residential Condominium, including elevator motors, heating and air conditioning equipment, pump rooms, other mechanical equipment, dogs barking and the playing of certain kinds of music. EACH RESIDENCE OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF THEIR RESIDENCE, HEREBY ACKNOWLEDGES AND AGREES THAT SOUND AND IMPACT NOISE TRANSMISSION IN A DEVELOPMENT SUCH AS THE RESIDENTIAL CONDOMINIUM IS VERY DIFFICULT TO CONTROL, AND THAT NOISES FROM ADJOINING OR NEARBY RESIDENCES, THE COMMERCIAL FACILITIES IN THE RETAIL UNIT, THE HOTEL UNIT, THE RESIDENTIAL UNIT I, AND THE SURROUNDING

DEVELOPMENT AND/OR MECHANICAL EQUIPMENT CAN AND WILL BE HEARD IN RESIDENCES. ADDITIONALLY, EACH RESIDENCE OWNER, BY ACCEPTANCE OF A DEED OR OTHER CONVEYANCE OF THEIR RESIDENCE, HEREBY ACKNOWLEDGES AND AGREES THAT THE TRANSMISSION OF ODORS, FUMES OR SMELLS THROUGHOUT A MIXED-USE DEVELOPMENT SUCH AS THE RESIDENTIAL CONDOMINIUM IS VERY DIFFICULT TO CONTROL, AND THAT SUCH ODORS, FUMES OR SMELLS FROM ADJOINING OR NEARBY RESIDENCES, THE COMMERCIAL FACILITIES IN THE RETAIL UNIT, THE HOTEL UNIT, THE RESIDENTIAL UNIT I, AND THE SURROUNDING DEVELOPMENT COULD TRANSMIT INTO RESIDENCES. NEITHER RESIDENTIAL DECLARANT, MASTER DECLARANT, THE OWNERS, NOR THEIR DESIGNEES MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF SOUND OR IMPACT NOISE TRANSMISSION OR THE LEVEL OF ODORS OR IMPACT OF THE TRANSMISSION OF ODORS BETWEEN AND AMONG RESIDENCES AND THE OTHER PORTIONS OF THE RESIDENTIAL PROPERTY AND EACH RESIDENCE OWNER HEREBY WAIVES AND EXPRESSLY RELEASES, TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW AS OF THE DATE OF THIS RESIDENTIAL DECLARATION, ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM SOUND OR IMPACT NOISE TRANSMISSION OR ODOR TRANSMISSION.

Section 12.2 Erosion; Flooding. While the drainage system for surface water runoff on the Residential Condominium will be constructed in accordance with applicable governmental standards, the Residential Condominium may still be subject to erosion and/or flooding during unusually intense or prolonged periods of rain.

Section 12.3 Sprinklers. The Residential Common Elements may be equipped with a sprinkler system. If a Residence Owner, Residential Tenant or an occupant of a Residence causes the sprinkler system to be activated (except in the case of a fire) or damages or destroys any part of the sprinkler system, the Residence Owner of the Residence will be responsible for any costs the Residential Association incurs in repairing the system and for all other losses or damages resulting from such actions, including, without limitation, damages to any portion of the Residential Common Elements or other Residences.

Section 12.4 Mixed-Use Development. The Residential Condominium is located in a mixed-use development and contains both residential and commercial uses. Sound and vibrations may be audible and felt from such things as sirens, whistles, horns, the playing of music, people speaking loudly, trash being picked up, deliveries being made, equipment being operated, dogs barking, construction activity, building and grounds maintenance being performed, automobiles, buses, trucks, ambulances, airplanes, trains and other generators of sound and vibrations typically found in a mixed-use development. In addition to sound and vibration, there may be odors (from restaurants, food being prepared and dumpsters) and light (from signs, streetlights, other buildings, car headlights and other similar items) in mixed-use developments and these things are part of the reality and vibrancy of such developments.

Section 12.5 Location of Facilities. This Residential Declaration makes no representation as to the location of mailboxes, utility boxes, street lights, fire hydrants or storm drain inlets or basins.

Section 12.6 Light Emission. Light may emit from structures located on adjacent properties. THIS RESIDENTIAL DECLARATION DOES NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE LEVEL OF GLARE THAT MAY AFFECT PORTIONS OF THE RESIDENTIAL CONDOMINIUM, AND EACH RESIDENCE OWNER HEREBY WAIVES AND EXPRESSLY RELEASES ANY SUCH WARRANTY AND CLAIM FOR LOSS OR DAMAGES RESULTING FROM ANY SUCH GLARE.

Section 12.7 Construction. During construction activities, from time to time, the following conditions may be produced in the Residential Condominium: (a) noise or sound that is objectionable because of its volume, duration, frequency or shrillness; (b) smoke; (c) noxious, toxic or corrosive fumes or gases; (d) obnoxious odors; (e) dust, dirt or flying ash; (f) unusual fire or explosion hazards; (g) temporary interruption of utilities; and/or (h) other conditions that may threaten the security or safety of Persons on the Residential Condominium. Notwithstanding the foregoing, all Residence Owners, Residential Tenants and occupants of the Residences agree that such conditions in the Residential Condominium resulting from construction activities, including activities of Designees, will not be deemed a nuisance.

Section 12.8 Natural Light and Views. THE MASTER CONDOMINIUM WILL BE COMPRISED OF MULTIPLE BUILDINGS, THE CONSTRUCTION OF WHICH WILL PARTIALLY BLOCK, OBSTRUCT, SHADOW OR OTHERWISE AFFECT THE NATURAL LIGHT AVAILABLE TO OR THE VIEW LINES FROM ANY PARTICULAR RESIDENCE OR FROM PARTS OF THE RESIDENTIAL CONDOMINIUM (THE "NATURAL LIGHT AND VIEWS"), WHICH MAY CURRENTLY BE AVAILABLE TO OR VISIBLE FROM A RESIDENCE OR FROM THE RESIDENTIAL CONDOMINIUM. ADDITIONALLY, BECAUSE THE RESIDENTIAL CONDOMINIUM IS LOCATED IN A MIXED-USE DEVELOPMENT, DEMOLITION AND CONSTRUCTION OF BUILDINGS AND OTHER STRUCTURES WITHIN THE IMMEDIATE AREA OF THE RESIDENTIAL CONDOMINIUM MAY FURTHER BLOCK, OBSTRUCT, SHADOW OR OTHERWISE AFFECT THE NATURAL LIGHT AND VIEWS. NATURAL LIGHT AND VIEWS ARE NOT PROTECTED. RESIDENTIAL DECLARANT AND ITS SUCCESSORS AND ASSIGNS ARE NOT RESPONSIBLE FOR ANY LOSSES, CLAIMS, DEMANDS, DAMAGES, COSTS AND EXPENSES OF WHATEVER NATURE OR KIND RELATING TO NATURAL LIGHT AND VIEWS OR THE DISRUPTION, NOISE, COMMOTION, AND OTHER UNPLEASANT EFFECTS OF NEARBY DEVELOPMENT OR CONSTRUCTION.

Section 12.9 Waiver of Environmental Conditions. NEITHER RESIDENTIAL DECLARANT NOR THE RESIDENTIAL ASSOCIATION IS AN INSURER OR GRANTOR OF ENVIRONMENTAL CONDITIONS OR INDOOR AIR QUALITY WITHIN THE RESIDENTIAL CONDOMINIUM. NEITHER RESIDENTIAL DECLARANT NOR THE RESIDENTIAL ASSOCIATION IS LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF OR FAILURE TO PROVIDE ADEQUATE INDOOR AIR QUALITY OR ANY ADVERSE ENVIRONMENTAL CONDITIONS. NEITHER RESIDENTIAL DECLARANT NOR THE RESIDENTIAL ASSOCIATION REPRESENT OR WARRANT THAT ANY CONSTRUCTION MATERIALS, AIR FILTERS, MECHANICAL, HEATING, VENTILATING OR AIR CONDITIONING SYSTEMS AND CHEMICALS NECESSARY FOR THE CLEANING OR PEST CONTROL OF THE RESIDENTIAL CONDOMINIUM WILL PREVENT THE EXISTENCE OR SPREAD OF BIOLOGICAL ORGANISMS, COOKING ODORS, ANIMAL DANDER, DUST MITES, FUNGI, POLLEN, TOBACCO SMOKE, DUST OR THE TRANSMISSION OF INTERIOR OR EXTERIOR NOISE LEVELS. NEITHER RESIDENTIAL DECLARANT NOR THE RESIDENTIAL ASSOCIATION IS AN INSURER AND EACH RESIDENCE OWNER AND OCCUPANT OF ANY RESIDENCE AND EACH RESIDENTIAL TENANT, GUEST AND INVITEE OF ANY RESIDENCE OWNER ASSUMES ALL RISKS FOR INDOOR AIR QUALITY AND ENVIRONMENTAL CONDITIONS AND ACKNOWLEDGES THAT NEITHER RESIDENTIAL DECLARANT NOR THE RESIDENTIAL ASSOCIATION HAVE MADE ANY REPRESENTATIONS OR WARRANTIES NOR HAS RESIDENTIAL DECLARANT, THE RESIDENTIAL ASSOCIATION, ANY RESIDENCE OWNER, OCCUPANT, RESIDENTIAL 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 THE AIR QUALITY WITHIN THE RESIDENTIAL CONDOMINIUM.

Section 12.10 Water Quality Facilities, Drainage Facilities and Drainage Ponds. One or more water quality facilities, sedimentation, drainage and detention facilities, or ponds may serve all or a portion of the Residential Condominium. The Residential Association will be obligated to inspect, maintain and administer such water quality facilities, drainage facilities, and drainage ponds located on the Residential Condominium in good and functioning condition and repair. Each Residence Owner is advised that any such water quality facilities, sedimentation, drainage and detention facilities and ponds are an active utility feature integral to the proper operation of the Residential Condominium and may periodically hold standing water. Each Residence Owner is advised that entry into the water quality facilities, sedimentation, drainage and detention facilities or ponds may result in injury and is a violation of the Residential Governing Documents.

Section 12.11 Adjacent Thoroughfares. The Residential Condominium is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved and/or widened in the future.

Section 12.12 Zoning. No representations are made regarding the zoning of adjacent property. The zoning and use of adjacent property may change in the future.

ARTICLE XIII

Miscellaneous

Section 13.1 Revocation or Termination of Residential Declaration. Except in the circumstance of automatic termination as provided in Section 9.6 of the Master Declaration, this Residential Declaration may be revoked or the Residential Condominium established hereby may be terminated, only by an instrument in writing, duly approved, executed and acknowledged by those Residence Owners holding not less than 80% of the Residential Allocated Interests and not less than one hundred percent 100% vote of the Residential Mortgagees. Any such instrument of revocation or termination will be duly filed of record in the County. If the Residential Property is to be sold upon termination, the agreement effecting such termination will also set forth the terms of such sale and comply with the provisions of the Act.

Section 13.2 Amendment to Residential Declaration. Except for Residential Declarant's exercise of the Special Residential Declarant Rights or as otherwise permitted in this Residential Declaration, this Residential Declaration may be amended at a meeting of the Residence Owners at which the amendment is approved by those Residence Owners holding not less than 67% of the Residential Allocated Interests and by the vote of not less than 51% of the Residential Mortgagees. Such amendment will be evidenced by a written instrument executed and acknowledged by an officer of the Residential Association on behalf of the consenting Residence Owners and by the consenting Residential Mortgagees and filed of record in the County. Any such amendment so effected will be binding upon all of the Residence Owners, provided however that except as permitted or required by the Act, no such amendment will: (a) cause the alteration or destruction of all or part of any Residence unless such amendment has been consented to by the Residence Owner and the Residential Mortgagee of the Residence which is to be altered or destroyed, (b) create or increase Special Residential Declarant Rights, (c) increase the number of Residences, (d) change the boundaries of a Residence or (e) change the use restrictions on a Residence unless with respect to the matters described in subsections (b), (c), (d), and (e), of this Section 13.2 such amendment has been consented to by 100% of the Residential Allocated Interests. Notwithstanding the foregoing, no amendment pursuant to this Section 13.2 will become

effective unless approved by Residential Declarant if Residential Declarant still owns one or more Residences and the amendment would, in Residential Declarant's reasonable determination: (v) increase or otherwise modify Residential Declarant's obligations; (w) alter, abridge, reduce, or delete any provision of this Residential Declaration that benefits Residential Declarant; (x) alter, abridge, reduce, or delete any rights, privileges, easements, protections, or defenses of Residential Declarant; (y) reduce or modify any Special Residential Declarant Rights or Special Declarant Rights set forth in the Master Declaration or (z) materially inhibit or delay Residential Declarant's ability to complete any Residential Improvements or to convey any portion of the Residential Property owned by Residential Declarant. Notwithstanding the foregoing, if Residential Declarant owns a Residence which has never been occupied, Residential Declarant, its Affiliates, or the Master Association may, without a vote of the Residence Owners or the Residential Mortgagees or approval of the Master Association (if applicable) amend the Residential Governing Documents in any manner necessary to meet the requirements of the Federal National Mortgage Association, the Federal National Home Loan Mortgage Corporation, the Federal Housing Administration or the Veterans Administration.

Section 13.3 Partial Invalidity. If any provision of the Residential Governing Documents will be determined by a court of competent jurisdiction to be invalid or unenforceable, such determination will in no way impair or affect the validity or enforceability of the remainder of the Residential Governing Documents.

Section 13.4 Conflicts. If any of the provisions of the Residential Governing Documents are in conflict with the provisions of the Act or the Texas Business Organizations Code, the provisions of such statutes will control. If a conflict exists among the provisions of the Residential Governing Documents, the documents will control in the following order:

1. The Restrictive Covenants;
2. The Allocation Document;
3. The Master Declaration;
4. The Certificate of Formation;
5. The Bylaws;
6. The Master Regulations;
7. The Policy Guidelines;
8. This Residential Declaration;
9. The Residential Certificate of Formation;
10. The Residential Bylaws; and
11. The Residential Regulations.

Each Residence Owner acknowledges that it has been given the opportunity to review the documents listed above and has had the opportunity to consult with counsel in connection with the purchase of a Residence and agrees with the provisions thereof. The provisions of the Residential Governing Documents embody the entire final documentation to which the Residences and any Residence Owners will be subject in relation to the Residential Condominium and supersede any and all agreements, representations, and understandings, whether written or oral, between Residential Declarant and the Residence Owners. If a conflict exists between the provisions of any of the above documents for the Residential Condominium and any such documents for the Master Condominium, those of the Master Condominium will control.

Section 13.5 Captions and Exhibits. Captions used in the various articles and sections of this Residential Declaration are for convenience only, and they are not intended to modify or affect the meaning of any of the substantive provisions hereof. All exhibits are incorporated in and made a part of this Residential Declaration.

Section 13.6 Usury. It is expressly stipulated and agreed to be the intent of Residential Declarant that at all times the terms of the Residential Governing Documents will comply strictly with the applicable Texas law governing the maximum rate or amount of interest payable under any provision of the Residential Governing Documents. If the applicable law is ever judicially interpreted so as to render usurious any amount contracted for, charged, taken, reserved or received pursuant to the Residential Governing Documents or any other communication or writing by or between Residential Declarant, the Residential Association and the Residence Owners related to the matters set forth in the Residential Governing Documents, then it is the express intent of Residential Declarant that all amounts charged in excess of the maximum rate allowed by Texas law will be automatically canceled, *ab initio*, and all amounts in excess of the maximum rate allowed by Texas law theretofore collected will be refunded, and the provisions of the Residential Governing Documents will immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law. The Residence Owners hereby agree that as a condition precedent to any claim seeking usury penalties against Residential Declarant or the Residential Association, any Residence Owner will provide written notice to Residential Declarant or the Residential Association advising Residential Declarant or the Residential Association in reasonable detail of the nature and amount of the violation, and Residential Declarant or the Residential Association will have 60 days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to a Residence Owner or crediting such excess interest against the obligation then owing by such Residence Owner to Residential Declarant or the Residential Association.

Section 13.7 Use of Number and Gender. Whenever used in this Residential Declaration, and unless the context will otherwise provide, the singular number will include the plural, the plural number will include the singular, and the use of any gender will include all genders.

Section 13.8 Governing Law. THE RESIDENTIAL GOVERNING DOCUMENTS ARE TO BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS. VENUE FOR ANY ACTION BROUGHT IN CONNECTION WITH THE RESIDENTIAL CONDOMINIUM WILL BE IN AUSTIN, TEXAS.

Section 13.9 Notice. All notices or other communications required or permitted to be given pursuant to this Residential Declaration must be in writing and will be considered as properly given if (a) mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested, (b) by delivering same in person to the intended addressee, (c) by delivery to an independent third party commercial delivery service for same day or next day delivery and providing for evidence of receipt at the office of the intended addressee, or (d) by e-mail to the addressee as provided by such party. Notice so mailed will be effective upon its deposit with the United States Postal Service or any successor thereto; notice sent by such a commercial delivery service will be effective upon delivery to such commercial delivery service; notice given by personal delivery will be effective only if and when received by the addressee; and notice given by other means will be effective only if and when received at the office or designated place or machine of the intended addressee. For purposes of notice, the addresses of Residential Declarant and the Residential Association will be as set forth below, the address of each Residence Owner will be the address of the Residence and the address of each Residential Mortgagee will be the address provided to the Residential Association; provided, however, that any party will have the right to change its address for notice hereunder to any other location within the continental United States by the giving of 30 days' notice to the Residential Association in the manner set forth herein:

Residential Declarant: Lantana Land Holdings LLC
303 Wildwood Drive
Fredericksburg, TX 78624
Attention: Robert Radovan and Mark Harmon
Email: mharmon@aubergepartners.com and
Rnikoradovan@gmail.com

Residential Association: The Villas at The Lantana Condominium Association, Inc.
303 Wildwood Drive
Fredericksburg, TX 78624
Attention: Robert Radovan and Mark Harmon
Email: mharmon@aubergepartners.com and
Rnikoradovan@gmail.com

Section 13.10 Estoppel Certificates. Each Residence Owner, from time to time but no more often than twice each calendar year, has the right to require the Residential Association (as to all items listed below) to deliver to the requesting Residence Owner a written statement addressed to the requesting Residence Owner and its Residential Mortgagee or purchaser of a Residence, as applicable, without payment of any fee or cost certifying: (a) this Residential Declaration is unmodified and in full force and effect (or if modified that this Residential Declaration as so modified is in full force and effect); (b) this Residential Declaration attached to the certificate is a true and correct copy of this Residential Declaration and all amendments hereto; (c) the date through which all Residential Assessments have been paid by the Residence Owner requested to provide the certificate and the Residence Owner requesting such certificate; (d) to the knowledge of the Residential Association, the requesting Residence Owner is not in default of any of its obligations under this Residential Declaration (or if the Residential Association knows the requesting Residence Owner to be in default, specifying the defaults and any remaining cure period, if any); (e) the Residential Association holds no then existing liens, other than the lien for unpaid Residential Assessments accrued and not yet payable, against the requesting Residence Owner's Residence and (f) such other matters as are reasonably requested by the requesting Residence Owner.

Section 13.11 Use of "The Lantana" Word or Mark. No Person may use the words "The Lantana" or any logo or derivative in any printed or promotional material, website, or other media without the prior written consent of Residential Declarant. However, Residence Owners may use the term "The Villas at The Lantana Condominium" where such term is used solely to specify that a Residence is located in the Residential Condominium and the Residential Association will be entitled to use the word "The Villas at The Lantana Condominium" in its name.

Section 13.12 Use of Hotel Unit Marks. EACH RESIDENCE OWNER, BY ACCEPTANCE OF THE DEED TO ITS RESIDENCE, HEREBY ACKNOWLEDGES AND AGREES THAT THE HOTEL UNIT MAY FROM TIME TO TIME BE OPERATED UNDER A REGISTERED TRADEMARK OF THE MANAGER OF THE HOTEL UNIT (THE "HOTEL BRAND") AND THAT NEITHER RESIDENTIAL DECLARANT, HOTEL UNIT OWNER, MASTER DECLARANT, THE MASTER ASSOCIATION, NOR THE RESIDENTIAL ASSOCIATION HAS ANY RIGHTS TO USE THE HOTEL BRAND EXCEPT AS EXPRESSLY PROVIDED IN A SEPARATE AGREEMENT AND THE HOTEL BRAND MAY BE TERMINATED OR MAY EXPIRE WITHOUT RENEWAL, IN WHICH CASE THE RESIDENTIAL PROPERTY WILL NOT BE IDENTIFIED AS THE HOTEL BRAND.

Section 13.13 Conversion of the Amenity Areas. The Residence Owners and the Residential Association agree and acknowledge that the Hotel Unit Owner has the right, in its sole and absolute discretion, to convert all or a portion of the Amenity Areas to Common Elements or Units in accordance

with the Governing Documents. The conveyance of any portion of the Amenity Areas to the Residential Association shall be deemed accepted by the Residential Association without further action by the Residential Association. The Residential Association will accept conveyance or conversion of any portion of the Amenity Areas in its present, as-is, condition, subject any existing easements and encumbrances and any condition or requirements set forth in the conveyance instrument or conversion amendment, and unless otherwise provided by the conveyance instrument or conversion amendment, the Residential Association will assume all rights and obligations of the Hotel Unit Owner as it pertains thereto.

ARTICLE XIV

Provisions Applicable to Residential Mortgagees

Section 14.1 Notice To Residential Mortgagees. All Residential Mortgagees will be entitled to receive the following notices in writing from the Residential Association which notices will be sent promptly following the occurrence of the applicable event: (a) notice of any proposed action which requires the consent of Residential Mortgagees, which notice will be given not less than 30 days prior to the desired effective date of such action; (b) notice of default by a Residence Owner (the beneficial interest in which is held by that Residential Mortgagee) in the performance of such Residence Owner's obligations or delinquency in the payment of Residential Assessments, Residential Charges or Residential Governmental Impositions owed by Residential Declarant, which remain uncured for a period of 60 days; (c) notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond required to be maintained hereunder by the Residential Association or by any Residence Owner; (d) notice of any damage or destruction to or Residential Taking of any portion of the Residential Condominium that affects either a material portion of the Residential Property or any Residence the beneficial interest in which is held by that Residential Mortgagee, which notice will be given promptly upon the Residential Association's obtaining knowledge of such damage or destruction; (e) notice of any proposed payment to be made by any Person on behalf of a Residence Owner which pursuant to the terms of this Residential Declaration may result in a lien on such Residence Owner's Residence; (f) 60 days' notice prior to the Residential Association instituting any foreclosure action on any Residence (the beneficial interest of which is held by the Residential Mortgagee); and Residence owned by Residential Declarant; (g) notice 30 days prior to the effective date of (i) any proposed material amendment to this Residential Declaration or the Residential Map, but not otherwise; (ii) any termination of an agreement for professional management of the Residential Association following any decision of the Residence Owners to assume self-management of the Residential Property, that has been brought before the Residential Association and (iii) any proposed termination of the Residential Condominium and (h) notice of all meetings of the members of the Residential Association.

Section 14.2 Cure Rights. Any Residential Mortgagee will have the right, but not the obligation, at any time prior to the termination of this Residential Declaration, and without payment of any penalty, to do any act or thing required of such Residential Mortgagee's borrower hereunder; and to do any act or thing which may be necessary or proper to be done in the performance and observance of the agreements, covenants and conditions hereof. All payments so made and all things so done and performed by any Residential Mortgagee will be effective to prevent a default under this Residential Declaration as the same would have been if made, done and performed by a Residence Owner instead of its Residential Mortgagee. Any event of default under this Residential Declaration which in the nature thereof cannot be remedied by a Residential Mortgagee will be deemed to be remedied if: (a) within 30 days after receiving written notice from the non-defaulting party setting forth the nature of such event of default, or prior thereto, the Residential Mortgagee will have acquired the property owned by the defaulting party (the "Acquired Property") or will have commenced foreclosure or other appropriate proceedings in the nature thereof, (b) the Residential Mortgagee diligently prosecutes any such proceedings to completion, (c) the Residential Mortgagee will have fully cured any default in the payment

of any monetary obligations owed the non-defaulting party hereunder within such 30 day period and will thereafter continue to perform faithfully all such non-monetary obligations which do not require possession of the Acquired Property and (d) after gaining possession of the Acquired Property following a foreclosure or deed in lieu thereof, the Residential Mortgagee performs all other obligations of the defaulting party hereunder as and when the same are due.

Section 14.3 No Invalidity of Mortgage Lien. No violation of this Residential Declaration by, or enforcement of this Residential Declaration against, any party will impair, defeat or render invalid the lien of any Residential Mortgagee.

Section 14.4 Mortgagee Requirements. The Residential Association agrees to cooperate reasonably with any Residential Mortgagee in regard to the satisfaction of requests or requirements by such Residential Mortgagee; provided, however, such cooperation will be at the sole cost and expense of the requesting party, and provided, further, that no party will be deemed obligated to accede to any request or requirement that materially and adversely affects its rights under this Residential Declaration.

Section 14.5 Unpaid Residential Assessments. If any Residential Mortgagee obtains title to any Residence on which such Residential Mortgagee holds a mortgage encumbering such Residence, pursuant to judicial foreclosure or the powers provided in such mortgage, or deed in lieu thereof, such Residential Mortgagee will take title to such Residence free and clear of any claims for unpaid Residential Assessments or charges against such Residence which accrued prior to the time the Residential Mortgagee acquires title to such Residence, except as otherwise set forth in Article VII of this Residential Declaration.

Section 14.6 Books and Records. All Residential Mortgagees, upon written request, will have the right to (a) examine the books and records of the Residential Association, including current copies of the Residential Governing Documents and financial statements, during normal business hours, (b) require the Residential Association to submit an annual audited financial statement for the preceding fiscal year within 120 days of the end of the Residential Association's fiscal year, if one is available or have one prepared at the expense of such Residential Mortgagee if such statement is not otherwise prepared by the Residential Association and (c) designate in writing a representative to attend all meetings of the members of the Residential Association.

Section 14.7 Priority of Rights. No provision of this Residential Declaration will be construed or applied to give any Residence Owner priority over any rights of any Residential Mortgagee in the case proceeds or awards are not applied to restoration but are distributed to Residence Owners in the case of a casualty loss or Residential Taking of, a Residence and/or Residential Common Element.

Section 14.8 Required Percentage. Any required percentage of Residential Mortgagees in this Residential Declaration means and refers to such percentage of the face amount of the indebtedness held by such Residential Mortgagees and not the number of such Residential Mortgagees.

[Remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Residential Declarant has duly executed this Residential Declaration on the day and year first above written.

RESIDENTIAL DECLARANT:

LANTANA LAND HOLDINGS LLC,
a Delaware limited liability company

By: LANTANA DEVELOPER, LLC,
a Texas limited liability company,
its Manager

By: _____

Name: _____

Title: _____

STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2025, by _____, the _____ of LANTANA DEVELOPER, LLC, a Texas limited liability company, as Manager of LANTANA LAND HOLDINGS LLC, a Delaware limited liability company, on behalf of said entities.

[SEAL]

My Commission Expires:

Notary Public in and for the State of _____

Printed Name of Notary

List of Exhibits:

- Exhibit A – Legal Description of the Real Property
- Exhibit B – Residential Allocated Interests
- Exhibit C – Undivided Percentage Ownership in the Land
- Exhibit D – Designation of ACR Chart
- Exhibit E – Residential Map

CONSENT AND SUBORDINATION¹

The undersigned, _____ ("Lender"), hereby consents to the filing of Residential Condominium Declaration for The Villas at The Lantana Condominium (the "Residential Declaration") and, subject to the terms and provisions of this Consent and Subordination, subordinates the lien and security interests of that certain [Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing] dated as of _____, 20____, by _____, a _____ ("Residential Declarant"), for the benefit of Lender, recorded under Document No. _____ of the Official Public Records of Gillespie County, Texas (the "Deed of Trust"), to the Residential Declaration; provided, however, this Consent and Subordination: (i) will not be construed or operate as a release of the lien and security interests of the Deed of Trust, but will instead confirm that the lien and security interests of the Deed of Trust will hereafter be upon and against each and all of the Residences (as such term is defined in the Residential Declaration) and all appurtenances thereto and all of the undivided shares and interests in the Residential General Common Elements (as such term is defined in the Residential Declaration) of the Condominium established by the Residential Declaration; (ii) will not release, subordinate, impair, or otherwise affect any and all rights Lender has under the Deed of Trust to succeed to the rights, powers, and authority of Residential Declarant under the Residential Declaration in the event of a foreclosure of the lien and security interests of the Deed of Trust; and (iii) will not modify or amend the terms and provisions of the Deed of Trust.

LENDER:

_____ ,
a _____

By:_____

Name: _____

Title: _____

STATE OF _____ §

§

COUNTY OF _____ §

§

This instrument was acknowledged before me on this ____ day of _____, 2025, by _____, _____, of _____, a _____, on behalf of said _____.

[S E A L]

Notary Public, State of _____

My Commission Expires:

Printed Name of Notary Public

¹ TBD if necessary.

EXHIBIT A

Legal Description of the Real Property

The Residential Unit II of The Lantana Master Condominium, created pursuant to that certain Master Condominium Declaration for The Lantana Master Condominium recorded as Instrument No. _____ in the Real Property Records of Gillespie County, Texas (the "Master Declaration"), covering land located in Gillespie County, Texas as described in the Master Declaration; together with an undivided interest, appurtenant thereto, in and to the Common Elements (as defined in the Master Declaration) in the percentage designated on Exhibit B attached to the Master Declaration and the exclusive right to use the Limited Common Elements (as defined in the Master Declaration) appurtenant to the Residential Unit II (as more particularly described in the Master Declaration).

EXHIBIT B

Residential Allocated Interests

RESIDENCE	ACREAGE	SQUARE FOOTAGE	RESIDENTIAL ALLOCATED INTEREST**
V1	0.2896	12,616.69	2.76%
V2	0.2955	12,870.17	2.82%
V3	0.2909	12,670.38	2.77%
V4	0.2852	12,422.08	2.72%
V5	0.2802	12,206.02	2.67%
V6	0.2802	12,204.77	2.67%
V7	0.2975	12,956.95	2.84%
V8	0.2807	12,228.71	2.68%
V9	0.2975	12,956.95	2.84%
V10	0.2802	12,204.40	2.67%
V11	0.2974	12,956.48	2.84%
V12	0.2805	12,216.57	2.67%
V13	0.2707	11,790.40	2.58%
V14	0.2778	12,101.42	2.65%
V15	0.2975	12,956.95	2.84%
V16	0.2880	12,547.33	2.75%
V17	0.2919	12,714.44	2.78%
V18	0.2925	12,741.25	2.79%
V19	0.2821	12,288.58	2.69%
V20	0.2862	12,467.40	2.73%
V21	0.2844	12,387.42	2.71%
V22	0.2926	12,743.50	2.79%
V23	0.2839	12,367.29	2.71%
V24	0.2974	12,955.92	2.84%
V25	0.2889	12,585.72	2.75%
V26	0.2964	12,911.83	2.83%
V27	0.2637	11,488.49	2.51%
V28	0.2807	12,228.71	2.68%
V29	0.2734	11,911.32	2.61%
V30	0.2798	12,188.04	2.67%
VI 1	0.2763	12,037.50	2.63%
V32	0.2747	11,963.88	2.62%
V33	0.2807	12,228.71	2.68%
V34	0.2787	12,142.07	2.66%
V35	0.2456	10,698.77	2.34%
V36	0.2772	12,076.73	2.64%
V37	0.2700	11,759.39	2.57%
TOTALS	10.4865	456,793.23	100.00%

EXHIBIT C

Undivided Percentage Ownership in the Land

RESIDENCE	PERCENTAGE OF OWNERSHIP IN THE LAND
V1	0.70%
V2	0.72%
V3	0.71%
V4	0.69%
V5	0.68%
V6	0.68%
V7	0.72%
V8	0.68%
V9	0.72%
V10	0.68%
V11	0.72%
V12	0.68%
V13	0.66%
V14	0.67%
V15	0.72%
V16	0.70%
V17	0.71%
V18	0.71%
V19	0.68%
V20	0.69%
V21	0.69%
V22	0.71%
V23	0.69%
V24	0.72%
V25	0.70%
V26	0.72%
V27	0.64%
V28	0.68%
V29	0.66%
V30	0.68%
VI 1	0.67%
V32	0.67%
V33	0.68%
V34	0.68%
V35	0.60%
V36	0.67%
V37	0.66%
TOTAL	25.45%

EXHIBIT D

Designation of ACR Chart

"All aspects" includes maintenance, repair, and replacement in accordance with the Residential Maintenance Standard, as needed.

COMPONENT OF THE RESIDENTIAL CONDOMINIUM	RESIDENTIAL ASSOCIATION RESPONSIBILITY	RESIDENCE OWNER RESPONSIBILITY
Exterior Residential Improvements located on each Residence, including all Residential Structures and Residential Systems that serve each Residence.	All aspects.	None.
Pools and/or water features located on each Residence.	All aspects.	None.
Landscaping of each Residence.	All aspects.	None.
Driveways and sidewalks located on each Residence.	All aspects.	None.
Property and Commercial General Liability insurance on all Residential Improvements located on each Residence, but excluding any personal property within each Residence.	See <u>Section 6.2</u> of this Residential Declaration.	See <u>Section 6.3</u> of this Residential Declaration.

NOTE 1: The components listed in the first column are applicable only if they exist.

NOTE 2: A Residence Owner shall not make any improvements to any portion of the Residential Condominium without first getting the approval of the Architectural Reviewer and the Residential Association.

NOTE 3: Set forth above is a summary of the maintenance obligations imposed upon the Residential Association generally as described in this Residential Declaration. Please note that the information set forth in this Exhibit D is a summary **and subject to change in accordance with this Residential Declaration.** Accordingly, in the event of a conflict between the summary set forth in this Exhibit D and any provision set forth in this Residential Declaration above, the provision set forth in this Exhibit D will control.

EXHIBIT E
Residential Map

[The Residential Map Follows this Cover Page]

CONDOMINIUM PLAT ESTABLISHING
**THE VILLAS AT THE
LANTANA CONDOMINIUM**

GILLESPIE COUNTY, TEXAS.

BEING PART OF THAT 106.89 ACRES OF LAND
DESCRIBED IN A WARRANTY DEED TO
WINE COUNTRY HOSPITALITY PARTNERS, LLC.,
BY JUDY KAY FELLER, ET AL., DATED JULY 8, 2022,
FOUND OF RECORD IN INSTRUMENT NO. 20225100 OF
THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS.

PROPERTY DESCRIPTION

BEING ALL OF THE RESIDENTIAL UNIT II OF THE LANTANA MASTER CONDOMINIUM, CREATED PURSUANT TO THAT CERTAIN MASTER CONDOMINIUM DECLARATION FOR THE LANTANA MASTER CONDOMINIUM TO BE RECORDED IN THE REAL PROPERTY RECORDS OF GILLESPIE COUNTY, TEXAS, SITUATED ON THE REAL PROPERTY DESCRIBED BELOW:

LAND DESCRIPTION

BEING 106.89 ACRES OF LAND SITUATED IN THE WM. H. ANDERSON SURVEY NO. 197, ABSTRACT NO. 2, GILLESPIE COUNTY, TEXAS, COMPRISED OF THOSE 106.73 ACRE AND 0.16 ACRE TRACTS OF LAND IN DESCRIBED IN A WARRANTY DEED TO WINE COUNTRY HOSPITALITY PARTNERS, LLC., BY JUDY KAY FELLER, ET AL., DATED JULY 8, 2022, FOUND OF RECORD IN INSTRUMENT NO. 20225100 OF THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS.

SAID 106.89 ACRE TRACT OF LAND IS DESCRIBED BY METES AND BOUNDS AS FOLLOWS, TO WIT:
BEGINNING AT A ½ INCH REBAR FOUND SET IN THE SOUTH LINE OF GOEHMANN LANE (COUNTY ROAD); FOR THE N.E. CORNER OF LOT NO. 36, OAK TERRACE, PLAT FOUND OF RECORD IN VOLUME 64, PAGES 336-338 OF SAID OFFICIAL PUBLIC RECORDS AND THAT 0.45 ACRE TRACT OF LAND DESCRIBED IN A CONVEYANCE TO JONATHAN D. CRENWELGE, FOUND OF RECORD IN VOLUME 225, PAGE 136 OF SAID OFFICIAL PUBLIC RECORDS, FOR THE N.W. CORNER OF THIS TRACT OF LAND;

THENCE WITH THE OCCUPIED SOUTH LINE OF SAID GOEHMANN LANE ALONG THE GENERAL COURSE OF A FENCE, AS FOLLOWS:

89 DEG. 49 MIN. 52 SEC. E., CROSSING BARONS CREEK, 220.65 FEET TO AN EAST PIPE GATE POST;
88 DEG. 52 MIN. 37 SEC. E., 353.03 FEET TO A PINE CORNER POST;
89 DEG. 20 MIN. 57 SEC. E., 469.18 FEET TO A 1/2-INCH REBAR FOUND AT A PINE CORNER POST FOR A NORTHERLY CORNER OF THIS TRACT OF LAND;

THENCE CONTINUING WITH THE OCCUPIED SOUTH LINE OF SAID GOEHMANN LANE, N. 89 DEG. 25 MIN. 30 SEC. E., ALONG THE GENERAL COURSE OF A FENCE AND CROSSING A PAVED DRIVEWAY, 1,284.58 FEET TO AN EAST PIPE GATEPOST FOR THE N.W. CORNER OF A 45.1 ACRE TRACT DESCRIBED IN A CONVEYANCE TO DM401 PROPERTIES, LLC., FOUND OF RECORD IN INSTRUMENT NO. 20205954 OF SAID OFFICIAL PUBLIC RECORDS, FOR THE N.E. CORNER OF THIS TRACT OF LAND;

THENCE ALONG THE GENERAL MEANDERS OF FENCE WITH THE WEST LINE OF SAID 45.1 ACRE TRACT, S. 00 DEG. 39 MIN. 42 SEC. E., 2,080.95 FEET TO 1/2-INCH REBAR FOUND AT A FENCE CORNER FOR THE N.W. CORNER OF A 19.09 ACRE TRACT OF LAND DESCRIBED IN A CONVEYANCE TO MICHAEL W. BRADEN, ET UX., FOUND OF RECORD IN VOLUME 437, PAGE 886 OF SAID OFFICIAL PUBLIC RECORDS (SAID 19.09 ACRE TRACT BEING LOT NO.8R, COUNTRYSIDE, PLAT FOUND OF RECORD IN VOLUME 3, PAGE 18 OF THE PLAT RECORDS OF GILLESPIE COUNTY, TEXAS);

THENCE CONTINUING IN A SOUTHERLY DIRECTION WITH THE WEST LINE OF SAID LOT NO. 8R, S. 0 DEG. 40 MIN. 10 SEC. E., ALONG THE GENERAL COURSE OF A FENCE, CROSSING A RIGHT-OF-WAY EASEMENT DESCRIBED IN A CONVEYANCE TO CENTRAL TEXAS ELECTRIC COOPERATIVE, INC., FOUND OF RECORD IN VOLUME 85, PAGES 373-374 OF SAID OFFICIAL PUBLIC RECORDS, IN ALL 771.14 FEET TO A SOUTH PIPE GATE POST FOR THE E.N.E. CORNER OF THE CITY OF FREDERICKSBURG'S CITY FARM SUBDIVISION, LOT 2 (A 144.25 ACRE TRACT OF LAND), FOUND OF RECORD IN VOLUME 7, PAGE 65 OF SAID PLAT RECORDS, FOR THE S.E. CORNER OF THIS TRACT OF LAND;

THENCE WITH THE NORTHERLY LINES OF SAID CITY FARM SUBDIVISION LOT 2 TRACT, AND WITH THE SOUTHERLY LINE OF THIS TRACT, AS FOLLOWS:

82 DEG. 41 MIN. 15 SEC. W., AT 163.73 FEET PASSING AN OCCUPATIONAL PIPE FENCE CORNER POST AND CONTINUING A PROJECTED LINE THEREOF, IN ALL 205.13 FEET TO A 1/2-INCH REBAR FOUND NEAR THE EASTERLY BANK OF BARONS CREEK;
9 DEG. 04 MIN. 30 SEC. W., 292.91 FEET TO A 1/2-INCH REBAR FOUND AT A PIPE FENCE CORNER POST;
16 DEG. 30 MIN. 00 SEC. W., CROSSING PREVIOUSLY SAID ELECTRIC RIGHT-OF-WAY EASEMENT, 358.15 FEET TO A 1/2-INCH REBAR FOUND AT A PIPE FENCE CORNER POST;
78 DEG. 01 MIN. 41 SEC. W., CROSSING BARONS CREEK, 631.29 FEET TO A 1/2-INCH REBAR FOUND AT AN OLD CEDAR FENCE CORNER POST;
77 DEG. 56 MIN. 45 SEC. W., 147.82 FEET TO A 1/2-INCH REBAR FOUND AT AN OLD CEDAR FENCE CORNER POST;
77 DEG. 32 MIN. 55 SEC. W., 254.74 FEET TO A 1/2-INCH REBAR FOUND;
40 DEG. 43 MIN. 44 SEC. W., 182.29 FEET TO A 1/2-INCH REBAR FOUND AT A PIPE FENCE CORNER POST FOR A NORTH CORNER FOR A REENTRANT CORNER OF THIS TRACT OF LAND;

THENCE CONTINUING WITH THE NORTH LINE OF SAID CITY FARM SUBDIVISION, LOT 2, AS FOLLOWS:
61 DEG. 37 MIN. 27 SEC. W., 68.74 FEET TO A 1/2-INCH REBAR FOUND (CAPPED: BONN 4447) AT AN OLD CEDAR POST;
26 DEG. 35 MIN. 31 SEC. W., 41.71 FEET TO A 1/2-INCH REBAR FOUND (CAPPED: BONN 4447) IN THE APPROXIMATE EASTERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY NO. 20, FOR A S.W. CORNER OF SAID 106.73 ACRE TRACT AND THE EAST CORNER OF SAID 0.16 ACRE TRACT;

THENCE S. 26 DEG. 25 MIN. 14 SEC. W., 52.54 FEET TO A 1/2-INCH REBAR FOUND (CAPPED: BONN 4447) IN THE NORTHEASTERLY RIGHT-OF-WAY LINE OF E. MAIN STREET (U.S. HIGHWAY NO. 290) FOR THE SOUTH CORNER OF SAID 0.16 ACRE TRACT, AND THE MOST SOUTHEASTERLY CORNER OF THIS TRACT OF LAND;

THENCE WITH THE NORTHEASTERLY RIGHT-OF-WAY LINE OF E. MAIN STREET (U.S. HIGHWAY NO. 290) ALONG THE ARC CURVE TO THE LEFT HAVING A RADIUS OF 1970.13 FEET, IN A NORTHWESTERLY DIRECTION, A DISTANCE OF 404.70 FEET (LC BEARS N. 39 DEG. 31 MIN. 58 SEC. W. 403.99 FEET) TO A ½ INCH REBAR FOUND (CAPPED: BONN 4447) IN SAID RIGHT-OF-WAY FOR THE NORTH CORNER OF SAID 0.16 ACRE TRACT;

THENCE CONTINUING WITH SAID NORTHEASTERLY RIGHT-OF-WAY, ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1969.86 FEET, IN A NORTHWESTERLY DIRECTION, A DISTANCE OF 146.18 FEET (LC BEARS N. 47 DEG. 26 MIN. 27 SEC. W., 146.15 FEET) TO A POINT FOR THE SOUTH CORNER OF LOT NO. 2, BARONS CREEK P.U.D., PLAT FOUND OF RECORD IN VOLUME 2, PAGE 136 OF SAID PLAT RECORDS, FOR A WEST CORNER OF THIS TRACT OF LAND, FROM WHICH A 1/2-INCH REBAR FOUND SET ON THE EASTERLY SIDE OF A 48-INCH LIVE OAK TREE BEARS, N. 47 DEG. 53 MIN. 12 SEC. E., 0.24 FEET;

THENCE WITH THE S.E. LINE OF SAID LOT NO. 2, N. 47 DEG. 53 MIN. 12 SEC. E., 111.29 FEET TO A 1/2-INCH REBAR FOUND SET AT A CEDAR FENCE CORNER POST FOR THE EAST CORNER OF SAID LOT NO. 2, FOR A REENTRANT CORNER OF THIS TRACT OF LAND;

THENCE WITH THE EASTERLY LINES OF SAID LOT. NO. 2, AND LOT NO. 1BB-RR-AR AND LOT NO. 1BB-RR-BR, BARONS CREEK P.U.D., PLAT FOUND OF RECORD IN VOLUME 4, PAGE 167, OF SAID PLAT RECORDS, AND LOT NO. 1BA-RR, BARONS CREEK P.U.D., FOUND OF RECORD IN VOLUME 3, PAGE 68, OF SAID PLAT RECORDS, N. 27 DEG. 45 MIN. 14 SEC. W. 987.67 FEET TO A 1/2-INCH REBAR FOUND AT A PIPE FENCE CORNER POST, FOR THE N.E. CORNER OF SAID LOT NO. 1BA-RR, BARONS CREEK, P.U.D., FOR THE S.E. CORNER OF THAT 3.00 ACRE TRACT OF LAND DESCRIBED IN A CONVEYANCE TO BTC RANCH, LLC., FOUND OF RECORD IN INSTRUMENT NO. 20184687 OF SAID OFFICIAL PUBLIC RECORDS, FOR A CORNER IN THE WEST LINE OF THIS TRACT OF LAND;

THENCE WITH THE EASTERLY LINE OF SAID 3.00 ACRE TRACT, N. 27 DEG. 38 MIN. 39 SEC. W., 235.58 FEET TO A PIPE FENCE CORNER POST FOR THE N.E. CORNER OF SAID 3.00 ACRE TRACT, IN THE SOUTH LINE OF THAT 0.48 ACRE TRACT OF LAND DESCRIBED IN A CONVEYANCE TO CASSANDRA SCHOESSOW, FOUND OF RECORD IN INSTRUMENT NO. 20140124 OF SAID OFFICIAL PUBLIC RECORDS AND BEING IN THE SOUTH LINE OF LOT NO. 32, OF SAID OAK TERRACE, FOR A N.W. CORNER OF THIS TRACT OF LAND;

THENCE WITH THE SOUTH LINES OF SAID 0.48 ACRE TRACT AND LOT NO. 32, N. 89 DEG. 34 MIN. 14 SEC. E., 99.27 FEET TO A PIPE CORNER POST, FOR THE S.E. CORNERS OF SAID 0.48 ACRE TRACT & SAID LOT NO. 34, FOR A REENTRANT CORNER OF THIS TRACT OF LAND;

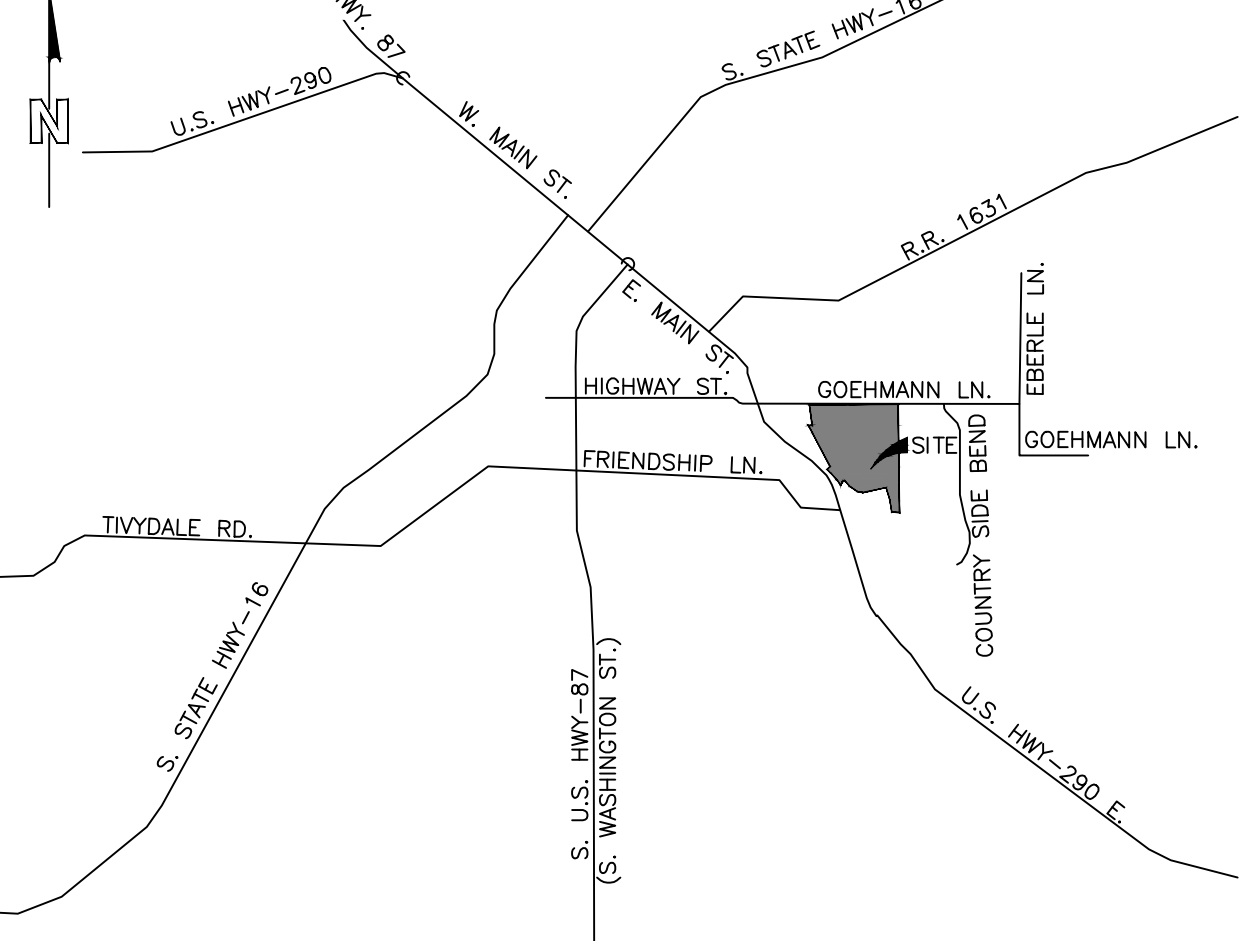
THENCE, N. 7 DEG. 02 MIN. 26 SEC. W., WITH THE EAST LINE OF SAID OAK TERRACE, AT 161.88 FEET PASSING THE SOUTH LINE OF BEVERLY DRIVE AND THE N.E. CORNER OF THAT SAID 0.48 ACRE SCHOESSOW TRACT, CONTINUING ON SAME BEARING WITH THE EAST LINE OF THE JONATHAN D. CRENWELGE TRACTS (BEING COMPRISED OF A 12,319 SQUARE FEET TRACT DESCRIBED IN VOLUME 359, PAGE 728 DEED RECORDS, A 20,588 SQUARE FEET TRACT DESCRIBED IN VOLUME 359, PAGE 725 OF SAID OFFICIAL PUBLIC RECORDS, AND THAT 0.45 ACRE TRACT DESCRIBED ON VOLUME 225, PAGE 136 OF SAID OFFICIAL PUBLIC RECORDS), IN ALL 535.38 FEET TO THE PLACE OF BEGINNING, CONTAINING 106.89 ACRES OF LAND.

CONDOMINIUM SUB-UNITS - IDENTIFICATION TABLE	
UNIT DESCRIPTION	HATCH PATTERN
RESIDENTIAL UNIT II ("II")	
NOT PART OF THIS RESIDENTIAL MAP	
RESIDENTIAL GENERAL COMMON ELEMENTS	(NOT HATCHED)

- AS DESCRIBED IN SECTION 3.6 OF THE RESIDENTIAL DECLARATION, THE RESIDENTIAL EASEMENTS WITHIN THE RESIDENTIAL CONDOMINIUM INCLUDE: (A) THE RESIDENTIAL ACCESS EASEMENT, (B) THE RESIDENTIAL COMMON ELEMENTS EASEMENT, (C) THE RESIDENTIAL SYSTEMS EASEMENT, (D) THE RESIDENTIAL SUPPORT EASEMENT, (E) THE RESIDENTIAL UTILITY EASEMENT, (F) THE EASEMENT TO INSPECT AND RIGHT TO CORRECT AS DESCRIBED IN SECTION 3.6(F) OF THE RESIDENTIAL DECLARATION, AND (G) THE AREA OF COMMON RESPONSIBILITY EASEMENT.
- THE RESIDENTIAL GENERAL COMMON ELEMENTS OF THE RESIDENTIAL CONDOMINIUM INCLUDE: (A) THE RESIDENTIAL UNIT II'S INTEREST IN CERTAIN EASEMENTS WITHIN THE MASTER CONDOMINIUM AS SET FORTH IN THE DEFINITION OF RESIDENTIAL GENERAL COMMON ELEMENTS IN THE RESIDENTIAL DECLARATION; (B) THE RESIDENTIAL UNIT II'S INTEREST IN THE GENERAL COMMON ELEMENTS OF THE MASTER CONDOMINIUM PURSUANT TO THE MASTER DECLARATION; (C) THE RESIDENTIAL UNIT II'S INTEREST IN THE LIMITED COMMON ELEMENTS OF THE RESIDENTIAL UNIT II IN THE MASTER CONDOMINIUM PURSUANT TO THE MASTER DECLARATION; AND (D) THE LAND LEGALLY DESCRIBED ON THIS SHEET OF THE RESIDENTIAL MAP.
- IN ACCORDANCE WITH SECTION 82.059 OF THE ACT, THE REAL PROPERTY LEGALLY DESCRIBED IN THIS RESIDENTIAL MAP IS SUBJECT TO THE RESIDENTIAL DEVELOPMENT RIGHTS AND THE SPECIAL RESIDENTIAL DECLARANT RIGHTS AS SET FORTH IN THE RESIDENTIAL DECLARATION.
- ALL DEPICTED RESIDENTIAL IMPROVEMENTS ARE CONTAINED WITHIN THE BOUNDARIES OF THE LAND AND THERE ARE NO ENCROACHMENTS OF THE RESIDENTIAL IMPROVEMENTS ACROSS BOUNDARIES OF THE LAND.
- ELEVATIONS SET FORTH ON THIS RESIDENTIAL MAP ARE AT THE CURRENT GROUND SURFACE - 40 FEET ABOVE THE CURRENT GROUND SURFACE. ALL GROUND (ORTHOMETRIC) ELEVATIONS ARE REFERENCED TO THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD88) AND THE GEOID18 MODEL, REPORTED IN U.S. SURVEY FEET. NEARBY PUBLISHED BENCHMARK AS SHOWN HEREON. REFER TO GENERAL NOTE NO. 4.

LOCATION MAP

SCALE: N.T.S.



GENERAL NOTES

- ABOVE GROUND STRUCTURES AND UNDERGROUND UTILITIES, PIPELINES, SPRINKLER SYSTEM AND HEADS, VALVES, HAND-HOLES, PEDESTALS, AND OTHER IMPROVEMENTS THAT MAY EXIST, ARE NOT SHOWN HEREON.
- THIS PROPERTY SHOWN HEREON APPEARS TO BE PARTIALLY LOCATED WITHIN ZONE "AE" , WITHIN A 100-YEAR FLOOD HAZARD AREA AS IDENTIFIED BY THE FEDERAL INSURANCE ADMINISTRATION FLOOD MAP, PANEL NO. 48171C0288C, WITH AN EFFECTIVE DATE OCTOBER 19, 2001.
- BEARINGS, DISTANCES AND AREA SHOWN HEREON ARE "GRID" DERIVED FROM GPS POSITIONING AND REPORTED IN THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE OF THE NORTH AMERICAN DATUM 1983 (NAD83(2024)). "NORTH" IS REFERENCED TO GRID NORTH (UNLESS NOTED OTHERWISE).
- BENCHMARK (N.G.S. BENCHMARK) NAMED "F464", FOUND AND REFERENCED WITH AN OBSERVED (MEASURED) ORTHOMETRIC ELEVATION OF 1617.86 FEET ABOVE MEAN SEA LEVEL (A.M.S.L.), WITH STATE PLANE GRID COORDINATE VALUES AT N: 10060117.07, E: 2764830.07. REFER TO CONDOMINIUM NOTE No.5 (THIS SHEET).
- ALL FUTURE CONSTRUCTION MUST ADHERE TO SETBACKS SHOWN OR THE CURRENT ZONING AT THAT TIME, WITH EXCEPTION TO THE ADOPTION AND APPROVAL OF A PLANNED UNIT DEVELOPMENT (P.U.D.) AND/OR CONDITIONAL USE PERMITS GRANTED, AND THE TERMS ESTABLISHED THEREIN.
- EXISTING PRIVATE WATER WELLS (IF ANY) CANNOT BE INTERCONNECTED TO THE CITY OF FREDERICKSBURG PUBLIC WATER SYSTEM.

TITLE COMMITMENT NOTES

- THERE ARE NO OBSERVED INTRUSIONS OR PROTRUSIONS OF IMPROVEMENTS ACROSS THE BOUNDARY LINES OF THIS TRACT OF LAND OR INTO ANY OF THOSE DEFINED EASEMENTS OR BUILDING SETBACKS, VISIBLE OR APPARENT ON THE GROUND, EXCEPT AS SHOWN HEREON. THE EASEMENTS, SETBACKS, AND RESTRICTIONS SHOWN HEREON ARE LISTED IN HILL COUNTRY TITLES, LLC.'S COMMITMENT FOR TITLE INSURANCE G.F. NO. 225-586, EFFECTIVE MAY 26, 2025, 8:00AM, AND ISSUED MAY 28, 2025, 9:40AM, AS PROVIDED TO ME BY HILL COUNTRY TITLES, LLC.
- REFERENCE IS MADE TO ACCOMPANYING METES AND BOUNDS DESCRIPTION OF EVEN DATE, AS SHOWN HEREON.
- THIS SURVEY DOES NOT CONSTITUTE AN ABSTRACT OF TITLE BY THE SURVEYOR AND THE SURVEYOR MAKES NO REPRESENTATION AS TO THE CONDITION OF TITLE. THE EXCEPTIONS FROM COVERAGE INCLUDED ON SCHEDULE "B" OF THE TITLE COMMITMENT PERTAINING TO "AFFECTING EASEMENTS", SET BACK LINES, INTRUSIONS OR PROTRUSIONS (THAT ARE SPECIFICALLY LOCATABLE) ARE SHOWN HEREON.
- "AFFECTING EASEMENTS" IS QUALIFIED AS BEING BASED ONLY ON AN OBJECTIVE ASSESSMENT OF WHERE THE EASEMENT PLOTS PURSUANT TO THE GRANTING INSTRUMENT. ADDITIONAL NOTES CONCERNING THE EXCEPTIONS FROM COVERAGE INCLUDED ON SCHEDULE "B", AS FOLLOWS:

ITEM 1. RIGHT-OF-WAY EASEMENT (RESTRICTIONS BY UTILITY)
VOLUME 85, PAGES 358-359, D.R. (SHOWN HEREON)

ITEM 10.A EASEMENT AND RIGHT-OF-WAY (C.P.&L. Co., UTILITY)
VOLUME 47, PAGES 353-354, D.R. (UNDEFINED EASEMENT)

ITEM 10.B RIGHT-OF-WAY EASEMENT (C.T.E.C. INC., UTILITY)
VOLUME 85, PAGES 358-359 D.R. (UNDEFINED EASEMENT)

ITEM 10.B RIGHT-OF-WAY EASEMENT (C.T.E.C. INC., UTILITY)
VOLUME 85, PAGES 373-374, D.R. (UNDEFINED WIDTH, BUILDING SETBACK RESTRICTIONS, SEE ITEM NO. 1 ABOVE).
NOTE: THE WIDTH OF THIS EASEMENT IS UNDEFINED IN VOLUME 85, PAGES 373-374 D.R. THE EASEMENT WAS LATER ASSIGNED TO THE LOWER COLORADO RIVER AUTHORITY (L.C.R.A.) BY INSTRUMENT NO. 20194574, O.P.R. L.C.R.A. SUGGEST THAT A 100-FOOT-WIDE EASEMENT IN NECESSARY, 50' EITHER SIDE OF CENTERLINE OF THE AS-CONSTRUCTED ELECTRIC TRANSMISSION LINE.

ITEM 10.D EASEMENT AND RIGHT-OF-WAY (T.S.S.T.E. COOP. Co., UTILITY)
VOLUME 89, PAGES 47-48, D.R. (UNDEFINED)

CERTIFICATION OF SURVEYOR

THE STATE OF TEXAS §
COUNTY OF GILLESPIE §

THE PLATS, ATTACHED HERETO, CONTAIN THE INFORMATION REQUIRED BY SECTIONS 82.052 AND 82.059 OF THE TEXAS UNIFORM CONDOMINIUM ACT, AS APPLICABLE.

I, THE UNDERSIGNED, A REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6454 IN THE STATE OF TEXAS, HEREBY CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND ABILITY THIS PLAT IS TRUE AND CORRECT AND WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE UNDER MY SUPERVISION ON THE GROUND MAY 29, 2025. PLAT WAS PREPARED ON _____, 2025.

DATE _____
CODY J. MUSICK
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6454

WAYMAKER
LAND ADVISORS & SURVEYORS
1788 WEST LIVE OAK STREET
FREDERICKSBURG, TEXAS 78624
830-997-3884
WAYMAKERLAND.COM
TBPELS FIRM NO. 10194626

PRELIMINARY
THIS DOCUMENT HAS BEEN RELEASED FOR REVIEW ONLY AND SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.
DATE: 06 / 04 / 2025

CONDOMINIUM PLAT ESTABLISHING
**THE VILLAS AT THE
LANTANA CONDOMINIUM**
GILLESPIE COUNTY, TEXAS.

GOEHMANN LANE
VARIABLE WIDTH R.O.W. (50' AVERAGE)

2.5 INCH DIAMETER EAST PIPE GATE POST
CORNER OF THE 106.89 AC. TRACT)

NOT A PART OF THIS
RESIDENTIAL
CONDOMINIUM

NOT A PART OF THIS
RESIDENTIAL
CONDOMINIUM

NOT A PART OF THIS
RESIDENTIAL
CONDOMINIUM

NOT A PART OF THIS
RESIDENTIAL
CONDOMINIUM

NOT A PART OF THIS
RESIDENTIAL
CONDOMINIUM

NOT A PART OF THIS
RESIDENTIAL
CONDOMINIUM

SURVEY NO. 197
WM. H. ANDERSON
ABST. NO. 2

MATCHLINE - SHEET 3 OF 3

MATCHLINE - SHEET 3 OF 3

LEGEND & ABBREVIATIONS:

- 1/2" DIA. REBAR SET (CAPPED: WAYMAKER 6454)
 - 1/2" DIA. REBAR BAR FOUND (EXCEPT AS NOTED)
 - 1/2" DIA. REBAR FOUND (CAPPED: BONN 4447)
 - UTILITY POLE
 - FENCE
 - CONCRETE MONUMENT (UNLESS NOTED OTHERWISE)
 - CALCULATED POINT (OR AS NOTED)
 - POINTS FOR CORNERS OF EASEMENT/LEASE AREA
 - SURVEY CONTROL POINT
 - ELECTRIC LINES
 - APPROX. PATENT SURVEY LINE
 - P.O.B.
 - B.S.L.
 - U.E.
 - ESMT.
 - C.M.
 - R.P.R.
 - O.P.R.
 - D.R.
 - P.R.
 - R.O.W.
 - MW
 - GM
 - MHSS
 - MHST
 - MASTER CONDOMINIUM UNIT LINE
 - SUB-UNIT LINE
- CONDOMINIUM SUB-UNITS - IDENTIFICATION TABLE
- | UNIT DESCRIPTION | HATCH PATTERN |
|-------------------------------------|---------------|
| RESIDENTIAL UNIT II ("IIP") | |
| NOT PART OF THIS RESIDENTIAL MAP | |
| RESIDENTIAL GENERAL COMMON ELEMENTS | (NOT HATCHED) |

SUB-UNIT BOUNDARY NOTES:

- WHERE ADDITIONAL CURVE OR LINE SEGMENT DATA IS NEEDED, REFER TO THE MASTER CONDOMINIUM FILING FOR "THE LANTANA MASTER CONDOMINIUM" (MORE SPECIFICALLY, TO THE "GENERAL COMMON ELEMENTS MAP" SHEET).
- ALL SUB-UNITS CAN BE TIED TO CORNERS OF RECORD BOUNDARY BY PLOTTING THE CORRESPONDING MASTER UNITS PERIMETER BOUNDARY.

SUB-UNIT LINE TABLE	
LINE	DISTANCE
L1	N 00°35'14" E 20.36'
L2	N 89°25'30" E 36.79'
L3	S 00°00'00" E 223.93'
L4	N 77°56'17" E 61.39'
L5	S 68°48'01" W 49.64'
L6	N 41°47'07" E 44.76'

PRELIMINARY
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DATE: 06 / 04 / 2025

**THE VILLAS AT THE
LANTANA CONDOMINIUM**
SUB-UNIT MAP

CONDOMINIUM PLAT ESTABLISHING
**THE VILLAS AT THE
LANTANA CONDOMINIUM**
GILLESPIE COUNTY, TEXAS.



DM401 PROPERTIES, LLC.
45.1 AC. TRACT
INSTRUMENT NO. 20205954 O.P.R.

**SURVEY NO. 34
JOSE SOTO
ABST. NO. 621**

MICHAEL W. BRADEN, ET UX.
19.09 AC. TRACT
(LOT NO. 8R)
VOL. 437, PG. 886, D.R.
COUNTRYSIDE
(REPLAT MAP)
VOL. 3, PG. 16 P.R.

LEGEND & ABBREVIATIONS:

- ⊗ 1/2" DIA. REBAR SET (CAPPED: WAYMAKER 6454)
- 1/2" DIA. REBAR BAR FOUND (EXCEPT AS NOTED)
- ⊙ 1/2" DIA. REBAR FOUND (CAPPED: BONN 4447)
- ⊕ UTILITY POLE
- ✕ FENCE
- CONCRETE MONUMENT (UNLESS NOTED OTHERWISE)
- CALCULATED POINT (OR AS NOTED)
- △ POINTS FOR CORNERS OF EASEMENT/LEASE AREA
- ▲ SURVEY CONTROL POINT
- ELECTRIC LINES
- APPROX. PATENT SURVEY LINE
- P.O.B. PLACE OF BEGINNING
- B.S.L. BUILDING SETBACK LINE
- U.E. UTILITY EASEMENT
- ESMT. RECORD EASEMENT
- C.M. CONTROLLING MONUMENT
- R.P.R. REAL PROPERTY RECORDS
- O.P.R. OFFICIAL PUBLIC RECORDS
- D.R. DEED RECORDS
- P.R. PLAT RECORDS
- R.O.W. RIGHT-OF-WAY
- MW WATER METER
- GM GAS METER
- MHSS MANHOLE LID (SEWER)
- MHST MANHOLE LID (STORM)
- MASTER CONDOMINIUM UNIT LINE
- SUB-UNIT LINE

LOWER COLORADO RIVER AUTHORITY
ELECTRIC TRANSMISSIONS LINE
ASSIGNMENT AND ASSUMPTION OF EASEMENT
INSTR. NO. 20194574 O.P.R.
(ASSUMED 100' WIDE)
DESCRIBED IN A RIGHT OF WAY EASEMENT TO
CENTRAL TEXAS ELECTRIC COOPERATIVE, INC.,
VOL. 85, PG. 373-374 D.R.

SUB-UNIT BOUNDARY NOTES:

- WHERE ADDITIONAL CURVE OR LINE SEGMENT DATA IS NEEDED, REFER TO THE MASTER CONDOMINIUM FILING FOR "THE LANTANA MASTER CONDOMINIUM" (MORE SPECIFICALLY, TO THE "GENERAL COMMON ELEMENTS MAP" SHEET).
- ALL SUB-UNITS CAN BE TIED TO CORNERS OF RECORD BOUNDARY BY PLOTTING THE CORRESPONDING MASTER UNITS PERIMETER BOUNDARY.

LINE	BEARING	DISTANCE
L1	N 00°35'14" E	20.36'
L2	N 89°25'30" E	36.79'
L3	S 00°00'00" E	223.93'
L4	N 77°56'17" E	61.39'
L5	S 66°48'01" W	49.84'
L6	N 41°47'07" E	44.76'

PRELIMINARY
THIS DOCUMENT HAS BEEN RELEASED FOR REVIEW ONLY AND SHALL
NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR
VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT.

DATE: 06 / 04 / 2025

**THE VILLAS AT THE
LANTANA CONDOMINIUM
SUB-UNIT MAP**

EXHIBIT H

RESIDENTIAL CERTIFICATE OF FORMATION

[Residential Certificate of Formation follows this cover page.]

DRAFT

RESIDENTIAL CERTIFICATE OF FORMATION
OF
THE VILLAS AT THE LANTANA CONDOMINIUM ASSOCIATION, INC.

The undersigned natural person of the age of 18 years or more, acting as an organizer of a nonprofit corporation under the Texas Nonprofit Corporation Law, as may be amended (the "TNCL"), hereby adopts the following Residential Certificate of Formation of The Villas at The Lantana Condominium Association, Inc. (this "Residential Certificate of Formation") for such corporation:

ARTICLE I
NAME

The name of the corporation is The Villas at The Lantana Condominium Association, Inc.

ARTICLE II
DEFINITIONS

The following terms are defined for use in this Residential Certificate of Formation and those capitalized terms used herein but not expressly defined herein have the same meaning as defined in the Residential Declaration (defined below):

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

"County." Gillespie County, Texas.

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

"Expenses." For purposes of Article VIII of this Residential Certificate of Formation, court costs, a Judgment, a penalty, a settlement, a fine, and reasonable attorney's fees.

"Former Governing Person." For purposes of Article VIII of this Residential Certificate of Formation, a Person who was a Governing Person.

"Governing Person." Any Person acting within such Person's Official Capacity on behalf of the Residential Association.

"Governmental Authority." Any and all applicable courts, boards, agencies, commissions, offices or authorities of any nature whatsoever for any governmental entity (federal, state, County, district, municipal, city or otherwise) whether now or hereafter in existence.

"Judgment." For purposes of Article VIII of this Residential Certificate of Formation, any reference to a Judgment includes an arbitration award.

"Majority." More than half.

"Majority Vote of the Members." Has the meaning assigned to such term in Section 6.4 of this Residential Certificate of Formation.

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

"Members in Good Standing." Has the meaning assigned to such term in Section 6.2 of this Residential Certificate of Formation.

"Official Capacity." With respect to a Governing Person, the office of the Governing Person in the Residential Association or the exercise of authority by or on behalf of the Governing Person under the TNCL or the Residential Governing Documents; and with respect to a Person other than a Governing Person, the elective or appointive office, if any, in the Residential Association held by the Person or the relationship undertaken by the Person on behalf of the Residential Association.

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

"Proceeding." (a) A threatened, pending, or completed action, suit or other proceeding, whether civil, criminal, administrative, arbitative, or investigative; (b) an appeal of an action, suit or proceeding described by subpart (a); and (c) an inquiry or investigation that could lead to an action, suit or proceeding described by subpart (a).

"Quorum." Has the meaning assigned to such term in Section 6.4 of this Residential Certificate of Formation.

"Quorum of Directors." Has the meaning assigned to such term in the Residential Bylaws.

"Residential Assessments." All assessments or other charges levied by the Residential Association, as more fully described in the Residential Declaration.

"Residential Association." The Villas at The Lantana Condominium Association, Inc., a Texas nonprofit corporation organized under the Act and the TNCL, and created for the purposes and possessing the rights, powers, authority and obligations set forth in the Residential Governing Documents. For the purposes of Article VIII of this Residential Certificate of Formation, it also includes any domestic or foreign successor entity of the Residential Association in (a) a merger, consolidation, or other transaction in which the liabilities of the predecessor are transferred to the Residential Association by operation of law and (b) any other transaction in which the Residential Association assumes the liabilities of the predecessor but does not specifically exclude liabilities that are the subject matter of Article VIII of this Residential Certificate of Formation.

"Residential Board of Directors." Those individuals serving as Directors as appointed by Article XII of this Residential Certificate of Formation and their successors.

"Residential Bylaws." The Residential Bylaws of the Residential Association, adopted by the Residential Board of Directors, as amended from time to time.

"Residential Condominium." The Villas at The Lantana Condominium located in the County.

"Residential Declaration." That certain Residential Condominium Declaration for The Villas at The Lantana Condominium, recorded in the Official Public Records of the County, as amended from time to time.

"Residential Governing Documents." Individually and collectively, the Governing Documents (as defined in the Master Declaration), the Residential Declaration, this Residential Certificate of Formation, Residential Bylaws and the Residential Regulations.

"Respondent." For purposes of Article VIII of this Residential Certificate of Formation, a Person named as a respondent or defendant in a Proceeding.

"TBOC." The Texas Business Organizations Code, as amended from time to time.

"Texas Law." The laws of the State of Texas, including the Act, the TBOC and the TNCL, as amended from time to time.

"TNCL." The Texas Nonprofit Corporation Law, as amended from time to time.

ARTICLE III NONPROFIT CORPORATION

The Residential Association is a nonprofit corporation formed pursuant to and in accordance with the TNCL.

ARTICLE IV DURATION

The duration of the Residential Association will be perpetual.

ARTICLE V PURPOSES AND POWERS

Section 5.1 Organization. The Residential Association is organized to act as the Residential Association of Residence Owners of each Residence in the Residential Condominium, in accordance with the Residential Governing Documents and Texas Law.

Section 5.2 Powers. In furtherance of its purposes, the Residential Association will have the following powers which, unless indicated otherwise by the Residential Governing Documents or Texas Law, may be exercised by the Residential Board of Directors:

(a) all rights and powers conferred upon nonprofit corporations by Texas Law in effect from time to time;

(b) all rights and powers conferred upon condominium associations by Texas Law in effect from time to time; and

(c) all powers necessary, appropriate, or advisable to perform any purpose or duty of the Residential Association as set out in the Residential Governing Documents or conferred upon condominium associations and nonprofit corporations by Texas Law.

ARTICLE VI MEMBERSHIP

Section 6.1 Membership. The Residential Association will be a non-stock membership corporation. The Residential Declaration and Residential Bylaws will determine the number and qualifications of Members, the classes of membership, the voting rights and other privileges of membership and the obligations and liabilities of Members. Cumulative voting is not allowed.

Section 6.2 Members in Good Standing. Members will be considered to be "Members in Good Standing" and eligible to vote if such Members:

- (a) have, at least ten days prior to the taking of any vote by the Residential Association, fully paid all Residential Assessments that were due and payable more than ten days prior to such vote, as such Residential Assessments are provided for under the Residential Governing Documents;
- (b) do not have any notice of unpaid Residential Assessments that has been filed by the Residential Association against the Residence owned by such Member; and
- (c) have discharged all other obligations to the Residential Association as may be required of a Member, as a Residence Owner under the Residential Governing Documents.

Section 6.3 Residential Board of Directors Determination. The Residential Board of Directors will have sole authority for determining the good standing status of any Member and will make such determination prior to a vote being taken by the Residential Association on any matter. The Residential Board of Directors will have the right and authority, in its sole discretion, to waive the requirements set forth in Section 6.2(a)-(c) of this Residential Certificate of Formation, and, as to Section 6.2(a) of this Residential Certificate of Formation, to require only that such payment be made at any time before such vote is taken if the Residential Board of Directors determine, in the Residential Board of Directors' judgment, that extenuating circumstances exist which have prevented prior payment. Any Member not conforming with the provisions of this Article VI will be declared by the Residential Board of Directors not to be Members in Good Standing and will not be entitled to vote on matters before the Residential Association until such time as Members in Good Standing status is attained and so declared by the Residential Board of Directors.

Section 6.4 Quorum and Vote. Members in Good Standing holding 25% of the aggregate votes entitled to be cast by all Members represented at a meeting of the Members in person or by a legitimate proxy in a form approved by the Residential Board of Directors, will constitute a quorum for voting on matters brought before the Members (a "Quorum"). Except as otherwise provided by Texas Law or the Residential Governing Documents, the vote of Members who are Members in Good Standing holding, in the aggregate, a Majority of the votes entitled to be cast by the Members in Good Standing present or voting by legitimate proxy at a called meeting at which a Quorum is present (the "Majority Vote of the Members") will be the act of the Members. Notice requirements for all actions proposed to be taken by the Residential Association that require an approval by a vote of the Members will be given as set forth in the Residential Bylaws.

ARTICLE VII LIABILITY; CONDUCT OF DIRECTORS AND OFFICERS

No Member, Director, officer or representative of the Residential Association will be personally liable for debts or liabilities of the Residential Association. A Director or officer is not liable to the

Residential Association, any Member or any other Person for an action taken or omission made or mistake in judgment by the Director or officer in the Person's capacity as a Director or officer, whether negligent or otherwise, unless the Director or officer's conduct was not exercised: (a) in good faith; (b) with ordinary care; and (c) in a manner that the Director or officer reasonably believed to be in the best interest of the Residential Association. The liability of officers and Directors of the Residential Association will, to the fullest extent permitted by Texas Law, be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended.

ARTICLE VIII
INDEMNIFICATION OF DIRECTORS,
OFFICERS AND OTHER AUTHORIZED REPRESENTATIVES

Section 8.1 Validity. Except for Section 8.8 of this Residential Certificate of Formation, this Article VIII is only valid to the extent it is consistent with Chapter 8 of the TBOC.

Section 8.2 Mandatory and Court-Ordered Indemnification under Sections 8.051 and 8.052 of the TBOC. The Residential Association must indemnify a Governing Person or Former Governing Person (i) against reasonable Expenses actually incurred by such Governing Person or Former Governing Person, as applicable, in connection with a Proceeding in which such Governing Person or Former Governing Person, as applicable, is a Respondent because such Person is or was a Governing Person, if such Person is wholly successful, on the merits or otherwise, in the defense of the Proceeding or (ii) to the extent the court determines that such Governing Person or Former Governing Person, as applicable, is fairly and reasonably entitled to indemnification in view of all the relevant circumstances in accordance with Section 8.052 of the TBOC.

Section 8.3 Permissive Indemnification under Section 8.101 of the TBOC. The Residential Association may indemnify a Governing Person or Former Governing Person who was, is or is threatened to be made a Respondent in any Proceeding to the extent permitted by Section 8.102 of the TBOC if it is determined in accordance with Section 8.4 of this Residential Certificate of Formation that:

(a) the Person: (i) acted in good faith; (ii) reasonably believed: (A) in the case of conduct in the Person's Official Capacity, that the Person's conduct was in the Residential Association's best interests, and (B) in any other case, that the Person's conduct was not opposed to the Residential Association's best interests; and (iii) in the case of a criminal Proceeding, did not have a reasonable cause to believe the Person's conduct was unlawful;

(b) with respect to Expenses, the amount of Expenses other than a Judgment is reasonable; and

(c) indemnification should be paid.

A Person does not fail to meet the standard under Section 8.3(a) solely because of the termination of a Proceeding by Judgment, order, settlement, conviction, or a plea of nolo contendere or its equivalent.

Section 8.4 Determination of Permissive Indemnification under Section 8.101 of the TBOC.

(a) Except as provided by Sections 8.4(b) and (c), the determinations required under Section 8.3 of this Residential Certificate of Formation must be made by:

(i) a Majority vote of the Directors who at the time of the vote are disinterested and independent, regardless of whether the Directors who are disinterested and independent constitute a Quorum of Directors;

(ii) a Majority vote of a committee of the Residential Association if the committee is (A) designated by a Majority vote of the Directors who at the time of the vote are disinterested and independent, regardless of whether the Directors who are disinterested and independent constitute a Quorum of Directors; and (B) composed solely of one or more Governing Persons who are disinterested and independent;

(iii) special legal counsel selected by the Directors or selected by a committee of the Residential Association by vote in accordance with Section 8.4(a)(i) or (ii) above;

(iv) a Majority Vote of the Members in a vote that excludes the membership interests held by each Governing Person who is not disinterested and independent; or

(v) a unanimous vote of the Members.

(b) If special legal counsel determines under Section 8.4(a)(iii) that a Person meets the standard under Section 8.3(a) of this Residential Certificate of Formation, the special legal counsel will determine whether the amount of Expenses other than a Judgment is reasonable under Section 8.3(b) of this Residential Certificate of Formation but may not determine whether indemnification should be paid under Section 8.3(c) of this Residential Certificate of Formation. Such determination whether indemnification should be paid under Section 8.3(c) of this Residential Certificate of Formation must be made in a manner specified by Section 8.4(a)(i), (ii), (iv), or (v) above.

(c) A provision contained in Governing Documents, a resolution of the Members or the Residential Board of Directors, or an agreement that requires the indemnification of a Person who meets the standard under Section 8.3(a) of this Residential Certificate of Formation constitutes a determination under Section 8.3(c) of this Residential Certificate of Formation (that indemnification should be paid) even though such provision, resolution or agreement may not have been adopted or authorized in the same manner as required under Section 8.4(a) above. The determinations required under Sections 8.3(a) and 8.3(b) of this Residential Certificate of Formation must be made in a manner provided by Section 8.4(a) above.

Section 8.5 Advancing Expenses to Governing Persons under Section 8.104 of the TBOC.

(a) The Residential Association may pay or reimburse reasonable Expenses incurred by a present Governing Person who was, is, or is threatened to be made a Respondent in a Proceeding in advance of the final disposition of the Proceeding without making the determinations required under Section 8.3 above after the Residential Association receives:

(i) a written affirmation by the Person of the Person's good faith belief that the Person has met the standard of conduct necessary for indemnification under this Article VIII; and

(ii) a written undertaking by or on behalf of the Person to repay the amount paid or reimbursed in the form of an unlimited general obligation of the Person, that may be secured or unsecured, if the final determination is that (A) the Person has not met the

standard of conduct necessary for indemnification under this Article VIII; or (B) that indemnification is prohibited by this Article VIII.

(b) A provision in the Governing Documents, a resolution of the Members or the Directors, or an agreement that requires the payment or reimbursement permitted under this Section 8.5 authorizes that payment or reimbursement after the Residential Association receives an affirmation and undertaking described by Section 8.5(a)(i) and (ii).

Section 8.6 Advancing Expenses to Persons other than Governing Persons under Section 8.105 of the TBOC.

(a) To the extent consistent with Texas Law and this Article VIII, the Residential Association may indemnify and advance Expenses to a Person who is not a Governing Person, including an officer, employee, or agent of the Residential Association, as provided by (i) the Governing Documents; (ii) general or specific action of the Residential Board of Directors; (iii) resolution of the Members; (iv) contract; or (v) common law.

(b) The Residential Association will indemnify an officer of the Residential Association to the same extent that indemnification is required under this Residential Certificate of Formation for a Governing Person.

(c) A Person who is not a present Governing Person may seek indemnification or advancement of Expenses from the Residential Association to the same extent that a Governing Person may seek indemnification or advancement of Expenses hereunder. Notwithstanding any authorization or determination specified in the TBOC, the Residential Association may pay or reimburse, in advance of the final disposition of a Proceeding and on terms the Residential Association considers appropriate, reasonable Expenses incurred by:

(i) a Former Governing Person who was, is, or is threatened to be made a Respondent in the Proceeding; or

(ii) a present or former employee, agent, or officer of the Residential Association who is not a Governing Person of the Residential Association and who was, is, or is threatened to be made a Respondent in the Proceeding.

(d) A determination of indemnification for a Person who is not a Governing Person, including an officer, employee, or agent of the Residential Association, is not required to be made in accordance with Section 8.4 of this Residential Certificate of Formation.

Section 8.7 Witness Expenses under Section 8.106 of the TBOC. Notwithstanding any other provision of this Article VIII, the Residential Association may pay or reimburse reasonable Expenses incurred by (a) a Governing Person; (b) an officer, employee, or agent of the Residential Association; or (c) any other Person, in connection with such Person's appearance as a witness or other participation in a Proceeding at a time when such Person is not a Respondent in the Proceeding.

Section 8.8 Insurance Authorized under Section 8.151 of the TBOC. The Residential Association may purchase and maintain insurance or another arrangement to indemnify or hold harmless any Governing Person, Former Governing Person, officer, employee, or agent of the Residential Association against any liability asserted against and incurred by such Person in its capacity or arising out of such Person's status in that capacity. The insurance or other arrangement established under this Section 8.8 may insure or indemnify against the liability described in this Section 8.8 without regard to whether

the Residential Association otherwise would have had the power to indemnify such Person against that liability under this Article VIII. Insurance or another arrangement that involves self-insurance or an agreement to indemnify made with the Residential Association or a Person that is not regularly engaged in the business of providing insurance coverage may provide for payment of a liability with respect to which the Residential Association does not otherwise have the power to provide indemnification only if the insurance or arrangement is approved by the Members. For the benefit of Persons to be indemnified by the Residential Association, the Residential Association may, in addition to purchasing or procuring or establishing and maintaining insurance or another arrangement (a) create a trust fund; (b) establish any form of self-insurance, including a contract to indemnify; (c) secure the Residential Association's indemnity obligation by grant of a security interest or other lien on the assets of the Residential Association; or (d) establish a letter of credit, guaranty, or surety arrangement. Insurance or another arrangement established under this Section 8.8 may be purchased or procured or established and maintained within the Residential Association; or with any insurer or other Person considered appropriate by the Residential Board of Directors. The Residential Board of Directors' decision as to the terms of the insurance or other arrangement and the selection of the insurer or other Person participating in an arrangement is conclusive. The insurance or arrangement is not voidable and does not subject the Governing Persons approving the insurance or arrangement to liability, on any ground, regardless of whether the Governing Persons participating in approving the insurance or other arrangement are beneficiaries of the insurance or arrangement; provided, however, that the foregoing does not apply in cases of actual fraud.

Section 8.9 Reports of Indemnification and Advances under Section 8.152 of the TBOC.
The Residential Association will report in writing to the Members any indemnification of or advance of expenses to a Governing Person no later than the earlier to occur of the (a) first anniversary of the date of the indemnification or advance; (b) notice or waiver of notice of the next meeting of the Members; or (c) next submission to the Members of a consent to action without a meeting.

ARTICLE IX MANAGEMENT OF THE RESIDENTIAL ASSOCIATION

The management and affairs of the Residential Association will be vested in the Residential Board of Directors, except for those matters expressly reserved to others in the Residential Governing Documents. The Residential Declaration and the Residential Bylaws will determine the number and qualification of Directors; the term of office of Directors; the methods of electing, removing, and replacing Directors; and the methods of holding a meeting of the Residential Board of Directors and obtaining consents.

ARTICLE X WINDING UP AND TERMINATION

Winding up of the Residential Association may be accomplished only by a resolution adopted by the Residential Board of Directors which is also approved by the Members in Good Standing holding in the aggregate 80% of the votes eligible to be cast by the Members in Good Standing present or voting by legitimate proxy at a called meeting at which a Quorum is present. Upon a termination of the Residential Association, all assets, both real and personal, of the Residential Association will be applied and distributed in accordance with the provisions of Section 22.304 of the TNCL.

ARTICLE XI
REGISTERED OFFICE AND AGENT

The street address of the Residential Association's initial registered office is [REDACTED], and the name of its initial registered agent at such address is [REDACTED].

ARTICLE XII
INITIAL DIRECTORS

The number of Directors constituting the initial Residential Board of Directors is three, and the names and addresses of the Persons who are to initially serve as Directors are:

[REDACTED]	[REDACTED]
	[REDACTED]
	[REDACTED]
[REDACTED]	[REDACTED]
	[REDACTED]
	[REDACTED]
[REDACTED]	[REDACTED]
	[REDACTED]
	[REDACTED]

ARTICLE XIII
UNANIMOUS ACTION WITHOUT MEETING OF DIRECTORS

An action approved by unanimous written consent of the Residential Board of Directors has the effect of an approval by a unanimous vote of the Directors at a meeting. The written consent may be in the form of facsimiles or e-mails which contain a statement of the action to be taken and the signature of the Director approving the action.

ARTICLE XIV
ACTION BY LESS THAN UNANIMOUS WRITTEN CONSENT OF DIRECTORS AND MEMBERS

An action approved by the Members or the Residential Board of Directors having at least the minimum number of votes that would be necessary to take the action at a meeting, may be taken via a written consent in accordance with the Residential Bylaws and the TNCL. The written consent may be in the form of facsimiles or e-mails which contain a statement of the action to be taken and the signature of the Director, or Member, as applicable, approving the action.

ARTICLE XV
AMENDMENT

The power to amend or repeal the Residential Bylaws or to adopt new bylaws is reserved for a Majority Vote of the Members or the Residential Board of Directors, but subject to Section 82.070 of the Act. Any amendment to this Residential Certificate of Formation will be made in accordance with Texas Law and the Governing Documents.

ARTICLE XVI
ORGANIZER

The name and address of the organizer is:

ARTICLE XVII
INITIAL MAILING ADDRESS

The mailing address to which state franchise tax correspondence should be sent is:

c/o

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, I have hereunto set my hand this the ____ day of _____, 2025.

[REDACTED], Organizer

EXHIBIT I
RESIDENTIAL BYLAWS

[Residential Bylaws follow this cover page.]

DRAFT

RESIDENTIAL BYLAWS
OF
THE VILLAS AT THE LANTANA CONDOMINIUM ASSOCIATION, INC.

THE VILLAS AT THE LANTANA CONDOMINIUM ASSOCIATION, INC.

RESIDENTIAL BYLAWS

ARTICLE I

Name and Address; Organization and Existence

Section 1.1 Name. The name of the Residential Association will be The Villas at The Lantana Condominium Association, Inc.

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

Section 1.3 Registered Agent. The Residential Association will have and continuously maintain in the State of Texas a registered agent whose office is identical with such registered office, as required by the TNCL. The registered office may be, but need not be, identical to the principal office in the State of Texas, and the registered office may be changed from time to time by the Residential Board of Directors. The initial registered office and registered agent are listed in the Residential Certificate of Formation.

Section 1.4 Organization and Existence. The Residential Association is a Texas nonprofit corporation organized in accordance with and validly existing under the TNCL. The Residential Certificate of Formation has been duly adopted by the Members as of the date hereof, and has been (or will be) filed in the office of the Secretary of State of the State of Texas as of the execution date of these Residential Bylaws.

ARTICLE II

Applicability

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

ARTICLE III

Purpose

The purpose of the Residential Association is to protect and enhance the value of the Residential Property, including, without limitation, providing for the management, maintenance, repair and replacement of the Residential Common Elements. The Residential Association does not contemplate pecuniary gain or profit to its Members as a result of membership in the Residential Association. In furtherance of the purpose as set forth herein, the Residential Association will be operated in accordance with the TNCL and the Act.

ARTICLE IV

Definitions and Interpretation

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

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

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

"County." Gillespie County, Texas.

"Director." A member of the Residential Board of Directors.

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

"Insurance Trustee." Has the meaning set forth in Section 7.16(b)(iv) of these Residential Bylaws.

"Majority." More than half.

"Majority Vote of the Members." Except as otherwise provided by Texas Law or the Residential Governing Documents, the vote of Members who are Members in Good Standing holding, in the aggregate, a Majority of the votes entitled to be cast by the Members in Good Standing present or voting by legitimate proxy at a called meeting at which a Quorum is present.

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

"Master Declaration." That certain Master Condominium Declaration for The Lantana Master Condominium, and all recorded amendments thereto, which will be recorded in the real property records of the County.

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

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

"Members in Good Standing." Has the meaning set forth in the Residential Certificate of Formation.

"Membership List." Has the meaning assigned to such term in Section 5.3 of these Residential Bylaws.

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

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

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

"Quorum." Members in Good Standing holding 25% of the aggregate votes entitled to be cast by all Members represented at a meeting of the Members in person or by a legitimate proxy in a form approved by the Residential Board of Directors.

"Quorum of Directors." Has the meaning set forth in Section 7.13 of these Residential Bylaws.

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

"Residential Association." The Villas at The Lantana Condominium Association, Inc., a Texas nonprofit corporation.

"Residential Board of Directors." Those individuals serving as Residential Board of Directors pursuant to Article VII of these Residential Bylaws and their successors.

"Residential Condominium." The Villas at The Lantana Condominium, formed pursuant to the Residential Declaration.

"Residential Declaration." That certain Residential Condominium Declaration for The Villas at The Lantana Condominium, and all recorded amendments thereto, which will be recorded in the real property records of the County.

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

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

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

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

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

"TBOC." The Texas Business Organizations Code, as amended from time to time.

"TNCL." The Texas Nonprofit Corporation Law, as amended from time to time.

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

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

Section 4.2 Interpretation. Except as provided in Section 22.103 of the TNCL, in the event of any inconsistency between the provisions set forth in these Residential Bylaws and the Residential Certificate of Formation, the Residential Certificate of Formation will control. In the event of any inconsistency between the provisions set forth in these Residential Bylaws and the Residential Declaration, the Residential Declaration prevails except to the extent the Residential Declaration is inconsistent with the Act. If the Act, the TNCL, the TBOC or the Code are hereafter amended or changed, then both the Residential Declaration and these Residential Bylaws will be interpreted in a manner that conforms to the provisions of the Act with respect to condominium associations, and the TNCL, the TBOC or the Code with respect to nonprofit corporations, it being the intention to preserve the status of the Residential Association as a *bona fide* nonprofit corporation.

ARTICLE V Members

Section 5.1 Membership.

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

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

(c) Membership of a Member in the Residential Association will automatically terminate when such Member ceases to be an Owner of a Residence; provided, however, that such termination will not release or relieve such Member from any liability or obligation under the Residential Declaration that was incurred during such Member's period of ownership of a Residence.

Section 5.2 Quorum; Act of Members. Quorum requirements with respect to any matter on which Members are entitled to vote and the number of affirmative votes required for Member acts are set forth in the Residential Certificate of Formation.

Section 5.3 Membership List. The Secretary will be responsible for maintaining or causing to be maintained, at the principal office of the Residential Association, an updated list of Members and their last known addresses as provided by each Member in such form and containing such other information as required by the TNCL (the "Membership List"). The Membership List will also show, opposite each Member's name, the address of the Residence owned. The Membership List will be revised by the Secretary to reflect changes in the ownership of the Residences occurring prior to the date of the annual or special meeting. The Membership List will be open to inspection by all Members and other Persons lawfully entitled to inspect the Membership List during regular business hours up to the date of the annual or special meeting. The Secretary will also keep current and retain custody of the Minute Book.

Section 5.4 Proxies. Votes may be cast by written proxy or by ballot. Written proxies may be submitted by United States mail, delivered to the office of the Residential Association, delivered directly to the Secretary or delivered in such other manner as directed by the Residential Association. A proxy vote will be defined as a written vote submitted by a Member which either states the specific vote of the Member with respect to the issues, resolutions or election being voted on by the Members at the annual or special meeting, or which is written permission for the Residential Board of Directors or a specific Director to exercise the Member's vote as the Residential Board of Directors or the specific Director sees fit. A proxy will be valid for the meeting specified in the proxy and any valid continuation of such meeting. Each proxy will be revocable unless otherwise expressly provided therein to be irrevocable. No proxy will be valid after 11 months from the date of its execution unless otherwise provided therein. A Member may not revoke a proxy except by giving actual written notice of revocation to the Person presiding over the meeting.

ARTICLE VI

Meetings of the Members

Section 6.1 Place of Annual and Special Meetings. All annual and special meetings of the Members will be held at the principal office of the Residential Association or at another suitable and convenient place permitted by law and fixed by the Residential Board of Directors from time to time and designated in the notices of the meetings. The Residential Board of Directors may also permit Members to attend annual and special meetings by means of remote electronic communication, including, telephonic, electronic, videoconferencing or the internet if each Person entitled to participate in the meeting consents to the meeting being held by means of that system, provided that each participant may communicate concurrently with every other participant; provided, however, that any Person attending an annual or special meeting by means of remote electronic communication must cast any vote through a proxy in accordance with Section 5.4 of these Residential Bylaws.

Section 6.2 Date of Annual Meetings. The first annual meeting of the Members will be held within one year of its formation. Thereafter, annual meetings of the Members will be held in January of each year or such other month as may be determined by a Majority of the Residential Board of Directors from time to time and on a date as will be fixed by the Residential Board of Directors and disclosed by written notice to the Members. The Members may transact any business that may properly come before the meeting.

Section 6.3 Notice of Annual Meetings. Subject to Section 82.070 of the Act, the Secretary will deliver notices of annual meetings to each Member by telephone, electronic mail, facsimile or by United States mail, with postage prepaid, directed to the most recent post office address, phone number, facsimile number or electronic mail address, as the same appears on the records of the Residential Association. This notice will be transmitted not less than 30 and not more than 60 days before the date of the meeting and will state the date, time and place of the meeting, the purpose or purposes thereof and the

items on the agenda, including the specific nature of any proposed amendment or change to the Residential Governing Documents. No business will be transacted at any annual meeting except as stated in the notice thereof.

Section 6.4 Special Meeting. A special meeting of the Members may be called by the President, a Majority of the Directors, or upon presentation to the Secretary of a petition stating the specific purpose of the special meeting, which petition has been signed by Members in Good Standing having not less than 33% of the aggregate votes entitled to be cast at such meeting.

Section 6.5 Notice of Special Meetings. Subject to Section 82.070 of the Act, the Secretary will mail or deliver notice of any special meeting of the Members to each Member. This notice will be transmitted not less than ten and not more than 60 days before the date of the meeting and will state the same items required by Section 6.3 of these Residential Bylaws for notices of annual meetings. No business will be transacted at any special meeting except as stated in the notice thereof.

Section 6.6 Agenda. The agenda at all meetings of the Members will include: (a) roll call; (b) proof of notice of meeting or waiver of notice; (c) approval of the minutes of the preceding meeting; (d) reports of officers and committees; (e) election of Directors, if applicable; (f) unfinished business, if any; (g) new business, as may properly come before the meeting; and (h) adjournment.

Section 6.7 Action without Meeting by Written Ballot. Any action which may be taken by the vote of the Members at a regular or special meeting, other than the election of Directors, may be taken without a meeting if done in compliance with relevant provisions of the TNCL. If an action is taken without a meeting, then the Residential Board of Directors shall distribute a written ballot to every Member entitled to vote on the matter. The ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Residential Association. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the Quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the proposal at a regular or special meeting authorizing the action. Such consent will be filed in the Minute Book. Any action taken by such written consent will have the same force and effect as a vote of the Members.

Section 6.8 Administration of Affairs. Subject to the provisions of the Residential Governing Documents, the Residential Board of Directors will govern the Residential Association.

ARTICLE VII

The Residential Board of Directors

Section 7.1 Authority; Number of Directors; Residential Declarant Control Period.

(a) The affairs of the Residential Association will be governed by the Residential Board of Directors. The Residential Board of Directors will fix the number of Directors from time to time through an amendment to these Residential Bylaws, but the number of Directors may be no less than three. The initial Directors will be three in number and will be those Directors named in the Residential Certificate of Formation. The initial Directors will serve until their successors are duly appointed or elected, as applicable, and qualified. Except as is provided in Section 10.2 of the Residential Declaration, Residential Declarant will have the right to appoint and remove members of the Residential Board of Directors until the termination of the Residential Declarant Control Period. If Residential Declarant voluntarily surrenders the right to appoint and remove Directors prior to the termination of the Residential Declarant Control Period, Residential Declarant may require that specified actions of the Residential

Board of Directors be subject to Residential Declarant approval until the expiration of the Residential Declarant Control Period.

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

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

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

Section 7.4 Nominations to Residential Board of Directors. Persons may be nominated for election to the Residential Board of Directors in either of the following ways:

(a) A Member who is not a Director and who desires to run for election to that position will be deemed to have been nominated for election upon his filing with the Residential Board of Directors of a written petition of nomination bearing the genuine signatures of at least five other Members; or

(b) A Director will be deemed to have been nominated for re-election to the position he holds by signifying his intention to seek re-election in a writing addressed to the Residential Board of Directors.

Section 7.5 Election of Directors. The nominee, or nominees, as the case may be, receiving the highest number of votes will be elected to the Residential Board of Directors.

Section 7.6 Vacancies on the Residential Board of Directors. Except with respect to Directors appointed by Residential Declarant during the Residential Declarant Control Period (which vacancies will be filled by Residential Declarant), if the office of any Director will become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, then the remaining Directors, at a special meeting duly called for this purpose, will choose a successor within ten days of the vacancy. The successor Director will fill the unexpired term of the directorship being vacated. If there is a deadlock in the voting for a successor by the remaining Directors, then the one Director with the longest continuous term on the Residential Board of Directors will select the successor. At the expiration of the term of his position on the Residential Board of Directors, the successor Director will be re-elected or his successor will be elected in accordance with these Residential Bylaws.

Section 7.7 Removal of Directors by Members. Except with respect to Directors appointed by Residential Declarant during the Residential Declarant Control Period (the removal of which will only be caused by Residential Declarant), Directors may be removed, with or without cause, by a Majority Vote of the Members at a special meeting of the Members duly called for this purpose, notice of which

notice has been properly given as provided in these Residential Bylaws; provided the same notice of this special meeting has also been given to the entire Residential Board of Directors, including any individual Director whose removal is to be considered at this special meeting.

Section 7.8 Organizational Meeting of the Residential Board of Directors. No later than 20 days following each of (a) the filing of the Residential Certificate of Formation; (b) the termination of the Residential Declarant Control Period; and (c) each annual meeting of the Members, the Residential Board of Directors will hold a regular meeting for the purposes of organization, election of officers and transaction of other business. Notice of this meeting will be given to all Directors in accordance with Section 7.10 of these Residential Bylaws, except for the initial meeting, which will be called by Residential Declarant.

Section 7.9 Place of Meetings. All meetings of the Residential Board of Directors will be held at the principal office of the Residential Association or at any other place or places designated at any time by resolution of the Residential Board of Directors or by written consent of a Majority of all of the Directors. Any meeting of the Residential Board of Directors may be held by any means of remote electronic communication, including electronic, telephonic, videoconferencing or the internet if each person entitled to participate in the meeting consents to the meeting being held by means of that system, provided that each Director may communicate concurrently with every other Director, and any such meeting may involve consideration of any action, including any action involving a vote on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Residential Board of Directors to present the Member's position on the issue.

Section 7.10 Regular Residential Board of Directors Meetings. Regular meetings of the Residential Board of Directors may be held at any time and place permitted by law as from time to time may be determined by the Residential Board of Directors pursuant to these Residential Bylaws. Subject to Section 82.070 of the Act, notice of regular meetings of the Residential Board of Directors will be given to each Director personally, by telephone, electronic mail, facsimile or by United States mail, with postage prepaid, directed to him at his last known post office address, phone number, facsimile number or electronic mail address, as the same appears on the records of the Residential Association, at least ten but not more than 40 days before the date of the meeting. This notice will state the date, time, place and purpose of the meeting.

Section 7.11 Special Meetings of the Residential Board of Directors. Special meetings of the Residential Board of Directors may be called by the President on his own accord or by the President or the Secretary upon the written request of any two Directors on at least three days' prior notice to each Director personally, by telephone, electronic mail, facsimile or by United States mail, with postage prepaid, directed to him at his last known post office address, phone number, facsimile number or electronic mail address, as the same appears on the records of the Residential Association, subject to Section 82.070 of the Act.

Section 7.12 Waiver of Notice. Before any meeting of the Residential Board of Directors, whether regular or special, any Director may, in writing, waive notice of such meeting and such waiver will be deemed equivalent to giving the required notice, unless such participation is for the express purpose of objecting to the transaction of business at the meeting on the grounds that such meeting has not been lawfully called or convened. All written waivers will be filed in the Minute Book or made a part of the minutes of the meeting. Participation by a Director at any meeting of the Residential Board of Directors will likewise constitute a waiver by him of the required notice. If all Directors are present at any meeting of the Residential Board of Directors, then no notice of the meeting will be required and any business may be transacted at the meeting except as prohibited by law or these Residential Bylaws.

Section 7.13 Directors Quorum. At all duly convened meetings of the Residential Board of Directors, at least 51% of the Directors must be present (including by permitted electronic means) to constitute a quorum for the transaction of business, except as otherwise expressly provided in these Residential Bylaws (a "Quorum of Directors"). The vote of a Majority of the Directors present at the meeting at which a Quorum of Directors is present will be the act of the Residential Board of Directors, unless the Act, the TNCL, the TBOC, the Residential Certificate of Formation, or these Residential Bylaws requires the vote of a greater number of Directors to take such action.

Section 7.14 Consent in Writing. Any action by the Residential Board of Directors, including any action involving a vote on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Residential Board of Directors to present the Member's position on the issue, may be taken without a meeting in accordance with the Residential Certificate of Formation. Such written consent may be delivered by mail, facsimile or email and will be filed in the Minute Book. Any action taken by such written consent will have the same force and effect as a vote of the Directors.

Section 7.15 Records. The Residential Board of Directors will cause a complete record of all of its acts and the corporate affairs of the Residential Association to be kept and to present a general report thereof to the Members at each annual meeting of the Members or at any special meeting of the Members where a general report is requested in writing by 51% of the Residential Allocated Interests. In addition to the general reports required to be provided at each annual meeting and any special meeting (if requested), any Member may request in writing a general report at any time and from time to time, and the Residential Board of Directors will deliver same within a reasonable period of time following receipt of such written request (provided that the Residential Board of Directors will not be obligated to deliver a general report to such Member more than one time in any 12 month period, exclusive of the general reports required to be delivered at annual meetings and special meetings as set forth above in this Section 7.15).

Section 7.16 Powers and Duties. Subject to the Residential Governing Documents, the Residential Board of Directors will have and may exercise all powers and duties necessary for the proper administration of the affairs of the Residential Association. In the performance of its duties as the governing body of the Residential Association, subject to limitations set forth in the Residential Governing Documents, the Residential Board of Directors will have all powers enumerated in Section 82.102 of the Act (except as otherwise provided in the Residential Governing Documents), and in addition to those powers and duties set forth in the Act and the Residential Governing Documents, the Residential Board of Directors will have the powers and duties including, but not limited to, those enumerated below; provided, however, that each such power and duty is subject to the terms and conditions of the other Residential Governing Documents, including, without limitation, any limitations set forth in another Residential Governing Document regarding the scope or exercise of the duties and powers listed below. Each Director individually and the Residential Board of Directors collectively will perform the duties and powers of the Residential Board of Directors in good faith as a fiduciary of the Residential Association, in a manner which the Director believes to be in the best interest of the Residential Association and with the care of a person of ordinary prudence under similar circumstances, including, but not limited to, reasonable inquiry, skill and diligence.

(a) Duties:

- (i) provide for the operation, maintenance, management, insurance, cleaning, sanitation, renewal, replacement, care and upkeep consistent with the Residential Maintenance Standard and the Project Standard (as defined in the Master Declaration) of the Residential Common Elements and all property, real or personal, of the Residential Association;

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

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

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

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

(vi) maintain the Residential Common Elements consistent with the Residential Maintenance Standard and the Project Standard;

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

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

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

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

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

(xii) adopt a Residential Budget for each fiscal year which will contain estimates of the Residential Common Expenses and the proposed Monthly Residential Assessments sufficient to pay all Residential Common Expenses in accordance with the Residential Governing Documents;

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

(xiv) maintain accounting records in accordance with GAAP;

(xv) enforce the Residential Governing Documents against any Person who owns or uses any portion of the Residential Condominium; and

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

(b) Powers:

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

(ii) subject to Section 7.19 of these Residential Bylaws, enter into contracts for professional management of the Residential Property and the Residential Association, at such prices and upon such terms as may be determined by the Residential Board of Directors, and perform those duties and services which the Residential Board of Directors may lawfully delegate;

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

(iv) name as a trustee, on behalf of the Residential Association, the Residential Association's authorized representative, including any trustee with which the Residential Association may enter into any insurance trust agreement or any successor to this trustee (each of which will be referred to herein as the "Insurance Trustee"), to be given exclusive authority to negotiate losses under any policy providing property or liability insurance coverage. The Residential Association or any Insurance Trustee or substitute Insurance Trustee designated by the Residential Association will have the exclusive power to act as attorney-in-fact for the

purpose of purchasing and maintaining such insurance, including the collection and appropriate disposition of the proceeds thereof, the negotiation of losses, execution of releases of liability and the execution of all documents and the performance of all other acts necessary to accomplish these purposes;

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

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

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

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

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

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

(xi) enforce the Residential Governing Documents against any Person who owns or uses a portion of the Residential Condominium; and

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

The duties imposed on and powers granted to the Residential Board of Directors by this Section will not be amended so as to reduce, eliminate or expand any duties or powers of the Residential Board of Directors without the affirmative vote of 67% of the votes of the Members voting at the meeting at which a Quorum is present called to consider such amendment.

Section 7.17 Annual Budget and Assessments. Copies of the Residential Budget for the upcoming fiscal year of the Residential Association setting forth the proposed annual Residential Common Expenses, proposed reserves and proposed Residential Assessments will be prepared by the Residential Board of Directors and distributed to all Members prior to the beginning of each fiscal year of the Residential Association and will be available to all Members for inspection during regular business hours at the Residential Association's office. If the Residential Budget is subsequently amended before the Residential Assessments are made, then a copy of the amended Residential Budget will also be distributed and made available for inspection. Reserve Funds will include reasonable amounts to be credited, allocated or accumulated for replacement of those Residential Common Elements consistent with the Residential Maintenance Standard and the Project Standard that require replacement, renovation or rehabilitation periodically. Subject to the provisions of the Residential Declaration, nothing herein contained will be construed as restricting the right of the Residential Board of Directors, at any time and

in its sole discretion, to levy a Special Residential Assessment in the event that the Residential Budget as originally adopted will appear to be insufficient to pay the cost of the operation or management of the Residential Property consistent with the Residential Maintenance Standard and the Project Standard or in the event of emergencies. Additional Residential Assessments will also be established in accordance with Article VII of the Residential Declaration for sums owed to the Residential Association or a Residence Owner as further described therein.

Section 7.18 Management Certificate. The Residential Association will record in the County a certificate, signed and acknowledged by an officer of the Residential Association stating:

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

A corrected certificate will be recorded within 30 days after the Residential Association receives notice of a change in any of the information listed in this Section 7.18.

Section 7.19 Manager. To facilitate management of the Residential Property and the administration of the Residential Association, the Residential Board of Directors may delegate to a Manager responsibility for the management, administration, maintenance and operation of the Residential Association and Residential Property, pursuant to an agreement approved by the Residential Board of Directors. After a Manager has been appointed, no decision by the Residential Association to manage its own affairs without a Manager will be effective unless and until approved by an affirmative vote of the Members holding 67% of the votes of the Members in Good Standing at the meeting called to consider such matter with the written consent of not less than 51% of the Residential Mortgagees.

Section 7.20 Open Meeting. Meetings of the Members and the Residential Board of Directors will be open to all Members. Subject to applicable law, the Residential Board of Directors will have the right to adjourn a meeting and reconvene in a private, closed executive session to consider any actions involving personnel, pending litigation, contract negotiations, or enforcement actions, or upon the request of an affected party, or to consider matters that are confidential in the opinion of the Residential Board of Directors; provided, however, the Residential Board of Directors will announce the general nature of the business to be considered in such executive session prior to adjourning the meeting.

Section 7.21 Director Proxies. Director votes may be cast by written proxy or by ballot. Written proxies may be submitted by United States mail, delivered to the office of the Residential Association, delivered directly to the Secretary or delivered in such other manner as directed by the Residential Association. A proxy vote will be defined as a written vote submitted by a Director which either states the specific vote of the Director with respect to the issues, resolutions or election being voted on by the Directors to exercise the Director's vote as the Director sees fit. A proxy will be valid for the meeting specified in the proxy or any valid continuation of such meeting. Each proxy will be revocable unless otherwise expressly provided therein to be irrevocable. No proxy will be valid after three months

from the date of its execution. A Director may not revoke a proxy except by giving actual written notice of revocation to the Person presiding over the meeting.

ARTICLE VIII

Officers

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

Section 8.2 Election. Except as set forth herein, the officers of the Residential Association will be elected annually by the Residential Board of Directors at the organizational meeting held pursuant to Section 7.8 of these Residential Bylaws and will hold office until their successors are elected or appointed by the Residential Board of Directors; provided that each officer may be removed, either with or without cause, whenever in the best interest of the Residential Association, and his successor will be elected by the affirmative vote of a Majority of the Directors at any annual or special meeting of the Residential Board of Directors called for that purpose. The officers will each serve for a term of two years; provided, however, if such officer is also a Director, then the officer will serve until the earlier to occur of either (a) two years from the election of such officer or (b) until such officer is no longer a Director. The officers may serve an unlimited number of consecutive terms. The Residential Board of Directors may, from time to time, appoint other officers who, in its judgment, are necessary or desirable for the operation of the Residential Association. Any officer may resign at any time by giving written notice to the Residential Board of Directors or to the President or Secretary of the Residential Association. Any resignation will take effect as of the date of the receipt of such notice or any later time specified therein; unless specified therein, the acceptance of a written resignation will not be necessary to make it effective.

Section 8.3 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause will be filled by election by the affirmative vote of a Majority of the Directors at any annual or special meeting of the Residential Board of Directors called for that purpose.

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

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

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

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

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

ARTICLE IX

Liability, Indemnification of Directors, Officers and Other Authorized Representatives

The liability and indemnification of Directors, officers and other authorized representatives of the Residential Association is addressed in the Residential Certificate of Formation.

ARTICLE X

Residential Association Books and Records

The Residential Association will keep or cause to be kept (a) detailed financial records of the Residential Association in sufficient detail to enable the Residential Association to prepare a resale

certificate in accordance with the provisions of Section 82.157 of the Act; (b) the plans and specifications used to construct the Master Condominium, and any separate plans and specifications used to construct the Residential Condominium; (c) the Membership List; (d) voting records, proxies and correspondence relating to all amendments to the Residential Declaration; and (e) the minutes of all meetings of the Members and the Residential Board of Directors. All books and records of the Residential Association will be available for inspection for any proper purpose by the Residence Owners, Residential Mortgagees and their respective agents and representatives, during normal business hours. All books and records of the Residential Association will be kept in accordance with GAAP, consistently applied, and will be audited at least once a year. If the Residential Board of Directors or a Majority of the Members request the same, then such audit will be performed by an independent certified public accountant. If requested in writing by a Member or Residential Mortgagee, then the Residential Association will furnish such requesting Member or Residential Mortgagee copies of the audited financial statements of the Residential Association within 120 days following the end of each fiscal year of the Residential Association. The Residential Board of Directors will further make available for the inspection by Members, Residential Mortgagees and their respective agents and representatives, during normal business hours, the current version of the Residential Governing Documents and all other documents affecting the Residential Association, the Residence Owners, or the Residential Property, as well as all amendments thereto and revisions thereof. Declarant will furnish copies of the information set forth in this Article X to the Residential Association on the date the first Residence is conveyed to a Residence Owner. For purposes of this paragraph, "available" will mean available for inspection, upon reasonable advance request of not less than 24 hours, during regular business hours at the office of the Residential Association or the office of a Manager of the Residential Association. The cost of any copies will be reimbursed to the Residential Association at a rate set by the Residential Board of Directors.

ARTICLE XI

Winding Up and Termination

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

ARTICLE XII

Miscellaneous

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

Section 12.2 Amendments to Residential Bylaws.

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

(b) Members must be given notice of the meeting to vote about such amendment not less than ten or more than 20 days preceding the date of the meeting. Any such notice will include the specific amendment or other change proposed to be made to these Residential Bylaws.

(c) Notwithstanding any other provision of these Residential Bylaws, at no time will any amendment be made to these Residential Bylaws that would affect or change any power granted to Residential Declarant without the prior written consent of Residential Declarant.

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

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

Section 12.5 Unilateral Decisions. Pursuant to the Master Declaration, any matter which constitutes a Unilateral Decision will be implemented by the proposing Owner who may take all appropriate actions necessary or desired to accomplish the purpose of the Unilateral Decision and may, without any approval, consent, meeting or vote of the Owners, Members or Board of Directors of the Master Association or approval of the Mortgagees or the Residence Owners, Members or Residential Board of Directors or approval of the Residential Mortgagees, amend the Governing Documents in any manner necessary to effectuate an Owner's Unilateral Decision. Any such amendment to effectuate a Unilateral Decision will be evidenced by a written instrument executed and acknowledged by an officer of the Master Association on behalf of the Owners and any other party that may be required to execute and acknowledge such amendment pursuant to the terms of the Master Declaration which party will execute and acknowledge the same within five business days of being requested to take such action. Any amendment effected pursuant to the Master Declaration will be binding upon the Master Association and all of the Owners and Mortgagees. Any capitalized terms used in this Section 12.5 that are not defined in these Residential Bylaws or the Residential Declaration has the meaning assigned to such terms in the Master Declaration.

Section 12.6 Construction. Number and gender as used in these Residential Bylaws will extend to and include both singular and plural and all genders as the context and construction require.

[Remainder of this page intentionally left blank.]

Executed to be effective as of _____, 2025.

**THE VILLAS AT THE LANTANA CONDOMINIUM
ASSOCIATION, INC.,** a Texas nonprofit corporation

By: _____

Name: _____

Title: _____