

BYLAWS
OF
PLAZA LOFTS CONDOMINIUM ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Plaza Lofts Condominium Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 311 W. 5th Street, Unit 705, Austin, Texas 78701 but meetings of members and directors may be held at such places within the State of Texas, County of Travis, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in these Bylaws shall have the meanings hereinafter specified:

Section 2.1. Articles. "Articles" shall mean the Articles of Incorporation of Plaza Lofts Condominium Association, Inc. which will be filed in the office of the Secretary of State of the State of Texas, as the same may from time to time be amended.

Section 2.2. Assessment. "Assessment" or "Assessments" shall mean assessment(s) levied by the Association under the terms and provisions of the Declaration.

Section 2.3. Association. "Association" shall mean and refer to Plaza Lofts Condominium Association, Inc.

Section 2.4. Association Property. "Association Property" shall mean all real or personal property now or hereafter owned by the Association, including, without limitation, all easement estates, licenses, leasehold estates and other interests of any kind in and to real or personal property which are now are hereafter owned or held by the Association.

Section 2.5. Association Rules. "Association Rules" shall mean the rules and regulations adopted by the Board pursuant to the Declaration, as the same may be amended from time to time.

Section 2.6. Board. "Board" shall mean the Board of Directors of the Association.

Section 2.7. Bylaws. "Bylaws" shall mean the Bylaws of the Association which may be adopted by the Board and as from time to time amended. These Bylaws supersede and replace the Bylaws attached as Exhibit "C" to the original Articles of Incorporation of the Association.

Section 2.8. Declarant. "Declarant" shall mean Plaza Lofts, L.P., a Texas limited partnership, and its duly authorized representatives or successors or assigns; provided that any assignment of the rights of Declarant must be expressly set forth in writing and the mere

conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder.

Section 2.9. Declaration. "Declaration" shall mean the "Declaration of Condominium Regime for Plaza Lofts Condominiums" recorded in the Real Property Records of Travis County, Texas, as the same may be amended from time to time.

Section 2.10. Manager. "Manager" shall mean the person, firm, or corporation, if any, employed by the Association pursuant to the Declaration and delegated the duties, powers, or functions of the Association.

Section 2.11. Member. "Member" or "Members" shall mean any person(s), entity or entities holding membership privileges in the Association as provided in the Declaration.

Section 2.12. Mortgage. "Mortgage" or "Mortgages" shall mean any mortgage(s) or deed(s) of trust covering any portion of the Property given to secure the payment of a debt.

Section 2.13. Mortgagee. "Mortgagee" or "Mortgagees" shall mean the holder or holders of any lien or liens upon any portion of the Property.

Section 2.14. Owner. "Owner" or "Owners" shall mean the person(s), entity or entities, including Declarant, holding a fee simple interest in any Unit, but shall not include the Mortgagee of a Mortgage or a contract purchaser.

Section 2.15. Property. "Property" shall mean and refer to that tract or parcel of land situated in Travis County, Texas which is more fully described in the Declaration.

Section 2.16. Unit. "Unit" shall have the same meaning ascribed to such term in the Declaration.

ARTICLE III MEETING OF MEMBERS

Section 3.1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter unless a different date is selected by the Board of Directors. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday.

Section 3.2. Special Meetings. Special meetings of the Members may be called at any time by the President or the Board of Directors, or upon written request of the Members who are entitled to vote fifty-one percent (51%) or more of the votes of the Association.

Section 3.3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) and not more than fifty (50) days before such meeting to each Member entitled to vote at the meeting, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, date, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.4. Quorum. The presence in person or by proxy of Owners representing a majority of the total voting power of the Association shall constitute a quorum for holding any meeting of the Association. The Owners present in person or represented by proxy at a meeting, though less than a quorum, shall have the power to adjourn and reconvene the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such reconvened meeting, at which a quorum shall be present or represented by proxy, any business may be transacted as was set out in the notification of the original meeting.

Section 3.5. Majority Vote. Except as otherwise provided in the Declaration or these By-laws, all action to be taken or authorized by the members shall be deemed validly taken or authorized upon the adoption by the vote of Owners representing a majority of the total voting power of the Association.

Section 3.6. Qualifications for Voting. No Owner, other than the Declarant, shall be entitled to vote at any meeting of the Association until such Owner has presented evidence of ownership of a Unit in the Condominium to the Secretary of the Association. Any Owner who is in default for more than thirty (30) days in the payment of his Assessments or any other sums owed to the Association may have the right to vote revoked by action of the Board, pending paying of such amounts. In the event that ownership interests in a Unit are owned by more than one member of the Association, such members shall exercise their right to vote in such manner as they among themselves determine, but in no event shall more than one vote (according to the voting percentage allocated to such Unit) be cast for each Unit. Such Owners shall appoint one member who shall be entitled to exercise the vote of that Unit at any meeting of the Association. Such designation shall be made in writing to the Board of Directors and shall be revocable at any time by actual written notice to the Board. The Board shall be entitled to rely on any such designation until written notice revoking such designation is received by the Board. In the event that a Unit is owned by more than one member and only one of such members is present at a meeting of the Association, that Member may cast the vote allocable to such Unit; however, if more than one member is present and no single member is designated to vote on behalf of the members having an ownership interest in such Unit, then none of such members shall be allowed to vote.

Section 3.7. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his lot.

ARTICLE IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 4.1. Number. The affairs of the Association shall be managed by a Board of three (3) Directors until the first annual or subsequent meeting, at which time the number of members of the Board of Directors may be changed by resolution of the Directors; provided, however, the minimum number of Directors shall be three (3).

Section 4.2. Term of Office. At the first annual meeting, the Members shall elect one (1) Director for a term of three (3) years, one (1) Director for a term of two (2) years, and one (1) Director for a term of one (1) year; and, at each annual meeting thereafter, the Members shall elect each Director for a term of three (3) years. Notwithstanding any provision in this Section 4.2 or these Bylaws to the contrary, Declarant has reserved the right to appoint and remove Directors in accordance with Basic Provision L(i)(d) of the Declaration.

Section 4.3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve until the next annual meeting of the members.

Section 4.4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4.5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 5.1. Nomination. Nomination for election to the Board shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board and two members of the Association. The Nominating Committee shall be appointed by the Board prior to or during each annual meeting of the Members. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or nonmembers.

Section 5.2. Election. Election to the Board shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI MEETINGS OF DIRECTORS

Section 6.1. Regular Meetings. Regular meetings of the Board shall be held annually or such other frequency as determined by the Board without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should the meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 6.2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association or by any two Directors, after not less than three (3) days' notice to each Director.

Section 6.3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

Section 6.4. Form of Meetings. A meeting of the Board may be held by any method of communication including electronic and telephonic, provided that a notice of the meeting has been given in accordance with the Bylaws, and the Board may take any action by unanimous written consent of all directors, without a meeting. Satisfaction of the requirements set forth in Section 82.108(c) of the Texas Uniform Condominium Act shall not be a prerequisite to the Board's exercise of the rights set forth in the preceding sentence.

Section 6.5. Presumption of Assent. A Director of the Association who is present at a meeting of the Board of Directors at which action on any matter is taken shall be presumed to have assented to the action unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE VII POWERS AND DUTIES OF THE BOARD

Section 7.1. Powers. All of the powers, authority and duties of the Association existing under the Act, the Declaration and the Bylaws shall be exercised exclusively by the Board, its agents, contractors or employees, subject only to approval by Owners when such is specifically required by the Texas Uniform Condominium Act, the Declaration and the Bylaws. The Board shall have power to undertake any of the following actions to the extent and only to the extent that such actions are undertaken in furtherance of the purposes of the Association as set forth in Article 3, Section 3.4 of the Declaration:

(a) adopt and publish the Association Rules, including regulations governing the use of the Association Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the Association Property during any period in which such Member shall be in default in the payment of any Assessment levied by the Association, or after notice and hearing, for any period during which an infraction of the Association Rules exists;

(c) exercise for the Association all powers, duties and authority vested in or reserved to this Association and not reserved to the membership by other provisions of the Declaration;

(d) declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

(e) employ such employees as they deem necessary, and to prescribe their duties;

(f) as more fully provided in the Declaration, to:

(1) fix the amount of the Assessments against each Unit in advance of each annual Assessment period and any other Assessments provided by the Declaration; and

(2) foreclose the lien against any Property for which Assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(g) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid and to levy a reasonable charge for the issuance of these certificates (it being understood that if a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment);

(h) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(i) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(j) exercise such other and further powers as provided in the Declaration or permitted by statute.

Section 7.2. Duties. It shall be the duty of the Board to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by Members who are entitled to cast fifty-one percent (51%) of all outstanding votes; and

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed.

Section 7.3. Delegation of Board Duties. Notwithstanding anything contained herein to the contrary, the Board may delegate any of its duties, powers or functions to a Managing Agent. The members of the Board shall not be liable for any acts or omissions of the Managing Agent.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 8.1. Enumeration of Offices. The officers of the Association shall be a President and one or more Vice-Presidents, who shall at all times be members of the Board, a Secretary, a Treasurer, and such other officers as the Board may from time to time create by resolution.

Section 8.2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members. Notwithstanding any provision in this Section 8.2 or any other provision of these Bylaws to the contrary, Declarant has reserved the right to appoint and remove Officers and Directors in accordance with Basic Provision L(i)(d) of the Declaration.

Section 8.3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he resigns sooner, or shall be removed, or otherwise disqualified to serve.

Section 8.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 8.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8.6. Vacancies. A vacancy in any office may be filled through appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 8.7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 8.4.

Section 8.8. Duties. The duties of the officers are as follows:

(a) **President.** The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) **Vice President.** Each Vice President shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the President or the Board.

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) **Assistant Secretaries.** Each Assistant Secretary shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him or her by the Secretary, the President, the Board or any committee established by the Board.

(e) **Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall co-sign all checks and promissory notes of the Association; keep proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

**ARTICLE IX
OTHER COMMITTEES OF THE BOARD OF DIRECTORS**

The Board may, by resolution adopted by affirmative vote of a majority of the number of Directors fixed by these Bylaws establish a committee or committees for any purpose; provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board of Directors and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board.

**ARTICLE X
BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

**ARTICLE XI
ASSESSMENTS**

As more fully provided in the Declaration, each Member is obligated to pay to the Association Assessments which are secured by a continuing lien upon the property against which the Assessments are made. Assessments shall be due and payable in accordance with the Declaration.

**ARTICLE XII
CORPORATE SEAL**

The Association may, but shall have no obligation to, have a seal in a form adopted by the Board.

**ARTICLE XIII
AMENDMENTS**

Section 13.1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of all the Members of the Association provided that such amendment has been approved by Members of the Association entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association.

Section 13.2. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV
INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 14.1. Definitions. In this Article XIV:

(a) "Indemnatee" means (i) any present or former director, advisory director or officer of the Association; (ii) any person who, while serving in any of the capacities referred to in clause (i) hereof, served at the Association's request as a director, officer, committee member, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise; and (iii) any person nominated or designated by (or pursuant to authority granted by) the Board of Directors or any committee thereof to serve in any of the capacities referred to in clauses (i) or (ii) hereof.

(b) "Official Capacity" means (i) when used with respect to a director, the office of director of the Association, and (ii) when used with respect to a person other than a director, the elective or appointive office of the Association held by such person or the employment or agency relationship undertaken by such person on behalf of the Association, but in each case does not include service for any other foreign or domestic corporation or any partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise.

(c) "Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative, any appeal in such an action, suit or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding.

Section 14.2. Indemnification. The Association shall indemnify, defend and hold harmless every Indemnatee against all judgments, penalties (including excise and similar taxes), fines, amounts paid in settlement, and reasonable expenses actually incurred by the Indemnatee in connection with any Proceeding in which he was, is or is threatened to be named a defendant or respondent, or in which he was or is a witness without being named a defendant or respondent, by reason, in whole or in part, of his serving or having served, or having been nominated or designated to serve, in any of the capacities referred to in Section 14.1(a), if it is determined in accordance with Section 14.4 that the Indemnatee (i) conducted himself in good faith, (ii) reasonably believed, in the case of conduct in his Official Capacity, that his conduct was in the Association's best interests and, in all other cases, that his conduct was at least not opposed to the Association's best interests, and (iii) in the case of any criminal Proceeding, had no reasonable cause to believe that his conduct was unlawful; provided, however, that in the event that an Indemnatee is found liable to the Association or is found liable on the basis that personal benefit was improperly received by the Indemnatee, the indemnification (i) is limited to reasonable expenses actually incurred by the Indemnatee in connection with the Proceeding and (ii) shall not be made in respect of any Proceeding in which the Indemnatee shall have been found liable for willful or intentional misconduct in the performance of his duty to the Association. Except as provided in the immediately preceding proviso to the first sentence of this Section 14.2, no indemnification shall be made under this Section 14.2 in respect of any Proceeding in which such Indemnatee shall have been (i) found liable on the basis that personal benefit was improperly received by him, whether or not the benefit resulted from an action taken in the Indemnatee's Official Capacity, or (ii) found liable to the Association. The termination of any Proceeding by judgment, order, settlement or conviction, or on a plea of nolo contendere or its equivalent, is not of itself determinative that the Indemnatee did not meet the requirements set forth in clauses (i), (ii) or (iii) in the first sentence of this Section 14.2. An Indemnatee shall be deemed to have been

found liable in respect of any claim, issue or matter only after the Indemnitee shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom. Reasonable expenses shall include, without limitation, all court costs and all fees and disbursements of attorneys for the Indemnitee.

Section 14.3. Successful Defense. Without limitation of Section 14.2 and in addition to the indemnification provided for in Section 14.2, the Association shall indemnify every Indemnitee against reasonable expenses incurred by such person in connection with any Proceeding in which he is a witness or a named defendant or respondent because he served in any of the capacities referred to in Section 14.1(a), if such person has been wholly successful, on the merits or otherwise, in defense of the Proceeding.

Section 14.4. Determinations. Any indemnification under Section 14.2 (unless ordered by a court of competent jurisdiction) shall be made by the Association only upon a determination that indemnification of the Indemnitee is proper in the circumstances because he has met the applicable standard of conduct. Such determination shall be made (i) by the Board by a majority vote of a quorum consisting of directors who, at the time of such vote, are not named defendants or respondents in the Proceeding; (ii) if such a quorum cannot be obtained, then by a majority vote of all directors (in which designation directors who are named defendants or respondents in the Proceeding may participate), such committee to consist solely of two (2) or more directors who, at the time of the committee vote, are not named defendants or respondents in the Proceeding; (iii) by special legal counsel selected by the Board or a committee thereof by vote as set forth in clauses (i) or (ii) of this Section 14.4 or, if the requisite quorum of all of the directors cannot be obtained therefor and such committee cannot be established, by a majority vote of all of the directors (in which directors who are named defendants or respondents in the Proceeding may participate); or (iv) by the Members in a vote that excludes the directors who are named defendants or respondents in the Proceeding. Determination as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, determination as to reasonableness of expenses must be made in the manner specified in clause (iii) of the preceding sentence for the selection of special legal counsel. In the event a determination is made under this Section 14.4 that the Indemnitee has met the applicable standard of conduct as to some matters but not as to others, amounts to be indemnified may be reasonably prorated.

Section 14.5. Advancement of Expenses. Reasonable expenses (including court costs and attorneys' fees) incurred by an Indemnitee who was or is a witness or who is or is threatened to be made a named defendant or respondent in a Proceeding shall be paid by the Association at reasonable intervals in advance of the final disposition of such Proceeding, and without making any of the determinations specified in Section 14.4, after receipt by the Association of (i) a written affirmation by such Indemnitee of his good faith belief that he has met the standard of conduct necessary for indemnification by the Association under this Article XIV and (ii) a written undertaking by or on behalf of such Indemnitee to repay the amount paid or reimbursed by the Association if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized in this Article XIV. Such written undertaking shall be an unlimited obligation of the Indemnitee but need not be secured and it may be accepted without reference to financial ability to make repayment. Notwithstanding any other provision of this Article XIV, the Association may pay or reimburse expenses incurred by an Indemnitee in connection with his appearance as a witness or other participation in a Proceeding at a time when he is not named a defendant or respondent in the Proceeding.

Section 14.6. Employee Benefit Plans. For purposes of this Article XIV, the Association shall be deemed to have requested an Indemnitee to serve an employee benefit plan whenever the performance by him of his duties to the Association also imposes duties on or otherwise involves services by him to the plan or participants or beneficiaries of the plan. Excise taxes assessed on an Indemnitee with respect to an employee benefit plan pursuant to applicable law shall be deemed fines. Action taken or omitted by an Indemnitee with respect to an employee benefit plan in the performance of his duties for a purpose reasonably believed by him to be in the interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose which is not opposed to the best interests of the Association.

Section 14.7. Other Indemnification and Insurance. The indemnification provided by this Article XIV shall (i) not be deemed exclusive of or to preclude any other rights to which those seeking indemnification may at any time be entitled under the Articles, any law, agreement or vote of Members or disinterested directors, or otherwise, or under any policy or policies of insurance purchased and maintained by the Association on behalf of any Indemnitee, both as to action in his Official Capacity and as to action in any other capacity, (ii) continue as to a person who has ceased to be in the capacity by reason of which he was an Indemnitee with respect to matters arising during the period he was in such capacity, and (iii) inure to the benefit of the heirs, executors, and administrators of such a person.

Section 14.8. Notice. Any indemnification of or advance of expenses to an Indemnitee in accordance with this Article shall be reported in writing to the Members with or before the notice or waiver of notice of the next meeting of the Members or with or before the next submission to the Members of a consent to action without a meeting and, in any case, within the twelve-month period immediately following the date of the indemnification or advance.

Section 14.9. Construction. The indemnification provided by this Article XIV shall be subject to all valid and applicable laws, including, without limitation, Article 2.02-1 of the Texas Business Association Corporation Act, and, in the event this Article XIV or any of the provisions hereof or the indemnification contemplated hereby are found to be inconsistent with or contrary to any such valid laws, the latter shall be deemed to control and this Article XIV shall be regarded as modified accordingly, and, as so modified, to continue in full force and effect.

Section 14.10. Continuing Offer, Reliance, Etc. The provisions of this Article XIV (i) are for the benefit of, and may be enforced by, each Indemnitee of the Association the same as if set forth in their entirety in a written instrument duly executed and delivered by the Association and such Indemnitee, and (ii) constitute a continuing offer to all present and future Indemnites. The Association, by its adoption of these Bylaws, (i) acknowledges and agrees that each Indemnitee of the Association has relied upon and will continue to rely upon the provisions of this Article XIV in becoming, and serving in any of the capacities referred to in Section 14.1(a) hereof, (ii) waives reliance upon, and all notices of acceptance of, such provisions by such Indemnites, and (iii) acknowledges and agrees that no present or future Indemnitee shall be prejudiced in his right to enforce the provisions of this Article XIV in accordance with their terms by any act or failure to act on the part of the Association.

Section 14.11. Effect of Amendment. No amendment, modification or repeal of this Article XIV or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Indemnites to be indemnified by the Association, nor the obligation of the Association to indemnify any such Indemnites, under and in accordance with the provisions of this Article XIV as in effect immediately prior to such amendment, modification or repeal with

respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

ARTICLE XV MISCELLANEOUS

Section 15.1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 15.2. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such a manner as shall from time to time be determined by resolution of the Board of Directors.

Section 15.3. Deposits. All funds of the Association not otherwise employed shall be deposited, from time to time, to the credit of the Association in such banks, trust companies or other depositories (including certificates of deposit and money market or similar funds) as the Board may select.

Approved as of May ____, 2002.

Buster Hoffmaster, Director

Alan Holt, Director

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Return:
Gracy Title Co.

DECLARATION OF CONDOMINIUM REGIME FOR
PLAZA LOFTS CONDOMINIUMS

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Plaza Lofts, L P , a Texas Limited Partnership ("Declarant") is the owner of 311 W 5th Street, Austin, Travis County, Texas which is more particularly described in Exhibit "A" attached hereto and incorporated herein (the "Land"), together with all improvements thereon and all easements, rights and appurtenances thereto (collectively, the "Improvements"). The Land and Improvements are hereby made subject to a condominium regime in accordance with the provisions of Chapter 82 of the Texas Property Code (the "Uniform Act") and the provisions of this Declaration of Condominium Regime for the Plaza Lofts Condominiums (the "Declaration")

BASIC PROVISIONS

- A (i) NAME OF CONDOMINIUM Plaza Lofts Condominiums
 (ii) NAME OF ASSOCIATION Plaza Lofts Condominium Association, Inc , a Texas non-profit corporation

- B COUNTY IN WHICH CONDOMINIUM IS LOCATED Travis

- C DESCRIPTION OF UNIT BOUNDARIES AND IDENTIFYING NUMBER

 See Section 1 23, and Exhibit "B-1"

- D MAXIMUM NUMBER OF UNITS DECLARANT MAY CREATE Sixty-three (63) units

- E REAL PROPERTY WHICH MAY BE LATER ALLOCATED AS A LIMITED COMMON ELEMENTS. The Board (and the Declarant pursuant to Section L (i)(e) below), may, from time to time, designate portions of the Common Elements as Limited Common Elements, may designate portions of the Common Elements for use by non-owners for specified periods of time, or may limit the use of Common Elements to those persons paying fees or satisfying other reasonable conditions for use as may be established by the Board

- F. INTEREST IN COMMON ELEMENTS ALLOCATED TO EACH UNIT

SEE INSERT "UNIT PERCENTAGE INTERESTS"

*Unit type designations are included for the purpose of calculating assessments pursuant to the provisions of Section 4 1(a) hereof, other than the Ground Floor Units

PLAZA LOFTS
UNIT PERCENTAGE INTERESTS

	<u>UNIT</u> <u>TYPE</u>	<u>UNIT DESIGNATED</u> <u>BY IDENTIFYING</u> <u>NUMBER</u>	<u>PERCENTAGE OF</u> <u>INTEREST IN</u> <u>COMMON AREAS</u>
1	A	501	1 004
2	D	502	2 045
3	B	503	1 269
4	B	504	1 269
5	D	505	2 045
6	A	506	1 004
7	B	507	1.342
8	B	508	1.342
9	A	601	1 004
10	D	602	2.047
11	B	603	1 269
12	B	604	1 269
13	D	605	2 047
14	A	606	1 004
15	B	607	1 342
16	B	608	1 342
17	A	701	1.004
18	D	702	2.047
19	B	703	1 269
20	B	704	1 269
21	E	705	2 047
22	A	706	1 004
23	B	707	1 342
24	B	708	1.342
25	A	801	1 004
26	D	802	2 048
27	E	803	2 548
28	D	805	2 048
29	A	806	1.004
30	B	807	1.342
31	B	808	1 342
32	A	901	1 004
33	D	902	2 048
34	E	903	2 548
35	D	905	2.048
36	A	906	1 004

37	B	907	1 342
38	B	908	1 342
39	A	1001	1.004
40	D	1002	2.048
41	E	1003	2.548
42	D	1005	2.048
43	A	1006	1 004
44	B	1007	1 342
45	B	1008	1 342
46	A	1101	1.004
47	D	1102	2.048
48	E	1103	2 548
49	D	1105	2.048
50	A	1106	1 004
51	B	1107	1.342
52	B	1108	1 342
53	A	1201	1 004
54	D	1202	2 047
55	E	1203	2 487
56	F	1205	3.078
57	B	1207	1.294
58	B	1208	1.289
59	E	T1	2 430
60	D	T2	2.017
GROUND FLOOR (RETAIL)			
		100	5.046
			<hr/>
			100.00

Note Unit categories are based on approximate square footage calculations from architectural plans and HOA fees and assessments are based on an operating pro forma budget stated in calendar year 2002 dollars. Square footage calculations are as follows to centerline of demising walls, outside plane of all other walls All figures listed above are subject to change Ground Floor (Retail) space is not included in these categories and is subject to a separate assessment as determined by the Board Notwithstanding that final figures are approximate calculations, such calculations shall be used for determining Unit categories and percentage ownership, including voting rights

Note. Percentage interest calculations are based on area calculations of unit plat

- G RESTRICTIONS ON USE, OCCUPANCY OR ALIENATION OF UNITS The condominium regime ("Regime") established pursuant to the Declaration is a residential and commercial condominium. Restrictions on use, occupancy and alienation of Units are set forth in Article Five of the Declaration.
- H DESCRIPTION OF AND RECORDING DATA FOR RECORDED EASEMENTS, AND LICENSES APPURTENANT TO OR INCLUDED IN THE CONDOMINIUM OR TO WHICH ANY PORTION OF THE CONDOMINIUM IS OR MAY BECOME SUBJECT BY RESERVATION IN THIS DECLARATION See Exhibit "C" attached hereto and incorporated herein for all purposes.
- I METHODS FOR AMENDING THE DECLARATION See Article Eight of the Declaration, and Uniform Act §82 061 and §82 062.
- J PLAT AND PLAN See (i) Exhibit "B-1", which, inter alia, identifies certain Limited Common Elements and General Common Elements, (ii) Exhibit "B-1", which, inter alia, also identifies the Units (subject to alteration pursuant to Section L(1)(h)), and (iii) Exhibit "B-2" which, inter alia, identifies the Building (subject to alteration pursuant to Section L(1)(g)). The Surveyor's certification of the Plat and Plans is attached hereto as Exhibit "B" and made part hereof for all purposes.
- K ASSOCIATION'S OBLIGATIONS TO REBUILD OR REPAIR FOLLOWING A CASUALTY OR OTHER DISPOSITION OF CASUALTY INSURANCE PROCEEDS See Article Seven of the Declaration and §82 111 of the Uniform Act.
- L (i) SPECIAL RIGHTS RESERVED BY DECLARANT
- (a) Signs See Section 5 9 of the Declaration.
- (b) Amendments See Section 8 1 of the Declaration.
- (c) Sales Office/Model Units See Section 5 17 of the Declaration regarding use of a unit as a sales, leasing, or management office and use of up to eight (8) units as model sales units.
- (d) Officer and Director Appointment and Removal Powers Declarant reserves the right to appoint and remove, at any time and from time to time, with or without cause, the officers and directors of the Association, L(1)(d) until the directors are elected by Unit Owners other than Declarant. Notwithstanding any provision in this subsection (d) to the contrary, not later than the one hundred twentieth (120th) day after conveyance of fifty percent (50%) of the Units to Owners other than Declarant, one-third (1/3) of the members of the Board shall be elected by Unit Owners other than Declarant.
- (e) Reallocation of Common Elements and Limited Common Elements, Limited Common Element Rules. The Declarant reserves the right to reallocate Common Elements as Limited Common Elements and reallocate Limited Common Elements for the exclusive use of the Owners of Units appurtenant thereto, provided, however, in no event may any Private Rooftop Terrace that is allocated as a Limited Common Element to a particular unit be reallocated or otherwise taken away from such unit. The Declarant may reallocate Common Elements as Limited Common Element areas pursuant to the provisions of §82 058 of the Uniform Act (i) by instrument recorded in the Real Property

Records of Travis County, Texas, (ii) in the deed pertaining to the Unit to which the Limited Common Element is appurtenant, or (iii) by amendment to this Declaration recorded in the Real Property Records of Travis County, Texas. Subsequent to the "Declarant Control Period" set forth in Basic Provision L(iii) below, the right of reallocation pursuant to this Basic Provision L(i)(e) shall automatically be transferred to the Board. Furthermore, Declarant reserves the right to promulgate rules regarding the type of improvements or structures which may be located within any Limited Common Elements. Such rules may also govern the construction, installation, and use of such improvements.

(f) Use of Easements and Rights of Entry. See Section 6.3 of the Declaration.

(g) Changes in Plans Initially Assigned to the Building. Exhibit "B-1" and Exhibit "B-2" include a vertical and horizontal description of the Buildings constructed or contemplated to be constructed upon the Land. Declarant reserves the right to change, modify, or amend the vertical and horizontal description assigned to any Building, so long as Declarant is the owner of all Units constructed or contemplated to be constructed with in such Building, which change, modification, or amendment may affect the size, appearance and/or mechanical, structural, and other components of the Building to which such vertical and/or horizontal description relates. In the event Declarant elects to change the vertical and/or horizontal description assigned to a Building pursuant to this Section L(i)(g), a Notice of Substantial Completion shall be filed in the Real Property Records of Travis County, Texas, which Notice shall include a vertical and horizontal description of the Building actually constructed upon the Land, and shall automatically amend this Declaration for the purpose of defining such Building.

(h) Changes in the Plans Initially Assigned to Each Unit. Exhibit "B-1" includes a horizontal description of the floor plan of each Unit constructed or to be constructed within the Buildings. Declarant reserves the right to change, modify, or amend a floor plan assigned to a Unit so long as Declarant or any assignee of Declarant's rights reserved pursuant to this subsection (h), is the owner of the Unit. The change, modification, or amendment to the floor plan of the Unit may affect the size, appearance, and/or mechanical, structural, and other components of the Unit to which such horizontal description relates. In the event Declarant elects to change the floor plan assigned to a Unit owned by Declarant, Declarant shall file, upon substantial completion of such Unit to which the floor plan relates, a Notice of Substantial Completion in accordance with the provisions of Section 1.22, which describes the floor plan actually constructed within the Unit.

(i) Completion of Improvements Indicated on Plat and Plan. Declarant reserves the right to complete the Buildings, Units, and other improvements shown on Exhibit "B-1", "B-2", and B-3" as revised, modified, or amended pursuant to Basic Provision L(i)(g), L(i)(h), or any other applicable term or provision of this Declaration.

(j) Professional Management Contracts. Declarant reserves the right to enter into one or more professional management contracts pertaining to the management of the Regime, provided, however, that any such contract must give the Association the right to terminate such contract without cause at any time after the transfer of control of the Association to the Owners.

(ii) TRANSFER OF SPECIAL DECLARANT RIGHTS. The rights reserved to Declarant under this Declaration may be transferred only as provided in §82.104 of the Uniform Act.

- (iii) TIME LIMITS BY WHICH DECLARANT MUST EXERCISE RIGHTS Unless sooner terminated by instrument executed by Declarant and recorded in the Real Property Records of Travis County, Texas, all rights reserved by the Declarant under this Declaration, other than the rights granted Declarant pursuant to Basic Provisions L(1)(a), (c), (h), and (i), shall terminate upon the earlier to occur of (i) one hundred twenty (120) days after seventy-five percent (75%) of the Units have been conveyed to Owners other than the Declarant; or (ii) three (3) years after the first Unit is conveyed to an Owner other than Declarant (the "Declarant Control Period") The rights granted to Declarant pursuant to Basic Provisions L(1)(a) and (c) shall terminate at such time as Declarant, or any assignee of Declarant to such rights, no longer owns any Units within the Regime The rights granted to Declarant pursuant to Basic Provisions L(1)(h) and (i) shall terminate at such time as Declarant, or any assignee of Declarant's rights reserved pursuant to subsection (h) or (i), no longer owns the Unit to which the rights exercised by Declarant pursuant to subsection (h) or (i) relate

M NOTICE TO MORTGAGEES In the event a Mortgagee sends to the Association (and the Association receives) a written request for notification of any one or more of the following designated matters, the Association shall send such notice to the Mortgagee at the address indicated in the notice request The designated matters include

- (i) Any condemnation or casualty loss that affects either a material portion of the Regime or the Unit securing its mortgage,
- (ii) Any 60-day delinquency in the payment of assessments or charges owed by the Owner of any Unit on which it holds the mortgage,
- (iii) A lapse, cancellation or material modification of any insurance policy maintained by the Association, and
- (iv) Any proposed action that requires the consent of a specified percentage of Mortgagees

ARTICLE 1 DEFINITIONS

1 1 "Association" shall mean the Plaza Lofts Condominium Association, Inc., a Texas non-profit corporation, the Members of which shall be the Owners of Units within the Regime The term "Association" shall have the same meaning as the term "unit owners association" in the Uniform Act

1 2 "Board" shall mean the Board of Directors of the Association

1 3 "Building" or "Buildings" shall mean one or more structures, described on Exhibit "B-3" (as amended or modified pursuant to Basic Provision L(1)(g)), now existing or hereafter placed on the Land

1 4 "By-Laws" shall mean the corporate bylaws of the Association

1 5 "Common Elements" shall mean all portions of the Land other than the Units Without limiting in any way the generality of the foregoing, the Common Elements shall include those items defined as "General Common Elements" or "Limited Common Elements" in the Uniform Act

1 6 "Common Expense Liability" shall mean the liability for assessments levied on each Unit for common expenses, including without limitation, management and operation of the Regime and for the repair, maintenance, insurance, and operation of the General Common Elements, including reserves for replacements or other expenses or liabilities

1 7 "General Common Elements" shall mean and refer to those portions of the Land which are designated as "Common Area" by the notation "Common Area" or "Common Areas" on Exhibit "B-1" attached hereto

1 8 "Ground Floor Unit" shall mean one or more units located on the ground floor of the Building with direct access to and from Guadalupe Street and/or West 5th Street, which ground floor units may be used for retail, commercial, office and/or residential use as provided in Section 5 15B of this Declaration

1 9 "Improvements" shall mean and refer to all improvements, easements, rights, and appurtenances related to or existing upon the Land

1 10 "Land" shall mean that certain property in Austin, Travis County, Texas which is more particularly described in Exhibit "A" attached hereto and incorporated herein

1 11 "Limited Common Elements" shall mean and refer to those portions of the Land which are designated as "Limited Common Elements" on Exhibit "B-1" and such other portions of the Land and Improvements reserved for the exclusive use of one or more Owners to the exclusion of other Owners and/or reallocated pursuant to Paragraph L(i)(e) of the Basic Provisions or §82 058 of the Uniform Act

1 12 "Member" shall mean any person(s), entity or entities holding membership rights in the Association

1 13 "Mortgage" shall mean any mortgage(s) or deed(s) of trust covering any portion of the Land or Improvements given to secure the payment of a debt

1 14 "Mortgagee" shall mean the holder or holders of any Mortgage

1 15 "Owner" shall mean the person(s), entity or entities, including Declarant, holding a fee simple interest to a Unit, but shall not include a Mortgagee of a Mortgage

1 16 "Percentage Interest" shall mean each Unit's undivided interest in and to the General Common Elements and the votes in the Association allocated to each Unit. The Percentage Interest associated with each Unit is reflected in Paragraph F of the Basic Provisions, above. The common expense liability allocated to a Unit is specified in Section 4 1(a) and may differ from the Percentage Interest attributable to such Unit.

1.17 "Person" shall mean any individual, individuals, or any entities having the legal right to hold title to real property

1 18 "Plat" shall mean the site plan attached hereto as Exhibit "B-3", as changed, modified or amended in accordance with Basic Provision L(i)(g) or (h)

1 19 "Plan" shall mean the dimensional drawings attached hereto as Exhibits "B-1" and "B-2", which identifies or describes the Buildings, Units and General Common Elements unless otherwise described on the Plat, or changed, modified or amended in accordance with Basic Provision L(i)(g), (h) or (i)

1 20 "Regime" shall mean the Land, Improvements, Units, General Common Elements and Limited Common Elements which comprise the condominium regime established by this Declaration

1 21 "Replacement Reserve Fund" shall mean the reserve fund established pursuant to Section 4 3 for maintenance, repairs, and replacements to General Common Elements and other special purposes permitted by the provisions of this Declaration

1 22 "Rules and Regulations" shall mean Plaza Lofts Condominium Rules adopted by the Board concerning the management and administration of the Regime for the use and enjoyment of the owners The Rules and Regulations may be amended from time to time by the Board (without amending this Declaration) pursuant to the procedures set forth in the By-Laws

1 23 "Unit" shall mean the physical portion of each Building in the Regime designated for separate ownership or occupancy as a Unit The boundaries of each Unit shall be the walls, floors, and ceilings of such Unit, other than common mechanical, electrical and plumbing distribution systems serving other units and/or common elements Upon substantial completion of each Unit, but only if the actual Unit constructed within the Building differs from the vertical and/or horizontal description of such Unit attached hereto as Exhibits "B-1" and "B-2", Declarant, or an assignee of Declarant's rights reserved pursuant to Section L (g) and (h) (but only to the extent those rights pertain to such Unit), shall record a Notice of Substantial Completion (the "Notice") in the Real Property Records of Travis County, Texas The Notice shall include a vertical and/or horizontal description of the Unit actually constructed within the Building, and such Notice, upon recordation in the Real Property Records of Travis County, Texas, shall automatically amend this Declaration for the purpose of defining the Unit to which the Notice relates

1 24 "Unit Type" shall mean the particular category of Unit for the purpose of calculating Assessments Due to the varying sizes of Units, Unit Type categories have been established to simplify the process of levying Assessments Units have been assigned to a particular Unit Type based on approximate gross square footage as measured on architectural plans The Unit Type designation assigned to a Unit pursuant to Basic Provision F shall be considered final, without regard to the actual square footage of the Unit The Unit Type categories are defined based on size as follows

<u>Unit Type</u>	<u>Size</u>
A	800-1000 square feet
B	1001-1400 square feet
C	1401-1800 square feet
D	1801-2000 square feet
E	2001-2500 square feet
F	2501-3000 square feet

ARTICLE 2

DIVISION AND CONVEYANCE OF UNITS

2 1 Separate Estates The Land and the Buildings, and the Improvements located thereon and the easements, rights, and appurtenances thereto are hereby divided into condominium estates consisting of separate Units, together with the exclusive rights to use the Limited Common Elements appurtenant

thereto, the non-exclusive right to use the other Common Elements and the Percentage Interest in and to the Common Elements associated with and appurtenant to each Unit as set forth in Basic Provision F, appurtenant thereto. Notwithstanding anything contained in this Declaration to the contrary, the Owner(s) of the Ground Floor Units shall have no right to use the Common Elements, including, without limitation, no right to use the swimming pool, exercise room, lobby, elevators, parking area within the Building or any Limited Common Elements. The sole purpose of assigning the Owner of the Ground Floor Units a percentage interest in Common Areas is for purposes of exercising voting rights and such Owner's entitlement to insurance proceeds and/or condemnation awards, as more particularly described in Article 7 of this Declaration. The General Common Elements shall be owned in common by the Owners of the Units, in proportion to their Percentage Interests. The General Common Elements are for use by the Owners of the Units within the Regime and may not be leased for use by a third party. Each Owner of a Unit having or hereafter acquiring a Limited Common Element assigned only to such Unit on Exhibit "B-1", or pursuant to a reallocation which conforms to Basic Provision L(1)(e) shall be entitled to the exclusive ownership and possession of his Unit and exclusive use and possession of the Limited Common Elements appurtenant thereto. Each Owner of a Unit to which a rooftop Limited Common Element is assigned ("Rooftop Owner") may construct improvements or structures within the Limited Common Element assigned to their Unit so long as the Declarant (or the Board at such time as Declarant's right to appoint and remove a majority of the Directors terminates) approves the plans and specifications associated with the improvements or structures. Construction of any improvements or structures must be in strict conformance with the applicable building codes and plans and specifications associated therewith and must not negatively impact the integrity of the Building, the Limited Common Elements, or any warranty associated therewith. Improvements or structures installed on the Limited Common Element are to be maintained at the sole cost and expense of the Owner of the Unit to which such Limited Common Element is assigned. Each Owner shall maintain insurance by a company and in an amount approved by the Declarant (or the Board at such time as Declarant's right to appoint and remove a majority of the Directors terminates) for any and all improvements or structures permitted to be constructed within such Owner's Limited Common Element. If a Limited Common Element is assigned to more than one (1) Unit, the owners of such assigned Units shall be entitled to exclusive ownership and possession of their respective Units and shall be entitled, in common with all other Units to which such Limited Common Elements are assigned, and exclusive of all other Units in the Regime, the right to use and possess such Limited Common Elements. Each Unit Owner, during his or her period of ownership of a Unit shall have an unrestricted and perpetual right of ingress and egress to such Owner's Unit, which shall run with and be appurtenant to such Unit.

2.2 Description and Conveyance of Units No Unit shall be conveyed to any other party unless the conveyance also includes the General Common Elements and Limited Common Elements appurtenant thereto. Any attempted conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of all or any portion of a Common Element, which does not include the Unit appurtenant thereto, shall be void. The description of a Unit in any deed, lease, Mortgage, deed of trust or other instrument shall include, at a minimum, (i) the name of the condominium, (ii) the recording data of this Declaration, including any amendments, plats, and plans, (iii) the county in which the condominium is located, and (iv) the identifying number of the Unit. Each Owner shall promptly cause to be duly recorded in the Real Property Records of Travis County, Texas, the deed to such Unit, and cause a recorded copy of such deed to be delivered to the Association for the purpose of maintaining a record of ownership of Units within the Regime.

2.3 Percentage Interest The Percentage Interests are assigned to each Unit according to a ratio of the estimated square footage of any given Unit to the estimated square footage of all Units in the Regime expressed using 100 percentage points. Each Owner of a Unit hereby acknowledges and agrees that the dimensions of each Unit and the area of appurtenant General Common Elements and Limited Common Elements set forth on Exhibit "B-1", or on any vertical and/or horizontal descriptions attached to a Notice of Substantial Completion filed pursuant to Basic Provision L(1)(g), L(1)(h), or Section 1.22, or on any instrument, deed, or amendment recorded pursuant to Basic Provision L(1)(e), or any reallocation pursuant to Basic Provision E are approximate but for the purposes of this Declaration shall

be considered absolute, and that neither Declarant nor any architect, engineer, lawyer, or surveyor who have prepared or assisted in preparing the aforementioned exhibits or this Declaration (the "Declarant's Agents") have warranted, represented, or guaranteed that any Unit or appurtenant General Common Element or Limited Common Element contains the exact area, square footage or dimensions shown in the aforementioned exhibits. Each Owner and each such Owner's Mortgagee, waives any claim or demand which they might have against Declarant, Declarant's Agents, or any other person as a result of any difference, shortage in area, or discrepancy which exists between the actual area, square footage or dimensions of the actual Unit or appurtenant General Common Elements or Limited Common Elements located within the Buildings and the area, square footage or dimensions shown on the aforementioned exhibits

- 2 4 Subdivision of Units Units may not be subdivided except as expressly provided herein.

ARTICLE 3 THE ASSOCIATION

3 1 Organization On or before the conveyance of any Units, the Declarant shall cause the formation and incorporation of the Association. The Association shall be a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers prescribed by law or set forth in its Articles and Bylaws or in this Declaration. Neither the Articles nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

3 2 Membership Any Person, upon becoming an Owner, shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the ownership of the Unit which qualifies the Owner thereof for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged, or alienated except together with the title to the Unit.

3 3 Voting Rights The right to cast votes, and the number of votes which may be cast, for election of members to the Board and on all other matters to be voted on by the Members shall be calculated as follows:

The Owner or Owners (including Declarant) of each Unit within the Property shall have the number of votes equivalent to the Percentage Allocation of Interest associated with such Unit as set forth in Paragraph F of the Basic Provisions.

3 4 Powers and Authority of the Association The Association shall have the powers provided in §82.102 of the Uniform Act, subject only to such limitations upon the exercise of such power as are expressly set forth in this Declaration. It shall further have the power to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers granted to it by §82.102 of the Uniform Act or by this Declaration.

3 5 Association Documents The Association shall keep on hand at the offices of the Association or other location designated by the Association the books, records and financial statements of the Association as well as current copies of the Declaration, Bylaws, Rules and Regulations and Articles of Incorporation of the Association (collectively the "Association Documents"). The Association, upon written request, shall make the Association Documents reasonably available for inspection during normal business hours by Unit Owners, Mortgagees or by insurers and guarantors of first mortgages which are secured by any Unit(s).

3 6 Audited Financial Statements The Association shall, as a common expense, annually obtain an independent audit of the Association records not later than 120 days following the Association's

fiscal year-end. If determined by the Board or majority vote of the Members of the Association, such audit shall be performed by a certified public accountant. If no such audited financial statement is made reasonably available to a Mortgagee, insurer or guarantor of any first mortgage which is secured by a Unit, such party may have an audited financial statement for the preceding full fiscal year of the Association prepared at its own expense after giving written notice thereof to the Association.

ARTICLE 4 FUNDS AND ASSESSMENTS

4.1 Assessments

- (a) The Association (acting by and through the Board) may from time to time levy regular assessments ("Assessments") against each Unit, but in any event, Assessments must be levied at least annually. The level of Assessments against each Unit shall be based upon the Unit Type designation set forth in Basic Provision F hereof except for the Ground Floor Units. Each Unit designated as one of the following Unit Types shall be levied an Assessment equal to the percentage specified below of the total amount assessed:

<u>Unit Type</u>	<u>Number</u>	<u>Size Range</u>	<u>Assessment Percentage per Unit</u>
A	15	800-1000	1.05733%
B	22	1001-1400	1.38727%
C	0	1401-1800	0%
D	16	1801-2000	2.01937%
E	6	2001-2500	3.01166%
F	1	2501-3000	3.24%
Total Residential Units	60		

*Note: Ground Floor Units assessed pursuant to the annual budget as described in Section 4.4

- (b) Where the obligation to pay an Assessment first arises after the commencement of the year or other period for which the Assessment was levied, the Assessment shall be prorated as of the date when said obligation first arose in proportion to the amount of the Assessment year or other period remaining after said date.
- (c) Each unpaid Assessment and late charges, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be the personal obligation of the Owner of the Unit against which the Assessment fell due, and shall become a vendor's lien against each such Unit. The Association may enforce payment of such Assessments in accordance with the provisions of this Article 4 and §82.113 of the Uniform Act.

4.2 Working Capital At such time as a Unit is conveyed to an Owner, other than the Declarant, the Owner of such Unit shall contribute an amount equivalent to two (2) months of the Assessments attributable to such Unit (the "Working Capital Contribution"). The Working Capital Contribution shall be deposited by the Association in a Replacement Reserve Fund for

contingencies and appropriate replacement reserves associated with the Common Elements. The Working Capital Contribution shall be in addition to any Assessment attributable to such Unit and shall not be credited to any Assessments otherwise payable by the Owner of the Unit. All accumulated Working Capital Contributions received by Declarant shall be transferred to the Association at such time as control of the Association passes to the Owners other than Declarant. During the period in which the Declarant holds any portion of the Working Capital Contributions, Declarant shall not use any portion of the Working Capital Contribution to defray or offset expenses Declarant would otherwise be required to incur pursuant to §82 112(b) of the Uniform Act.

4.3 Maintenance Fund The Board shall establish a maintenance fund into which shall be deposited all Assessments paid to the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association must be used solely for purposes authorized by this Declaration, as it may from time to time be amended.

4.4 Regular Annual Assessments Prior to the beginning of each fiscal year, the Board shall estimate the expenses to be incurred by the Association during such year in performing its functions, powers, and authority under the Declaration, including, but not limited to, the cost of all Common Element maintenance, repair, or replacement, the cost of enforcing the Declaration, and a reasonable provision for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior year's fund, and the Board shall establish an annual budget ("Budget") for such fiscal year. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided, and the level of Assessments set by the Board shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any individual Assessment, the Board may at any time and from time to time levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole and absolute discretion. From the date of the initial assessment until the Declarant Control Period terminates, or three years from Declarant's first conveyance of a Unit, whichever is earlier, Declarant, at Declarant's option, shall periodically pay the Association (1) an amount equal to all operational expenses of the Association, less the operational expense portion of the Assessments paid by Unit Owners other than Declarant; or (2) the common expense liability allocated to each Unit owned by the Declarant, less expenses of the Association paid by Declarant.

The regular Assessments payable by each Owner of a Ground Floor Unit shall be included in the Budget established by the Board and shall be based upon the operational expenses of the Association, other than those operational expenses related to the maintenance, repair, replacement and operation of those Common Elements as to which the Owner of the Ground Floor Units have no usage rights. By way of example, the Owner of the Ground Floor Units shall not be obligated to pay regular Assessments with respect to the expenses of the Association allocable to the lobby, elevators, swimming pool, exercise room, parking garage and any Limited Common Elements.

4.5 Special Assessment In addition to the regular annual Assessments provided for above, the Board may levy special Assessments whenever in the Board's opinion such special Assessments are necessary to enable the Board to carry out the mandatory functions of the Association under the Declaration. The amount of any special Assessments shall be at the reasonable discretion of the Board. The Owner of Ground Floor Units shall not be obligated to pay any special Assessments allocable to the expenses of the Association related to the maintenance, repair, replacement, management and operation of those Common Elements as to which the Owner of the Ground Floor Units has no usage rights.

4.6 Late Charges If any Assessment is not paid before it is delinquent, the Owner responsible for the payment thereof may be required by the Board to pay a late charge at such rate the Board may designate from time to time, and such late charge (and any reasonable handling costs) shall be

a charge upon the Unit owned by the said Owner to which the Assessment relates, collectible in the same manner as herein provided for collection of Assessments, including foreclosure of the lien against such Unit, provided, however, such charge shall never exceed the maximum charge permitted under applicable law.

4 7 Owner's Personal Obligation for Payment of Assessments All Assessments provided for herein shall be the personal and individual debt of the Owner of the Unit covered by such Assessments. No Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Unit shall be obligated to pay interest at the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof (or if there is no such highest rate, then at the rate of one and one-half percent (1 5%) per month), together with all costs and expenses of collection, including reasonable attorneys' fees.

4 8 Assessment Lien and Foreclosure All sums assessed in the manner provided in this Article 4, but unpaid shall, together with interest as provided in Section 4 7 hereof and the cost of collection, including attorneys' fees as therein provided, thereupon become a continuing lien and charge on the Unit covered by such Assessment, which shall bind such Unit in the hands of the Owner, and such Owner's heirs, devisees, personal representatives, successors or assigns. The obligation to pay Assessments hereunder is part of the purchase price of each Unit when sold to an Owner. An express lien on each Unit is hereby granted and conveyed by Declarant to the Association to secure the payment thereof in each such instance, each such lien to be superior and paramount to any homestead or other exemption provided by law. The aforesaid lien shall be superior to all other liens and charges against the said Unit, except only for (i) a lien for real property taxes and other governmental assessments or charges against the Unit unless otherwise provided by §32.05 of the Texas Tax Code, (ii) a lien or encumbrance recorded before the Declaration is recorded, or (iii) a first vendor's lien and/or first and/or second deed of trust lien recorded before the date on which the Assessment sought to be enforced becomes delinquent under the Declaration, Bylaws, or Rules and Regulations. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board and such subordination must be signed by a duly authorized officer of the Association. To evidence the aforesaid Assessment lien, the Association may prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Unit covered by such lien and a description of the Unit. Such notice shall be signed by one of the officers of the Association and shall be recorded in the office of the County Clerk of Travis County, Texas. Such lien for payment of Assessments shall attach with the priority above set forth from the date that such payment becomes delinquent and may be enforced by the foreclosure on the defaulting Owner's Unit by the Association in like manner as a mortgage on real property subsequent to the recording of a notice of Assessment lien as provided above, or the Association may institute suit against the Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien judicially. NOTWITHSTANDING ANY PROVISION IN THIS SECTION 4 8 OR THE DECLARATION TO THE CONTRARY, THE ASSOCIATION SHALL NOT HAVE THE AUTHORITY TO FORECLOSE ON THE DEFAULTING OWNER'S UNIT FOR NON-PAYMENT OF ASSESSMENTS IF THE ASSESSMENTS CONSIST SOLELY OF FINES. In any foreclosure proceeding, whether judicial or non-judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorneys' fees incurred. The Association shall have the power to bid on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey, or otherwise deal with the same. Upon the written request of any Mortgagee, the Association shall report to said Mortgagee any unpaid Assessments remaining unpaid for longer than thirty (30) days after the same are due.

ARTICLE 5 GENERAL RESTRICTIONS

Each Unit, and all Common Elements appurtenant thereto, shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the following limitations and restrictions:

5 1 Hazardous Activities No activities shall be conducted within the Regime which are or might be unsafe, unhealthy or hazardous to any person or property Without limiting the generality of the foregoing, no firearms or fireworks shall be discharged within the Regime, no open fires shall be lighted or permitted except within safe and well-designed interior fireplaces No barbecue units shall be permitted on or with any Unit, Limited Common Elements or General Common Elements

5 2 Insurance Rates Nothing shall be done or kept within any Unit which would increase the rate of insurance or cause the cancellation of insurance covering the Regime or any part thereof

5 3 Mining and Drilling No portion of the Regime shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth

5 4 Noise No exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes or home entertainment) shall be located, used, or placed on any portion of the Regime No noise shall be permitted to exist or operate upon any portion of the Regime so as to be offensive or detrimental to any other portion of the Regime or to its occupants

5 5 Nuisance No noxious or offensive activities shall be permitted to exist or operate upon any portion of the Regime, nor shall anything be done upon the Regime which may be offensive or detrimental to any portion of the Regime or to its occupants

5 6 Animals- Household Pets No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for on the Regime No Owner may keep within such Owner's Unit or Common Elements appurtenant thereto, more than two (2) cats and dogs, in the aggregate No animal shall be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets will be allowed within the Regime (outside of a Unit) unless confined to a leash No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Regime, and no kennels or breeding operation will be allowed No animal shall be allowed to run at large within the Regime

5 7 Rubbish and Debris No rubbish or debris of any kind shall be placed or permitted to accumulate upon any portion of the Regime, and no odors shall be permitted to arise therefrom so as to render the Regime or any portion thereof unsanitary, unsightly, offensive, or detrimental to any other property or to its occupants Refuse, garbage, and trash shall be kept at all times in covered containers, and such containers shall be appropriately screened from view The Board shall have the authority to designate areas within the Regime for the placement of covered containers containing refuse, garbage, or trash for waste service collection

5 8 Towers/Antennas No antenna, satellite dish or other device for the transmission or reception of television signals, radio signals or any other form of electromagnetic radiation which is visible from the exterior of a residence shall be erected, used or maintained on any Unit, except as otherwise expressly permitted by the Board The Board may adopt such other rules and regulations governing the erection and maintenance of antennas and satellite dishes in accordance with federal, state, or local ordinance, rule, or regulation for the benefit of the Association and Owners, collectively No antennae or other similar device, unless otherwise permitted by this Section 5 8, shall be affixed to any Unit

5 9 Signs Except for signs which are a part of Declarant's overall marketing plan for the Property, no sign of any kind shall be displayed on any Unit, provided, however, that signs may be placed on or about the Property which pertain to the use or operation of any Ground Floor Unit designated for retail commercial or office use, but only with the Board's advance written approval

5 10 Window Treatment No aluminum foil, reflective film or similar treatment shall be placed on any window within the Regime Exterior windows shall be covered by only white shades, blinds or drapes, except for the Ground Floor Units The window treatment for the Ground Floor Units is subject to the Board's advance written approval

5 11 Unsightly Articles, Parking No article deemed to be unsightly by the Board shall be permitted to remain within the Regime No Owner, or such Owner's guests, licensees, or agents, shall park any vehicle, including, but not limited to, automobiles, motorcycles and bicycles, in any portion of the Regime other than the parking space assigned to such Owner's Unit, and no repair or maintenance work shall be done on any of the foregoing, other than minor emergency repairs while located within the Regime The hanging, drying or airing of clothing or household fabrics shall be conducted entirely within each Unit and in no event or circumstances shall such clothing or household fabrics be visible from any portion of the Regime, other than the Unit in which such clothing or household fabrics are located No Owner shall park, store, operate or keep within or adjoining the Regime any commercial type vehicle, truck, or van, or any recreational vehicle, which shall include, but not be limited to, a camper unit, motor home, trailer, boat, motor home, or golf cart, or other similar vehicle

5 12 Compliance with the Restrictions Each Owner (including Declarant, except as otherwise provided herein) shall comply strictly with the provisions of the Declaration as the same may be amended from time to time Failure to comply with any of the provisions of this Declaration shall constitute a violation hereof, and shall give rise to a cause of action to recover sums due for damages or injunctive relief or both, maintainable by the Board on behalf of the Association, by an aggrieved Owner, or by the Declarant

5 13 Window Units No window or wall-type air conditioner shall be permitted to be used, placed or maintained on or in any Unit without the advance written consent of the Board

5 14 No Warranty of Enforceability, Indemnification While Declarant has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this Article 5 or elsewhere in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenants, terms, or provisions Any Owner acquiring a Unit in reliance on one or more of such restrictive covenants, terms, or provisions shall assume all risks of the validity and enforceability thereof and, by acquiring the Unit, agrees to indemnify, defend and hold Declarant harmless from any claims, losses, expenses (including reasonable attorney's fees), liabilities or damages resulting from Owner's violation of same

5 15A Residential Use All Units, except the Ground Floor Units, shall be improved and used solely for single family residential use No professional business to which the general public is invited shall be conducted from any Unit, other than a Ground Floor Unit

5 15B Retail/Commercial/Office Use As provided in Section 5 15A, the Ground Floor Units may be improved and used for residential, commercial, retail and/or office use, at the option and election of Declarant Declarant shall also be entitled to divide the Ground Floor Units into up to three (3) separate units which may be designed for retail, commercial, residential and/or office use Any election of use or subdivision of the Ground Floor Units shall be made prior to Declarant's conveyance of the Ground Floor Units to any party Declarant's designation shall be considered final and may not be changed without the consent of the Owner of the Ground Floor Unit to which such designation relates and approval by a majority of the Board The Declarant's re-subdivision and designation of a Ground Floor Unit as residential, commercial, retail, and/or office shall be effective upon Declarant's delivery of a written use designation to the Board, which designation shall identify the Unit(s) (and any resubdivision thereof, if applicable), and indicate whether the Unit(s) has been designated for residential, commercial, retail, or office use and which designation may be recorded by the Owner of such Ground Floor Unit In the event

Declarant designates the Ground Floor Unit(s) as commercial, retail or office, such Ground Floor Unit(s) may not be utilized for the operation of an adult-oriented business which is characterized by an emphasis on matter depicting, describing, displaying, or relating to nudity or partial nudity or sexual activities of any nature, including, but not limited to, adult bookstores, adult arcades, adult theaters, adult novelty shops, adult cabarets, and adult dance lounges. Under no circumstance or event shall the Board promulgate any rule prohibiting or limiting the sale of alcoholic beverages for on-premises consumption for any Ground Floor Unit designated as retail, commercial and/or office, nor shall the Board promulgate any rule limiting the hours of operation of any business operating from such Ground Floor Unit. In addition, in no circumstance or event shall any Owner of a Unit designated as commercial, retail, and/or office, and/or any business operated within such Ground Floor Unit, permit noise to exist or operate upon any portion of the Regime so as to be offensive or detrimental to any other portion of the Regime or its occupants, which determination shall be made in the sole and absolute discretion of the Board.

5 16 Rentals Nothing in this Declaration shall prevent the rental of any Unit by its Owner (including Declarant) for the designated use of the Unit, provided that all rental or lease agreements must be in writing and rentals must be for terms of at least three (3) months. Notwithstanding any provision in this Declaration to the contrary, any occupant of a Unit shall be obligated to comply with the terms and provisions of this Declaration, the Bylaws, the Rules and Regulations and other Association Documents.

5 17 Declarant's Marketing Activities Notwithstanding any provision in this Article 5 to the contrary, Declarant may utilize the Common Elements and Units owned by Declarant to facilitate Declarant's sales and marketing of the Units and the Regime. Declarant shall be entitled to maintain eight(8) sales, management and leasing offices within the Regime, which may be incorporated into an existing Unit. Declarant shall also be entitled to maintain up to eight (8) model Units, and Declarant, its agents or employees, may access the model Units and Regime to further Declarant's marketing and sales efforts. Any and all activities of Declarant, its agents or employees pursuant to this Section 5 17, shall be without charge or contribution by Declarant, except for charges otherwise payable by Declarant pursuant to §82 112(b) of the Uniform Act. In no event shall this Section 5 17 be amended without Declarant's consent.

5 18 Boundaries of Units The physical boundaries of the Units and the Common Elements shall be conclusively presumed to be the boundaries of such areas, and regardless of any variances which presently exist with respect to such boundaries. Additionally, there is hereby granted a valid and existing easement pursuant to §82 064 of the Uniform Act for any encroachments now existing or hereafter arising due to any such variances, settling, rising, or other movement, which easement shall exist for the duration of the Regime.

5 19 Separate Taxes Taxes, assessments and other charges of the State, any political subdivision, any special improvement district, or other taxing or assessing authority, shall be assessed a - and collected as provided in §82 005 of the Uniform Act.

5 20 Use of General Common Elements Each Owner may use the General Common Elements in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners, subject to the limitations contained in Section 2 1 relating to the Ground Floor Units.

ARTICLE 6 MAINTENANCE AND REPAIRS

6 1 Maintenance by The Association

(a) The Association shall maintain the Common Elements

(b) If the maintenance, repair, or replacement of a Common Element is caused by the willful or negligent act of any Owner, his family, guests, invitees or contractors, the cost of such maintenance or repairs shall, to the extent not covered by the Association's insurance, be deemed a debt of such Owner to the Association, payable after demand in accordance with §82 102(d) of the Uniform Act, and payment hereof shall be secured in the same manner as Assessments as set forth in Section 4 8

6 2 Maintenance by Owner

(a) Each Owner shall maintain their Unit in good order and repair at all times

(b) No Owner shall have the right to take any action with respect to the interior or exterior of any Common Elements without first obtaining the written consent of the Board, which consent may be withheld if determined not in the best interests of the Regime Under no circumstances shall any Owner do any act nor allow any condition to exist which will adversely affect other Owners and their use of the Common Elements

(c) Each Owner shall have the right to modify, alter, repair, decorate, redecorate, or improve the interior of their Unit, provided that such action does not affect any other Unit or Common Elements or violate any applicable building code or other applicable regulatory requirement The Owner will be solely responsible for any modifications made to the Unit and for any property damage, personal injuries or deaths arising out of the modifications made by such Owner

6 3 Easements and Rights of Entry In addition to the rights of access granted in §82 066 and §82 107 (d) of the Uniform Act, an easement is hereby created over, through and across the Regime in favor of Declarant and the Association for the purpose of providing access to each Unit and to abate any nuisance or any dangerous or unauthorized activity or condition being conducted or maintained within the Regime, to remedy any prohibited or unlawful activity which affects the welfare or health of other Owners, to enforce the provisions of this Declaration, the Bylaws or the Rules and Regulations, or to perform maintenance or repairs to or access to any portion of the Regime Further, Declarant reserves the right, without the necessity or the joinder of any Owner or other Person (which right shall be assigned to the Association on or before the expiration of the Declarant (control period) to grant, dedicate, reserve or otherwise create, at any time or from time to time, rights-of-way, permits, licenses and easements for public utility purposes (including without limitation, gas, water, electricity, telephone and drainage) or other purposes necessary for the proper operation of the Regime in favor of any Person along the front, rear, or side boundary line of any roadway

ARTICLE 7 INSURANCE CASUALTY AND REBUILDING

7 1 Insurance - Association The Association shall obtain insurance for the Regime, to the extent reasonably available, as required by §82 111 of the Uniform Act The Board may also obtain such other insurance in such reasonable amounts as the Board may deem desirable, including without limitation such insurance as may from time to time be available to protect officers, directors and employees of the Association

7 2 Insurance- Owner. Each Owner shall be responsible for insurance on the contents of its Unit and the furnishings, interior walls (non-load bearing or non-shear), appliances, and all parts of the Units that are not Common Elements (including Limited Common Elements appurtenant to their Unit), and personal property therein, including wall coverings and floor coverings to the extent not covered by the policies of casualty insurance obtained by the Association for the benefit of all the Owners as above provided All policies of casualty insurance carried by each Owner shall be without contribution with respect to the policies of casualty insurance obtained by the Association for the benefit of all the Owners as above provided. Owners may carry individual policies of liability insurance insuring against the

liability of such Owners, at their own cost and expense. The Owner of each Ground Floor Unit designated for commercial, office or retail uses shall maintain reasonable amounts of commercial general liability insurance, worker's compensation insurance (if applicable) and other types of liability insurance customary for the specific use of such Ground Floor Unit, as reasonably determined by the Board. The Association shall be named as an additional insured on such Owner's liability policies, and the Owner's liability policies shall be primary as to any liability insurance carried by the Association.

7.3 Application of Insurance Proceeds in the Event of Damage If the Regime is damaged by fire or any other disaster, the insurance proceeds shall be held and disbursed pursuant to §82.111 of the Uniform Act.

7.4 Allocation of Condemnation Awards and Reallocation of Unit Interests In the event any Unit or Units, or any part thereof, are acquired by condemnation, the allocation of the condemnation award and reallocation of Unit interests shall be governed by §82.007 of the Uniform Act, and each Owner appoints the Association as Attorney-In-Fact for the purpose of representing such Owner in any such proceedings.

7.5 Waiver of Subrogation Each Owner and the Association hereby agree to and hereby waive all present and future rights of subrogation against the Declarant and each other that they may be entitled to under any property insurance policies described in the Declaration (or obtained by any of such parties) for any loss or damage **(WHETHER OR NOT SUCH LOSS OR DAMAGE IS CAUSED BY THE NEGLIGENCE OF DECLARANT, ASSOCIATION OR ANY OWNER)**, and no third party shall have any right of subrogation against Owner, the Association or Declarant by assignment or otherwise.

ARTICLE 8 AMENDMENTS TO DECLARATION

8.1 Amendment by Declarant Declarant may amend this Declaration at any time prior to the sale of a Unit to an Owner other than Declarant. Pursuant to §82.067 (a)(3) of the Uniform Act, any such amendment shall be effective upon (i) execution by Declarant; and (ii) compliance with §82.067(g) of the Uniform Act. Declarant may also amend the Declaration as provided by §82.051(c), §82.059(f), §82.060 and §82.067(f) of the Uniform Act.

8.2 Other Permitted Methods of Amendments This Declaration may also be amended in accordance with §82.067(a) and (f) of the Uniform Act. The Association may amend this Declaration in accordance with §82.007, §82.056(d), §82.058(c), or §82.062 of the Uniform Act. Certain Owners may amend this Declaration in accordance with §82.058(b), §82.062, and §82.068(b) of the Uniform Act. No such amendment shall be effective until an original thereof is duly recorded in the Real Property Records of Travis County, Texas.

8.3 Amendments of a Material Nature Notwithstanding any provision of this Declaration to the contrary, any amendment pertaining to any of the following matters ("Material Amendments") shall require the approval of at least sixty seven percent (67%) of the total allocated votes of the Association and fifty one percent (51 %) of the total number of Mortgagees who are holders of a first Mortgage on a Unit and who have submitted a written request to the Association that the Association notify them as to a vote on a Material Amendment:

- (a) Voting Rights of the Owners or Members, as provided in Section 3.3,
- (b) Increases in the Regular Annual Assessments set forth in Section 4.4 that raise the amount assessed for the previous fiscal year by more than twenty five percent (25%),

- (c) Assessment liens or the priority of Assessment liens as provided in Section 4 8,
- (d) Reductions in Working Capital Contributions to be held in the Replacement Reserve Fund for the Common Elements as provided in Section 4 2,
- (e) The responsibilities for maintenance and repair of Common Elements and Units as set forth in Article 6,
- (f) Reallocation of interests in Limited or General Common Elements, or rights to their use, as set forth in Basic Provisions L(i)(e), but not prior to the expiration of the Declarant Control Period without Declarant's consent,
- (g) Redefinition of Unit boundaries as set forth in Basic Provisions L(i)(h), but not prior to the expiration of the Declarant's Control Period without Declarant's consent,
- (h) The convertibility of Units into Common Elements and vice versa,
- (i) The expansion or contraction of the Regime, or the addition, annexation, or withdrawal of property to or from the Regime
- (j) Hazard or fidelity insurance requirements as set forth in Article 7,
- (k) Imposition of any restrictions on the leasing of Units (except those provided in Section 5 16),
- (l) Imposition of any restrictions on an Owner's right to sell or transfer such Owner's Unit(s),
- (m) Restoration or repair of the Regime (after damage or partial condemnation) in a manner other than specified in this Declaration and/or other Regime documents, and
- (n) Any provision in this Declaration that materially and expressly benefit Mortgage holders, insurers or guarantors

8.4 Termination In the event of substantial destruction to the Regime or the taking of all Units by condemnation, this Declaration may be terminated by the agreement of at least sixty-seven percent (67%) of the votes of the Association and fifty-one percent (51%) of all of the holders of a deed of trust or vendor's lien on a Unit. In all other instances, this Declaration may be terminated in accordance with §82 068 of the Uniform Act, in which event the terms and provisions of §82 068 of the Uniform Act shall govern the allocation of any losses, awards, proceeds or other interests in the Regime upon such termination, and each Owner appoints the Association as Attorney-In-Fact for the purpose of representing such Owner in any such proceedings

ARTICLE 9 MISCELLANEOUS

9 1 Notices Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third (3rd) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the person at the address given by such person to the Association for the purpose of service of notices. Such address may be changed from time to time by notice in writing given by such person to the Association of created

9 2 Interpretation The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Regime and of promoting and effectuating the fundamental concepts of the Regime set forth in this Declaration. This Declaration shall be construed and governed under the laws of the State of Texas.

9 3 Enforcement and Nonwaiver Except as otherwise provided herein, any Owner at his own expense, Declarant or the Board shall have the right to enforce any provision of the Declaration. Such right of enforcement shall include both damages for and injunctive relief against, the breach of any such provision. The failure to enforce any provision of the Declaration at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provision of the Declaration. The Association shall have the right, when appropriate in its judgment, to claim or impose a lien upon any Unit in order to enforce any right or effect compliance with this Declaration.

9 4 Construction The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine or neuter shall each include the masculine, feminine and neuter. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise effect that which is set forth in any of the paragraphs, sections or articles hereof.

9 5 Estoppel Certificate Any Mortgagee and any prospective purchaser of a Unit shall be entitled upon written request therefor to a statement from the Board (or any party appointed by the Board) setting forth the amount of any unpaid Assessments or other sums due and owing to the Association against the Unit or the Owner thereof. Any prospective purchaser shall not be liable for nor shall the Unit conveyed subject to the lien provided in this Declaration for any unpaid Assessments made by the Board against the particular Unit involved or other sums due and owing hereunder against the Unit or the Owner thereof in excess of the amount set forth in such statement. Any such purchaser shall, however, be liable for any assessments and any other sums owing hereunder against such Unit or the Owner thereof becoming due after the date of any such statement and shall be subject to the liens securing same as provided in this Declaration.

9 6 Covenant of Further Assurances Any party subject to the terms of this Declaration, whether such party is an Owner, a lessee or sublessee of an Owner, a lessee of any Common Element, an occupant of a Unit, or otherwise shall, at the expense of such other party requesting same, execute, acknowledge and deliver to the Association or such other party such instrument, or take such action, as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. If any Owner, or any other party subject to the terms of this Declaration fails or refuses, within ten (10) days after request therefor, to execute, acknowledge, or deliver any instrument, or to take any action that such Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Association is hereby authorized as attorney-in-fact for such Owner or other party, coupled with an interest, to execute, acknowledge, and deliver such instrument, or take such action, in the name of such Owner or other party, and such document shall be binding on such Owner or other party.

9 7 No Partition Except as may be otherwise specifically provided in this Declaration, the Common Elements shall remain undivided and shall not be subject to an action for partition or division of the co-ownership thereof so long as the Condominium is maintained as a Condominium Regime in accordance with the provisions hereof, and, in any event, all Mortgages secured by an interest in the Common Elements must be paid in full prior to bringing any action for partition or the consent of all holders of such Mortgages must be obtained, provided if any Unit shall be owned by two (2) or more Owners as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition of such Unit as between such co-tenants.

9.8 Alteration of Boundaries of Units If one person, firm or entity (including Declarant) is the owner of all or part of two (2) Units that are adjoining, whether adjoining vertically (above and below each other) or horizontally (on the same floor of the Building) or if two Owners of adjoining Units so agree, then such Owner or Owners shall have the right (subject to all applicable building codes and ordinances and upon written approval by the Board of plans and specifications therefor and with the consent of its [their] Mortgagee[s]) to remove all or any part of any intervening partition or floor or to create doorways or other openings in such partition or floor, notwithstanding the fact that such partition or floor may in whole or in part be a Common Element, so long as no portion of any Common Element other than the partition or floor is damaged, destroyed or endangered. Likewise, in the event an Owner (including Declarant) shall own two (2) Units (or if the Owners of two (2) such Units so agree) such Owner or Owners shall have the right (subject to all applicable building codes and ordinances and upon written approval of the Board of plans and specifications therefor and with the consent of its [or their] Mortgagee[s]), to install doorway openings in the wall separating such Units at such location as shall be appropriate to permit such Owner or Owners to utilize both such Units as one Unit. All of such work shall be performed at the sole cost and expense of the Owner or Owners involved and shall be subject to reasonable rules and procedures relating thereto as may be established by the Board. In any event, the Owner or Owners involved may relocate the boundaries between adjoining Units by requesting the Association to prepare, at such Owner's expense, an appropriate instrument of amendment to this Declaration and the exhibits hereto to be executed by such Owners, which instrument, in order to be binding, shall be joined in by the President of the Association and filed for record in the Real Property Records of Travis County, Texas. The instrument of amendment (i) shall show the boundaries between those Units that are being relocated, (ii) shall recite the occurrence of any conveyancing between the Owners of such adjacent Units, and (iii) shall specify any reasonable reallocation as agreed upon between the Owners of the Units involved of the aggregate allocated Percentage Interests in the Common Elements pertaining to those Units. Such plats and floor plans as may be necessary to show the altered boundaries between the Units involved shall be certified as to their accuracy by a registered architect or engineer. Any one or more Owners that have combined or modified the Unit shall have the right, at any time, at their sole cost and expense, to restore the original boundaries between such Units, or substantially similar boundaries. In such event, the boundaries will be relocated between the Units in substantially the same manner as originally relocated, with an appropriate instrument of amendment to this Declaration and Exhibits hereto to be executed by such Owner as provided above.

9.9 Correction of Errors Declarant reserves, and shall have the continuing right until termination of the Declarant Control Period, without the consent of other Owners or the representatives of any Mortgagee, to amend this Declaration or the By-Laws for the purpose of clarifying or resolving any ambiguities or conflicts herein, or correcting any misstatements, errors or omissions herein, provided that no such amendment shall change the stated numbers of Units nor the allocated Percentage Interest in the Common Elements attributable thereto.

EXECUTED this 28th day of January, 2002

DECLARANT

Plaza Lofts, L P ,
a Texas limited partnership

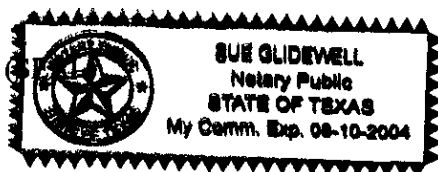
By Plaza Partners, L P ,
a Texas limited partnership,
its sole General Partner

By Sutton Plaza Lofts, Inc ,
a Texas Corporation

By [Signature]
Printed Name V. BUSTER HOFFMASTER
Title PRESIDENT

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 28th day of January, 2002
by V. Buster Hoffmaster, President of Sutton Plaza Lofts
Inc , a Texas Corporation, General Partner of Plaza Partners, L P , a Texas limited partnership,
sole General Partner of Plaza Lofts, L P , a Texas limited partnership, on behalf of said limited
partnership and corporation



[Signature]
Notary Public Signature

H-312344 4

EXHIBIT "A"

TRACT 1: The surface only of Lot(s) 11 and 12, Block 45, ORIGINAL CITY OF AUSTIN, according to the map or plat thereof on file in the General Land Office of the State of Texas, SAVE AND EXCEPT all of the cleaning substances and remediation equipment as defined in Document No. 2000167548 of the Official Public Records of Travis County, Texas.

TRACT 2: Easement Estate of Lot(s) 11 and 12, Block 45, ORIGINAL CITY OF AUSTIN, according to the map or plat thereof on file in the General Land Office of the State of Texas, SAVE AND EXCEPT all of the cleaning substances and remediation equipment as defined in Document No. 2000167548 of the Official Public Records of Travis County, Texas.

EXHIBIT "B"

(PLAT AND PLANS)

The plat and plans attached hereto as Exhibit "B-1", Exhibit "B-2" and Exhibit "B-3" contain the information required by Section 82.059 of the Texas Uniform Condominium Act. The assignment of dimensional drawings to the Buildings and Units are subject to change by Declarant pursuant to Basic Provision L(1)(g) and L(1)(h).



Craig C. Cregar

Registered Professional Land Surveyor

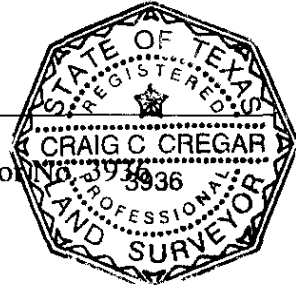


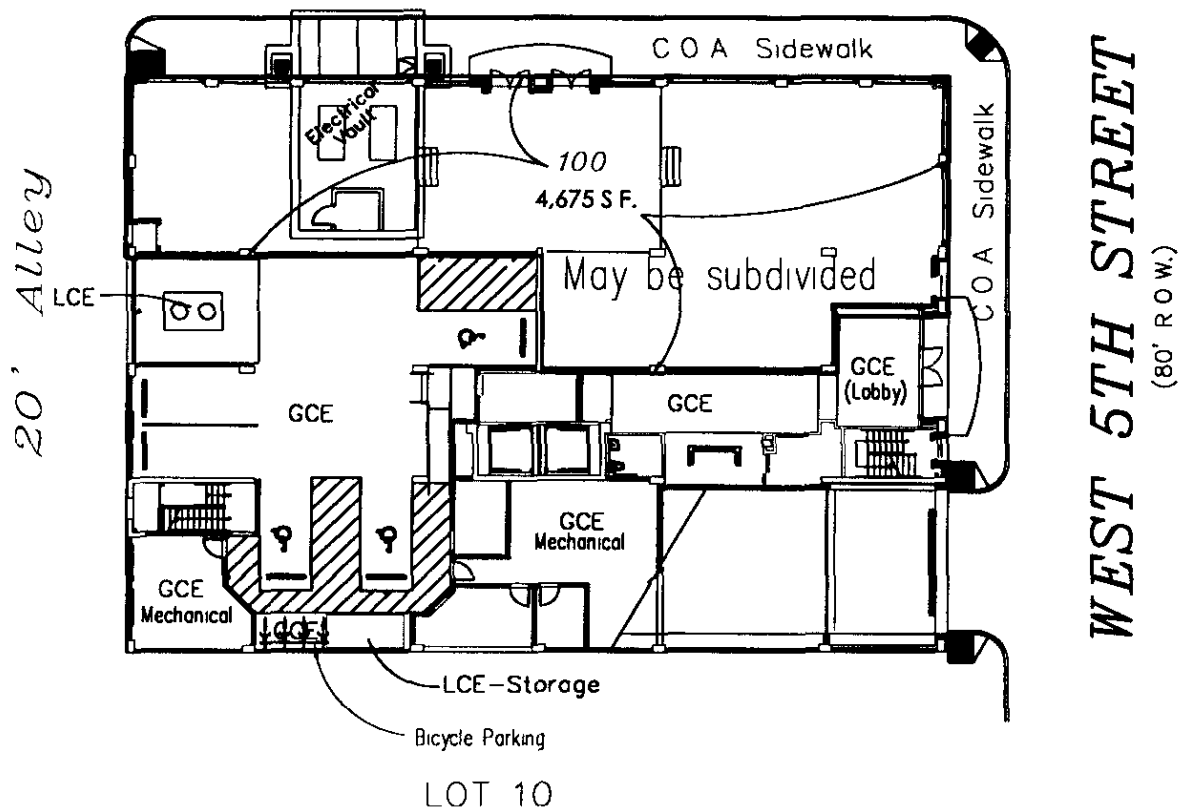
EXHIBIT "B-1"

[ATTACH DESCRIPTION OF COMMON ELEMENTS AND UNITS]

[Exhibit "B-1" consists of *fourteen* (*14*) pages which are attached hereto]

SCALE: 1" = 30'

GUADALUPE STREET
(80' ROW)



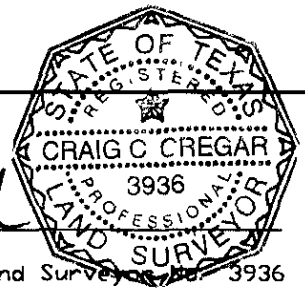
GCE = General Common Element
LCE = Limited Common Element

NOTE Electrical vault located below grade

**1ST FLOOR
THE PLAZA LOFTS**

AS SURVEYED BY

Craig C. Cregar
Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client Plaza Lofts Condominium
Date December 31, 2001
Office C. Cregar, J. Nangoy-Trisnadi
Crew ---
FB ---
Job No 111B-03-01
Disk C:\PROJ\2001\111B0301.DWG

**terra
firma**

LAND SURVEYING
AND PLANNING, INC

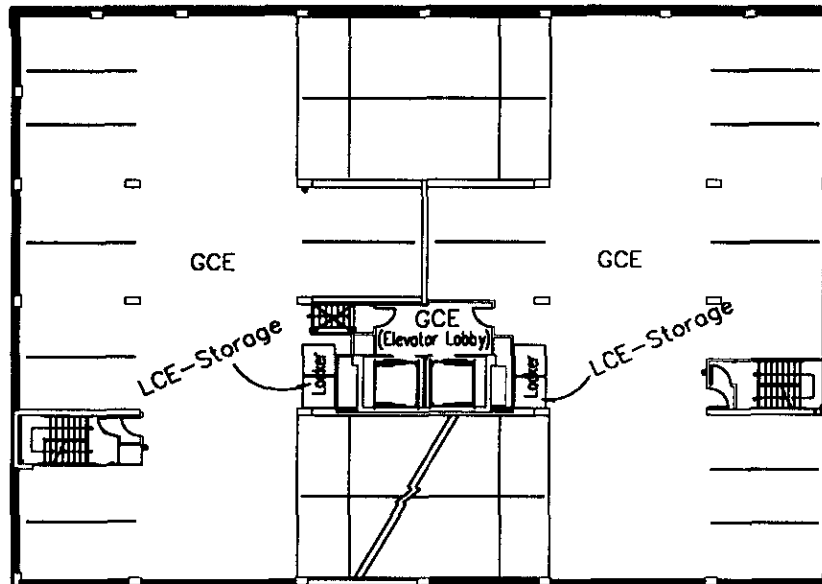
3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email host@terrafirmasurveying.com

SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)

20' Alley



WEST 5TH STREET
(80' ROW)

LOT 10

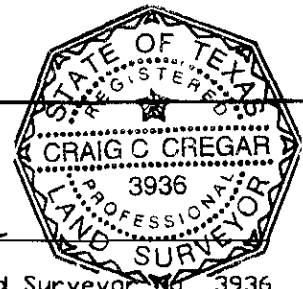
GCE = General Common Element
LCE = Limited Common Element

2ND FLOOR
(Parking Garage)
THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar

Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client Plaza Lofts Condominium
Date December 31, 2001
Office C. Cregar, J. Nangoy-Trisnadi
Crew ---
F.B. ---
Job No. 1118-03-01
Disk C:\PROJ2001\11180301.DWG

**terra
firma**

LAND SURVEYING
AND PLANNING, INC.

3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email: host@terrafirmasurveying.com

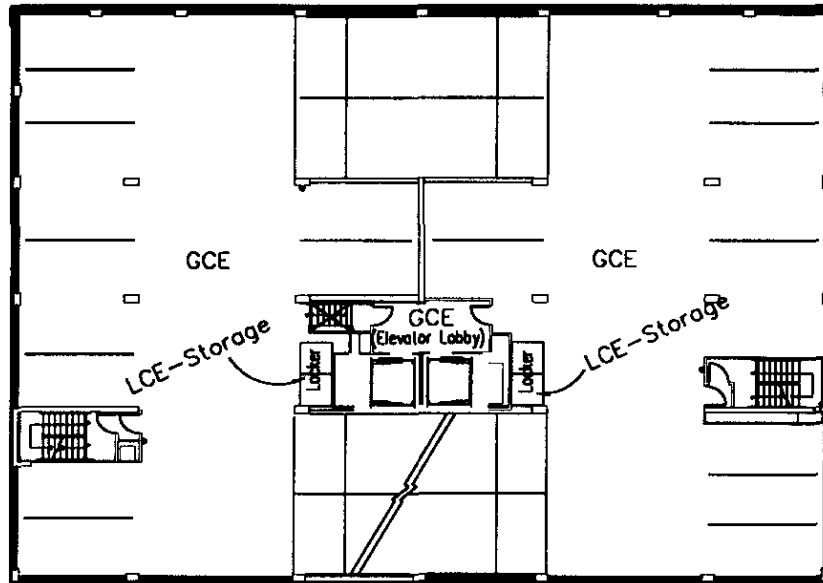
2 of 14

SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)

20' Alley



WEST 5TH STREET
(80' ROW)

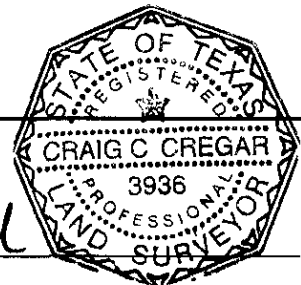
LOT 10

GCE = General Common Element
LCE = Limited Common Element

3RD FLOOR (Parking Garage) THE PLAZA LOFTS

AS SURVEYED BY:

Craig C. Cregar
Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client: Plaza Lofts Condominium
Date: December 31, 2001
Office: C. Cregar, J. Nangoy-Trisnadi
Crew: ---
FB: ---
Job No: 1118-03-01
Disk: C:\PROJ2001\11180301.DWG

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LAND SURVEYING
AND PLANNING, INC.

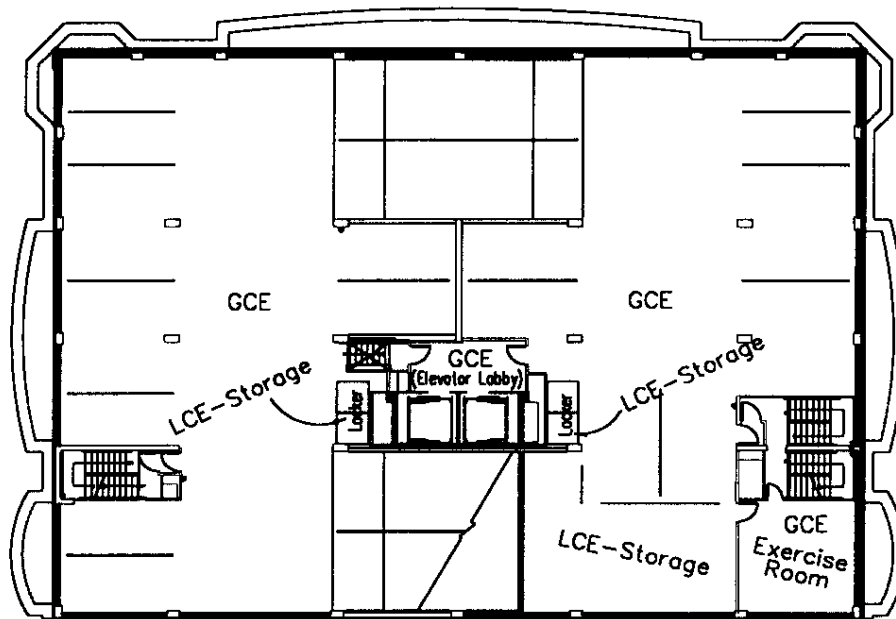
3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email: host@terrafirmasurveying.com

SCALE: 1" = 30'

GUADALUPE STREET

(80' R O W)

20' Alley



WEST 5TH STREET
(80' ROW)

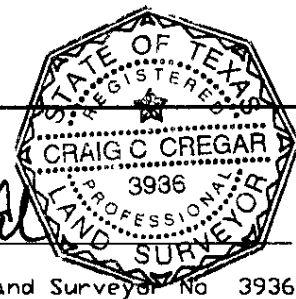
LOT 10

GCE = General Common Element
LCE = Limited Common Element

4TH FLOOR (Parking Garage) THE PLAZA LOFTS

AS SURVEYED BY:

Craig C. Cregar
Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client Plaza Lofts Condominium
Date December 31, 2001
Office C. Cregar, J. Nangoy-Trisnadi
Crew ----
F B ----
Job No 1118-03-01
Disk C:\PROJ2001\11180301.DWG

**terra
firma**

LAND SURVEYING
AND PLANNING, INC

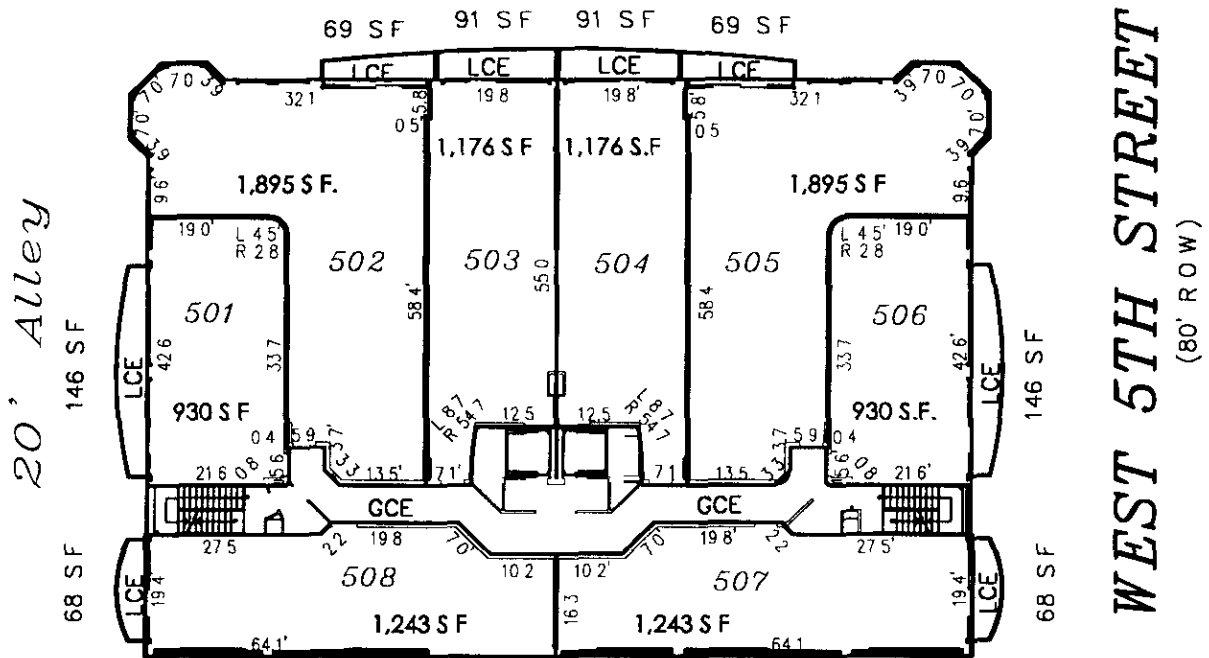
3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email host@terrafirmasurveying.com

4 of 14

SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)



LOT 10

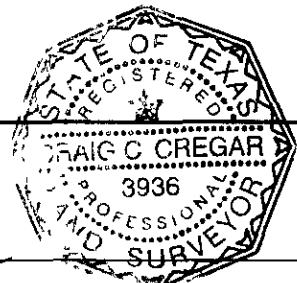
GCE = General Common Element
LCE = Limited Common Element

5TH FLOOR THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar

Craig C. Cregar
Registered Professional Land Surveyor No. 3936



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LAND SURVEYING
AND PLANNING, INC.

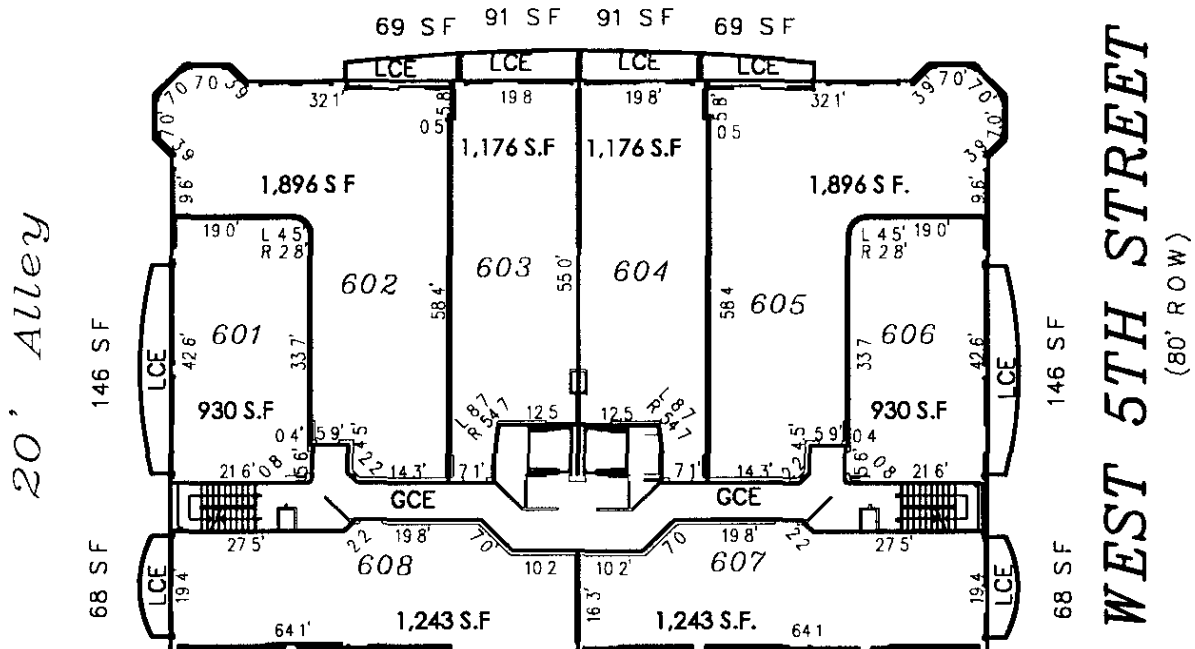
Client Plaza Lofts Condominium
Date December 20, 2001
Office C. Cregar, J. Nangoy-Tranadi
Crew ---
F.B. ---
Job No. 1118-03-01
Disk C:\PROJ2001\11180301.DWG

3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email host@terrafirmasurveying.com

SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)



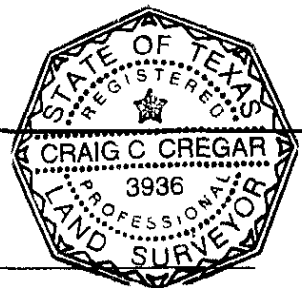
GCE = General Common Element
LCE = Limited Common Element

6TH FLOOR THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar

Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client: Plaza Lofts Condominium
Date: December 20, 2001
Office: C. Cregar, J. Nongoy-Trisnadi
Crew: ---
FB: ---
Job No: 1118-03-01
Disk: C:\PROJ2001\11180301.DWG

**terra
firma**

LAND SURVEYING
AND PLANNING, INC.

3823-B Bee Cave Road, Austin, Texas 78746 512/328-8373 Fax 512/328-8378
Email: host@terrafirmasurveying.com

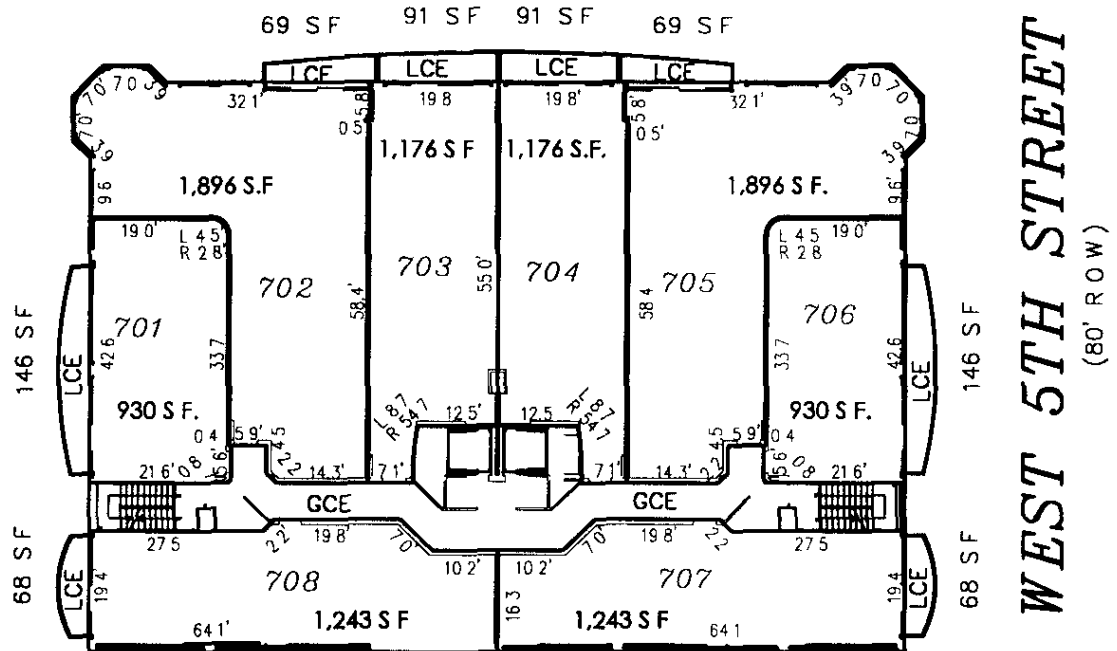
6 of 14

SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)

20' Alley



LOT 10

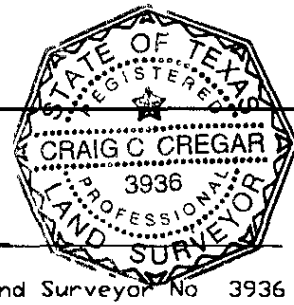
GCE = General Common Element
LCE = Limited Common Element

7TH FLOOR THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar

Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client Plaza Lofts Condominium
Date December 20, 2001
Office C. Cregar, J. Nangoy-Trisnadi
Crew ---
FB ---
Job No. 11118-03-01
Disk C:\PROJ2001\11180301.DWG

**terra
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LAND SURVEYING
AND PLANNING, INC.

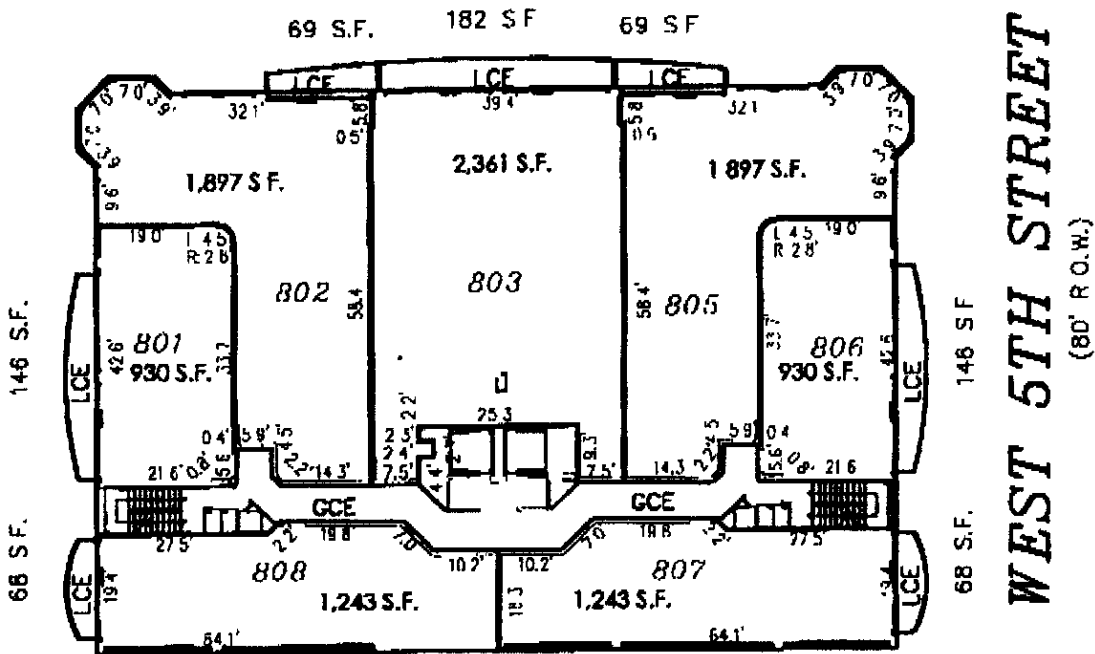
3823-B Bee Cave Road Austin, Texas 78746 512/328-8373 Fax 512/328-8378
Email: host@terrafirmasurveying.com

SCALE: 1" = 30'

GUADALUPE STREET

(80' R.O.W.)

20' Alley



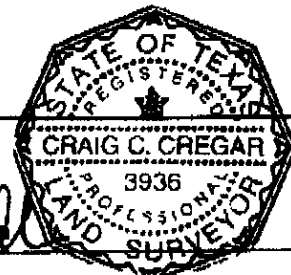
LOT 10

GCE = General Common Element
LCE = Limited Common Element

8TH FLOOR THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar
Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client - Plaza Lofts Condominium
Date - December 20, 2001
Office - C. Cregar, J. Nangoy-Triand
Crew -
FB -
Job No. - 1115-03-01
Disk - C:\PROJ2001\11150301.DWG

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LAND SURVEYING
AND PLANNING, INC.

3823-B Bee Lane Road Austin, Texas 78746 512/328-8173 Fax 512/328-8178
Email: hoot@terrafirmasurveying.com

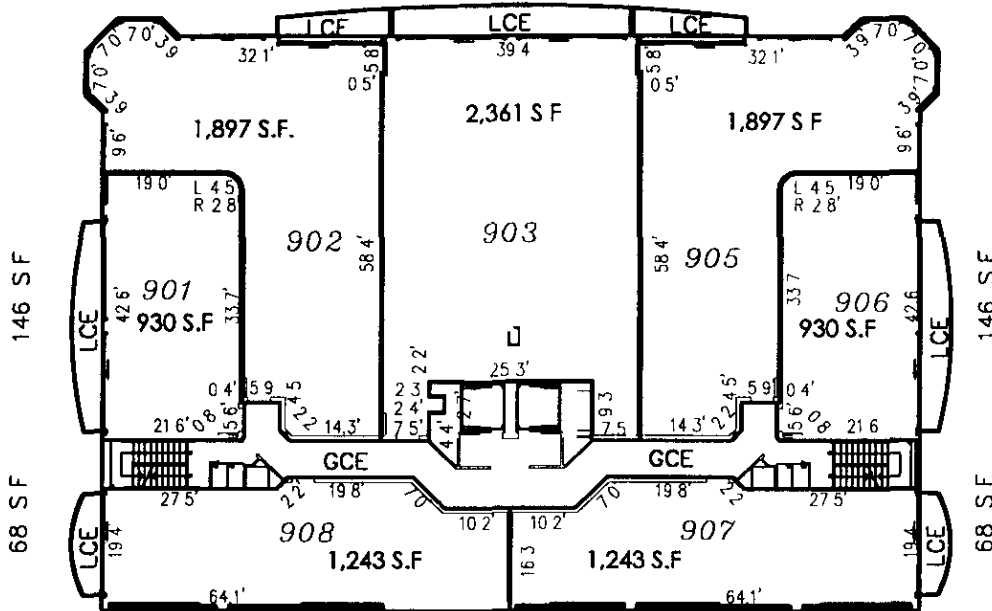
SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)

69 SF 182 SF 69 SF

20' Alley



WEST 5TH STREET
(80' ROW)

LOT 10

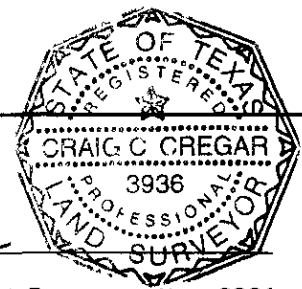
GCE = General Common Element
LCE = Limited Common Element

9TH FLOOR THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar

Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client: Plaza Lofts Condominium
Date: December 20, 2001
Office: C. Cregar, J. Nangoy-Trinidad
Crew: ---
FB: ---
Job No: 1118-03-01
Disk: C:\PROJ2001\11180301.DWG

**terra
firma**

LAND SURVEYING
AND PLANNING, INC.

3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email: host@terrafirmasurveying.com

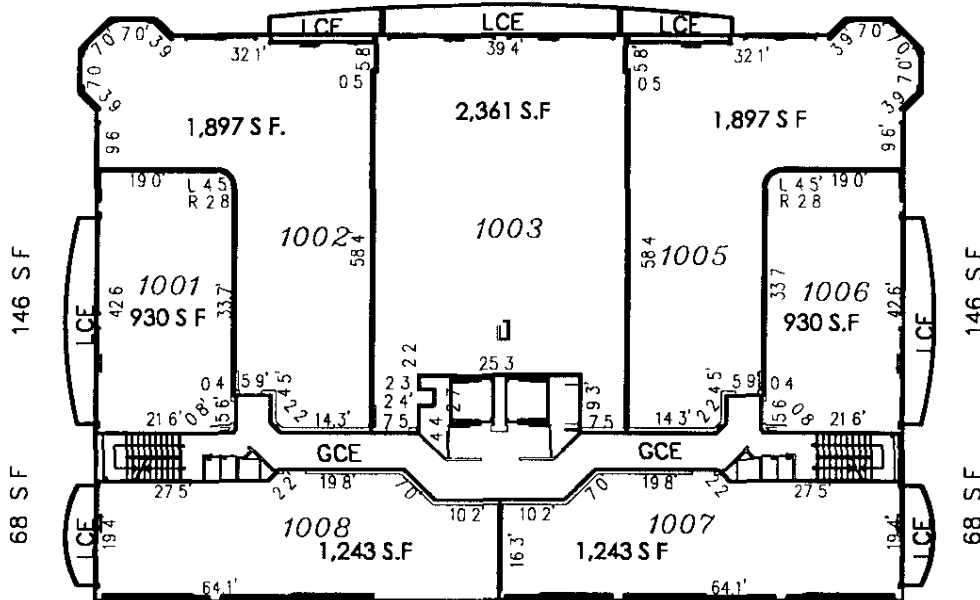
SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)

69 SF 182 SF 69 SF

20' Alley



WEST 5TH STREET
(80' ROW)

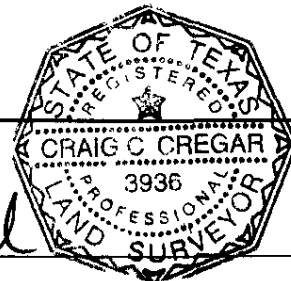
LOT 10

GCE = General Common Element
LCE = Limited Common Element

10TH FLOOR
THE PLAZA LOFTS

AS SURVEYED BY:

Craig C. Cregar
Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client: Plaza Lofts Condominium
Date: December 20, 2001
Office: C. Cregar, J. Nangoy-Trisnadi
Crew: ---
FB: ---
Job No: 1118-03-01
Disk: C:\PROJ2001\11180301.DWG

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firma**

LAND SURVEYING
AND PLANNING, INC

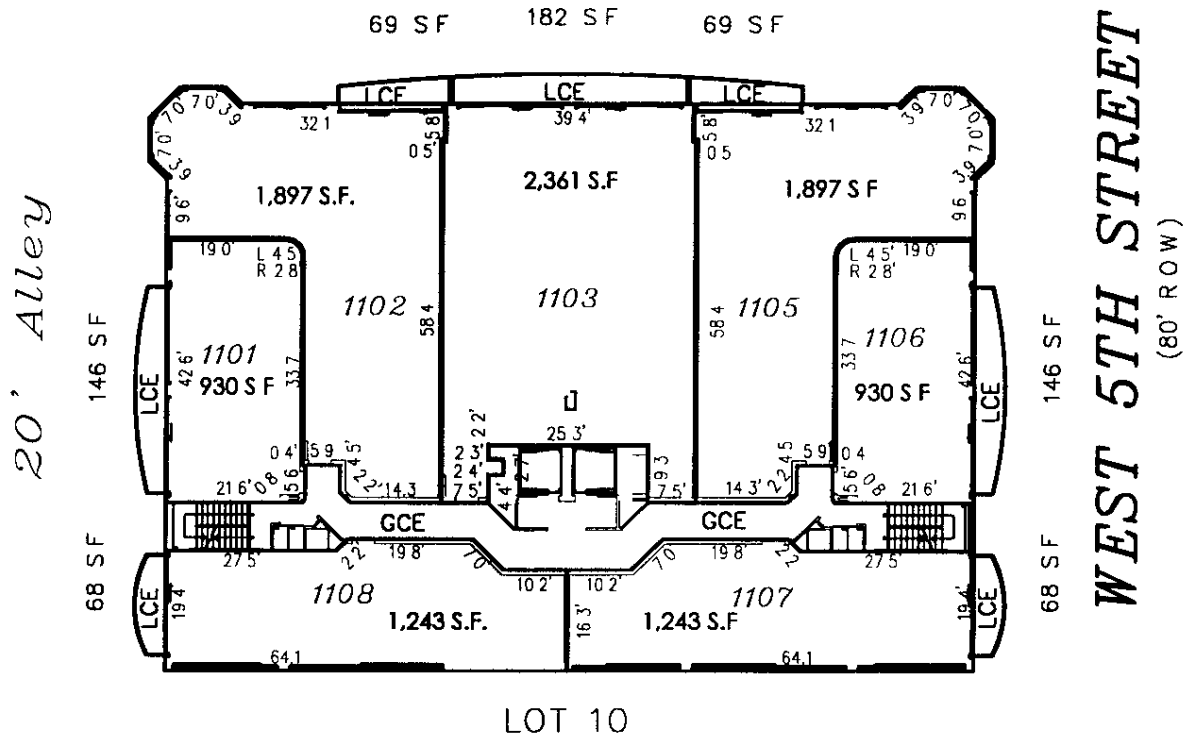
3823-B Bee Cave Road Austin, Texas 78746 512/328-8373 Fax 512/328-8378
Email: host@terrafirmasurveying.com

10 of 14

SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)

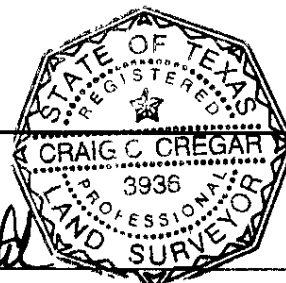


GCE = General Common Element
LCE = Limited Common Element

11TH FLOOR THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar
Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client Plaza Lofts Condominium
Date December 20, 2001
Office C. Cregar, J. Nangoy-Trisodi
Crew ---
FB ---
Job No. 1118-03-01
Disk C:\PROJ2001\11180301.DWG

**terra
firma**

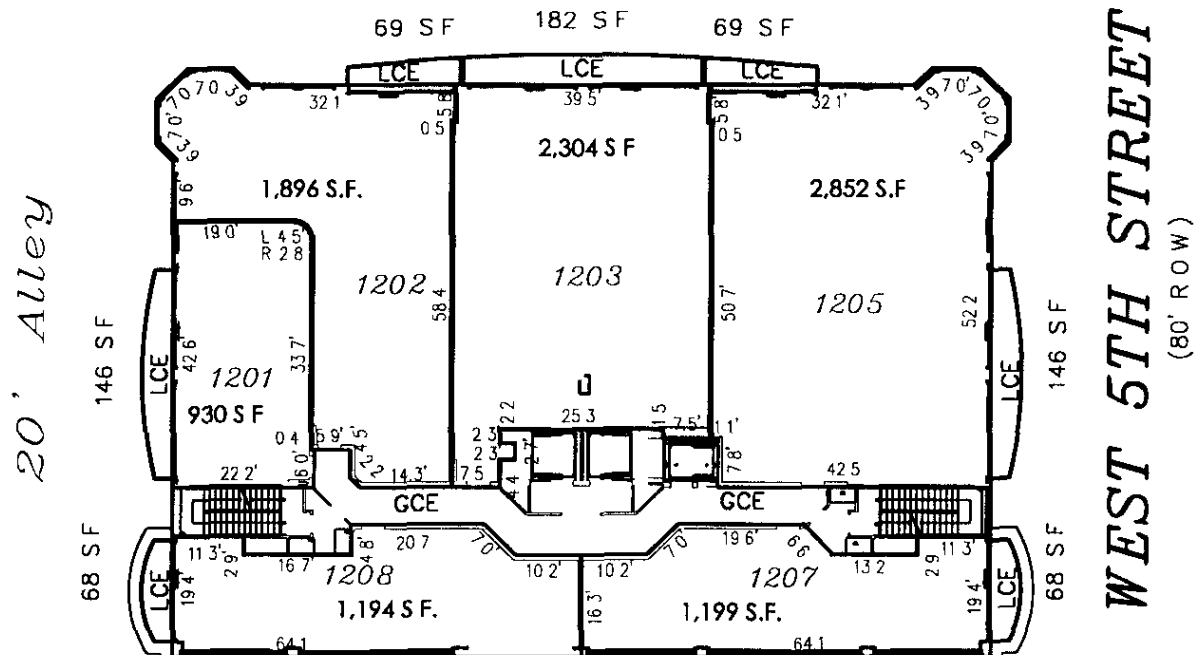
LAND SURVEYING
AND PLANNING, INC.

3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email host@terrafirmasurveying.com

SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)



LOT 10

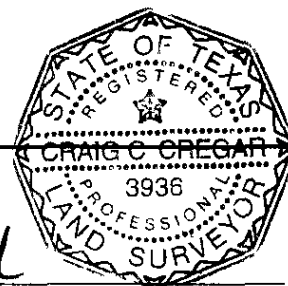
GCE = General Common Element
LCE = Limited Common Element

12TH FLOOR THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar

Craig C. Cregar
Registered Professional Land Surveyor No. 3936



**terra
firma**

LAND SURVEYING
AND PLANNING, INC.

Client Plaza Lofts Condominium
Date December 28, 2001
Office C. Cregar, J. Nangoy-Trisnadi
Crew
F.B.
Job No. 1118-03-01
Disk C:\PROJ2001\11180301.DWG

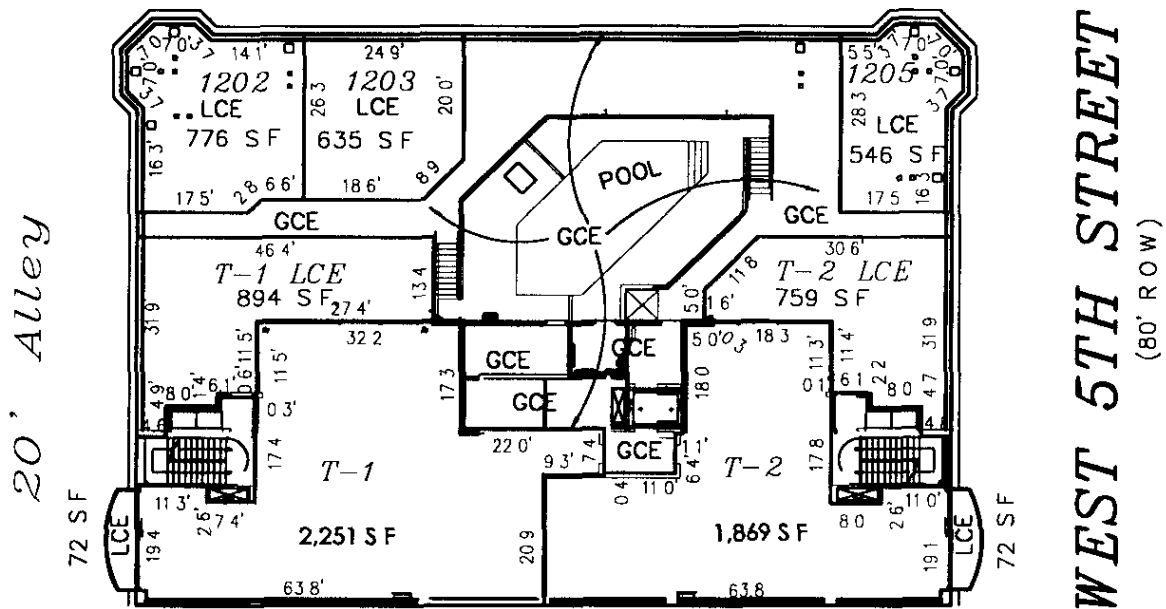
3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email host@terrafirmasurveying.com

12 of 14

SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)



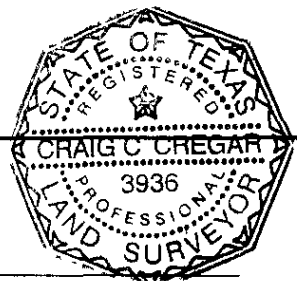
LOT 10

GCE = General Common Element
LCE = Limited Common Element

TERRACE FLOOR (13th Floor - Roof Top) THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar
Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client: Plaza Lofts Condominium
Date: December 28, 2001
Office: C. Cregar, J. Nangoy-Trisnadi
Crew: ---
FB: ---
Job No: 1118-03-01
Disk: C:\PROJ2001\11180301.DWG

**terra
firma**

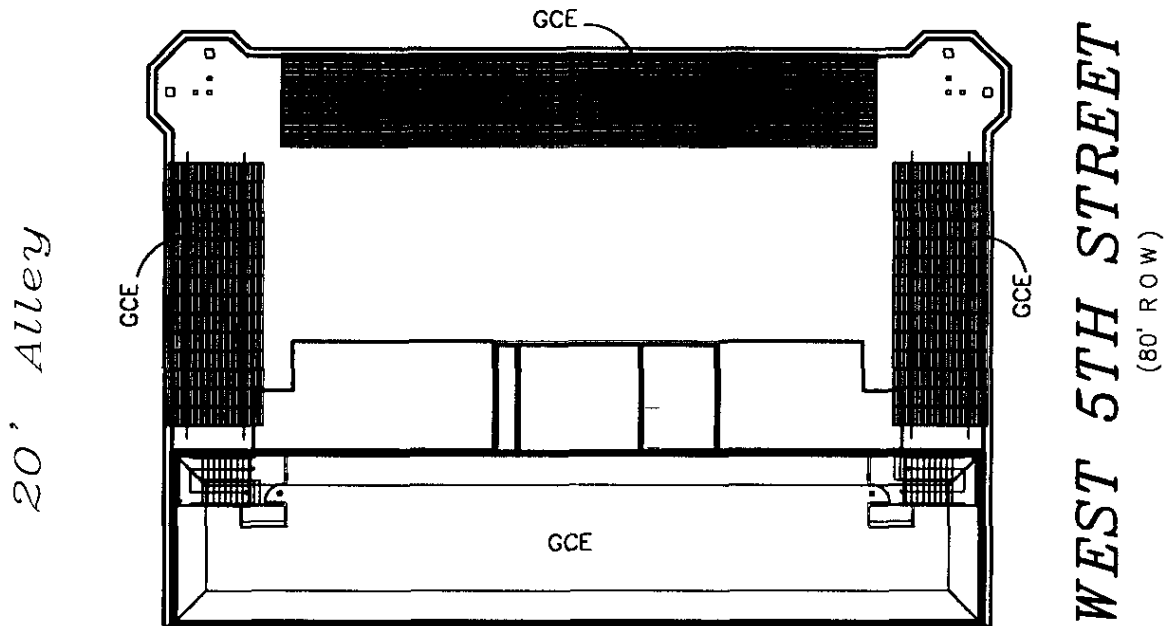
LAND SURVEYING
AND PLANNING, INC.

3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email: host@terrafirmasurveying.com

SCALE: 1" = 30'

GUADALUPE STREET

(80' ROW)



LOT 10

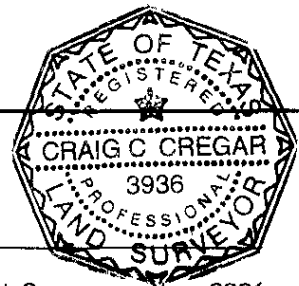
GCE = General Common Element

14TH FLOOR
(Mechanical)
THE PLAZA LOFTS

AS SURVEYED BY

Craig C. Cregar

Craig C. Cregar
Registered Professional Land Surveyor No. 3936



Client Plaza Lofts Condominium
Date December 31, 2001
Office C. Cregar, J. Nangoy-Trisnadi
Crew ---
FB ---
Job No. 1118-03-01
Disk C:\PROJ2001\11180301.DWG

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firma**

LAND SURVEYING
AND PLANNING, INC.

3823-B Bee Cave Road Austin, Texas 78746 512/328-8373 Fax 512/328-8378
Email: host@terrafirmasurveying.com

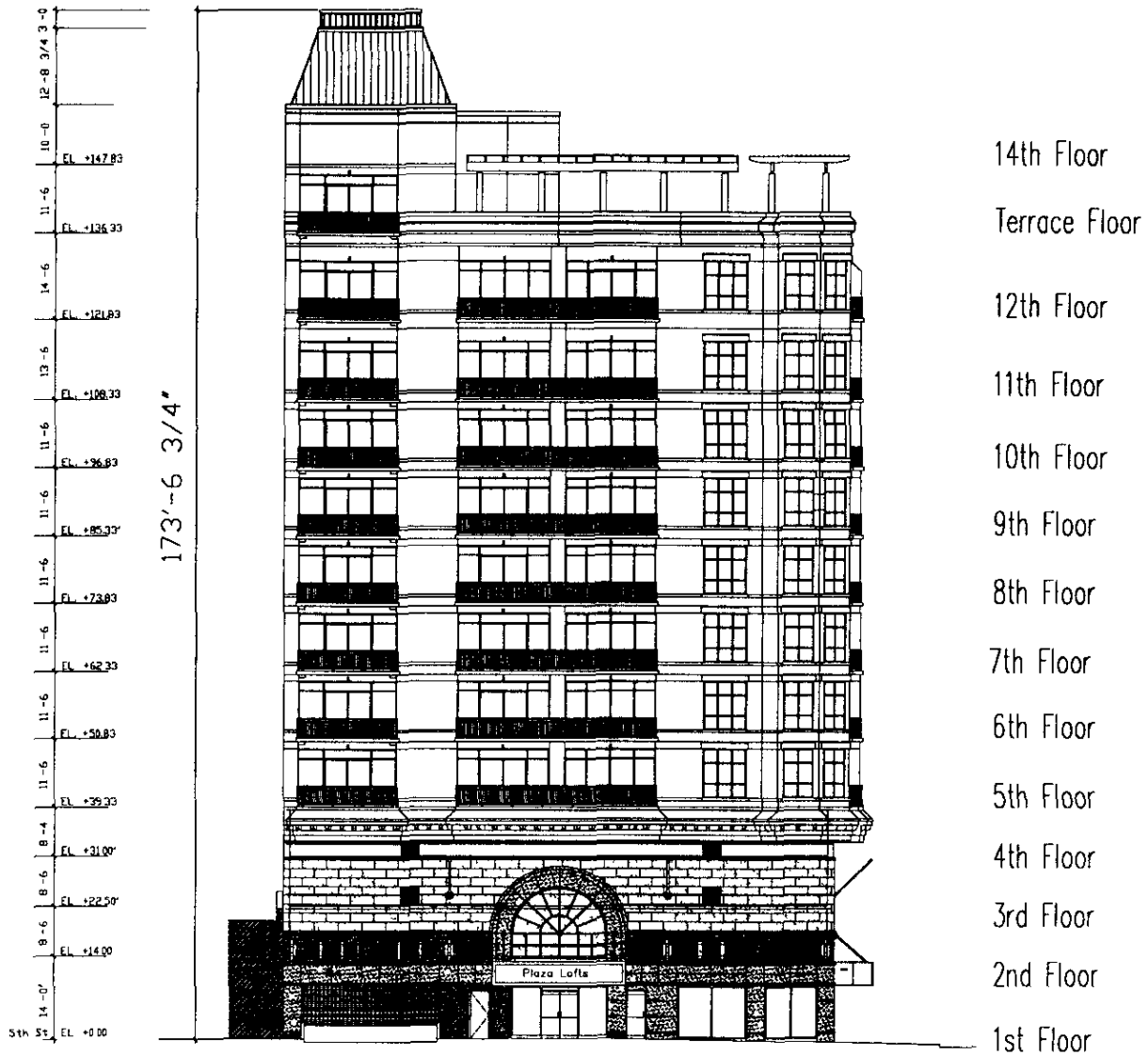
14 of 14

EXHIBIT "B-2"

[ATTACH DESCRIPTION OF BUILDING]

[Exhibit "B-2" consists of four (4) pages which are attached hereto]

SCALE: 1" = 30'



NORTH ELEVATION THE PLAZA LOFTS

Client Plaza Lofts Condominium
Date January 2 2002
Office C. Cregar, J. Nangoy-Trisnadi
Crew ---
FB ---
Job No 1118-03-01
Disk C:\PROJ2001\11180301.DWG

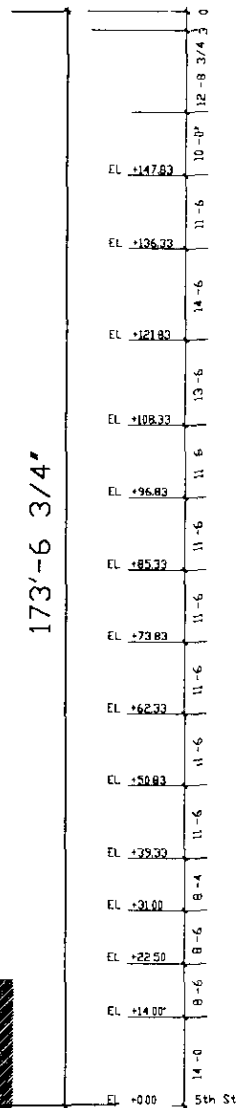
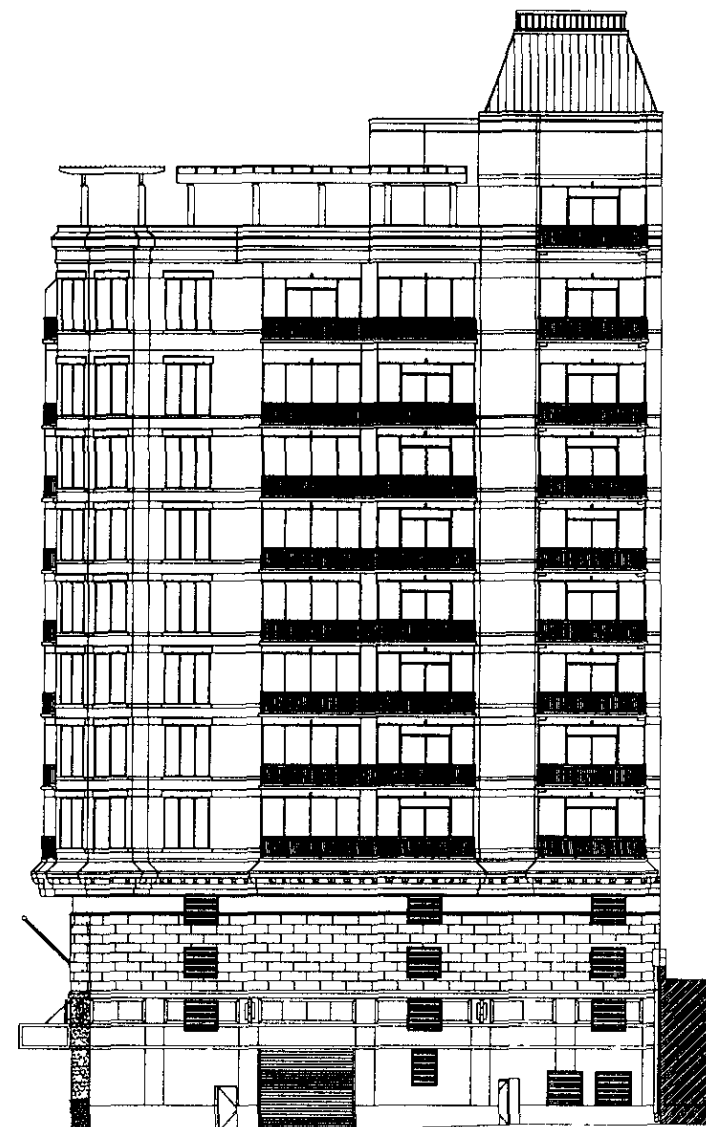
**terra
firma**

LAND SURVEYING
AND PLANNING, INC

3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email host@terrafirmasurveying.com

SCALE: 1" = 30'

14th Floor
Terrace Floor
12th Floor
11th Floor
10th Floor
9th Floor
8th Floor
7th Floor
6th Floor
5th Floor
4th Floor
3rd Floor
2nd Floor
1st Floor



SOUTH ELEVATION THE PLAZA LOFTS

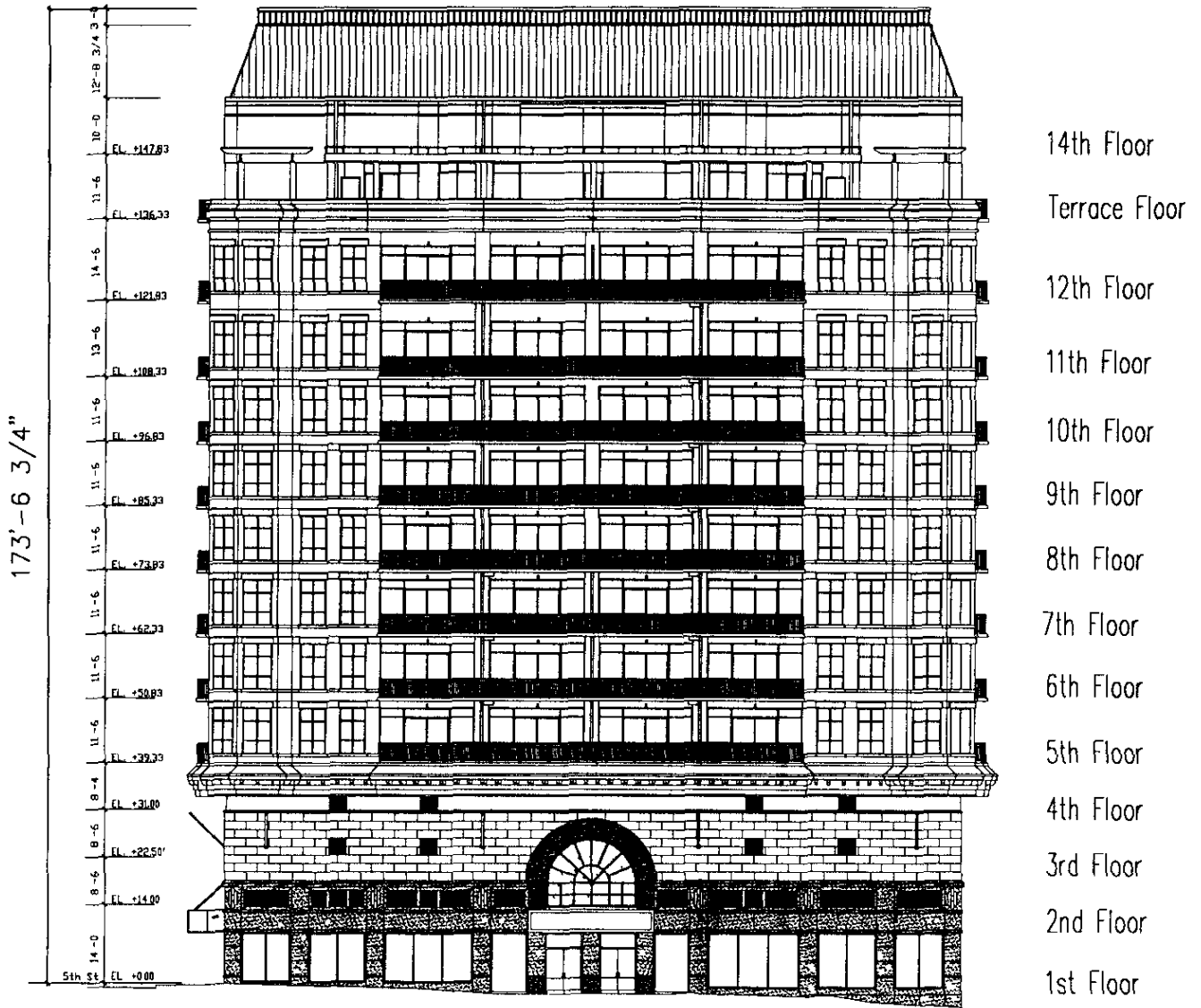
Client Plaza Lofts Condominium
Date January 2, 2002
Office C. Cregar, J. Nangoy-Trianadi
Crew ---
FB ---
Job No 1118-03-01
Disk C:\PROJ2001\11180301.DWG

**terra
firma**

LAND SURVEYING
AND PLANNING, INC

3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email host@terrafirmasurveying.com

SCALE: 1" = 30'



WEST ELEVATION THE PLAZA LOFTS

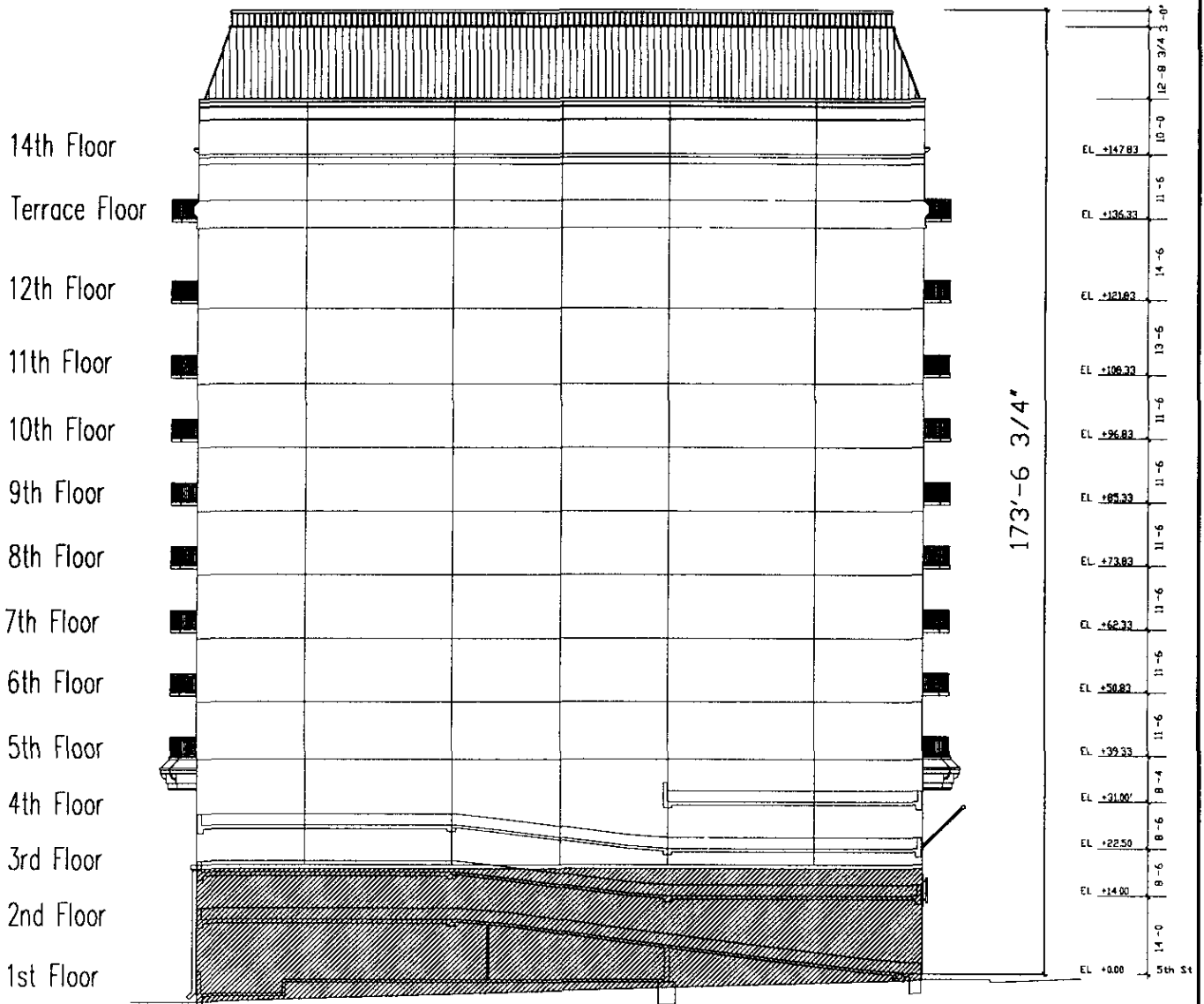
Client Plaza Lofts Condominium
Date January 2, 2002
Office C. Cregar, J. Nangoy-Trianadi
Crew ---
FB ---
Job No 1118-03-01
Disk C:\PROJ2001\11180301.DWG

**terra
firma**

LAND SURVEYING
AND PLANNING, INC.

3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
Email host@terrafirmasurveying.com

SCALE: 1" = 30'



EAST ELEVATION THE PLAZA LOFTS

Client Plaza Lofts Condominium
 Date January 2, 2002
 Office C. Cregar J. Nangay-Trisnadi
 Crew ---
 FB ---
 Job No 1118-03-01
 Disk C:\PROJ2001\11180301 OWC

**terra
firma**

LAND SURVEYING
AND PLANNING, INC

3823-B Bee Cave Road Austin Texas 78746 512/328-8373 Fax 512/328-8378
 Email hoat@terrafirmasurveying.com

4 of 4

EXHIBIT "B-3"

[ATTACH DESCRIPTION OF SITE]

[Exhibit "B-3" consists of one (1) pages which are attached hereto]

3823-B Bee Cave Road Austin, Texas 78746 512/328-8373 fax 512/328-8378 Email hlrma@onc.com

EXHIBIT "C"

[ATTACH EASEMENTS AND LICENSES PURSUANT TO BASIC PROVISION H]

[Exhibit "C" consists of one (1) pages which are attached hereto]

EASEMENTS AND LICENSES**PLAZA LOFTS**

Easement Agreement between Guadalupe at Fifth, Ltd. and Plaza
Lofts, Ltd., recorded under Document No. 2000167551 of the
Official Public Records of Travis County, Texas.

License Agreement by and between the City of Austin and
Guadalupe at Fifth, Ltd., recorded under Document No.
1999049760, corrected by Document No. 2000050774 and amended by
Document No. 2001069601 of the Official Public Records of
Travis County, Texas.

Short Form Memorandum of Understanding by and between Plaza
Lofts, L.P. and Guadalupe at Fifth, Ltd., recorded under
Document No. 2000167550 of the Official Public Records of
Travis County, Texas.

Exceptions, easement provisions and reservations (including
reservations of all minerals) as set out in Special Warranty
Deed, recorded under Document No. 2000167548 of the Official
Public Records of Travis County, Texas.

Right of Way Encroachment/ License Agreement, recorded under
Document No. 2000190614 of the Official Public Records of
Travis County, Texas.

Easement and Memorandum of Agreement, regarding cable service,
recorded under Document No. 2001206415 of the Official Public
Records of Travis County, Texas.

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS



01-28-2002 04 11 PM 2002016998
EVANSK \$103 00
DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

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

EXHIBIT "D"

THE PLAZA LOFTS CONDOMINIUM ASSOCIATION, INC.

Rules and Regulations

To Be Effective December 1, 2012

POLICIES IN GENERAL. Our Association has adopted the following rules to help maximize enjoyment, maintain values and assure the continued aesthetic beauty of our community. The rules apply to all Owners and Occupants and their guests and Invitees. You are encouraged to ask your neighbors to follow the rules.

CITY ORDINANCES. Owners and Occupants and their guests and Invitees shall comply with all ordinances of the City of Austin, Texas, as well as these policies.

COMMUNICATIONS. Please direct any repair requests, complaints or rule violations to The Plaza Lofts Condominium Association, Inc., located at 311 W. 5th St., Austin, Texas 78701 Attn: Property Manager.

ENFORCEMENT. The rules will be strictly enforced. If the rules are violated by any Occupant or guest of the Owner's Unit, the Owner will be responsible for corrective action, damages and fines. Every obligation imposed on a Unit's Occupant by these rules is also imposed on the Owner of that Unit.

Definitions

1. The term "Association" as used herein refers to the PLAZA LOFTS CONDOMINIUM ASSOCIATION, INC.
2. The term "Balcony" refers to any portion of a Unit that is on the exterior of the building (excluding rooftop areas) and is accessible to and exclusively serves that Unit.
3. The term "Board" refers to the board of directors of the Association.
4. The term "CCRs" refers to the Declaration of Condominium Regime For Plaza Lofts Condominium of record, including any revisions, corrections, or amendments thereto, and other documents that create the condominium regime and/or the Association. The term CCRs shall apply to such other document(s) that accomplish the creation of the condominium regime and/or Association if same have a different title or name.
5. The term "Common Area" or "Common Element" refers to any area so defined in the CCRs (or referred to in the CCR's as a "Common Element"), which is generally an area available for the non-exclusive use of the Owners and Occupants. A "Limited Common Area" or Limited Common Element refers to any area so defined in the CCRs (or referred to in the CCR's as a "Limited Common Element").
6. The term "Common Rooftop Terrace" or "CRT" refers to the area on the roof that is available for common use by all Owners and Occupants.
7. The term "Director" refers to an individual Board member.

8. The term "Invitee" means a person who enters the building at the express or implied request of an Owner or Occupant to perform a service (such as an employee, a plumber or other contractor, or a housekeeper), to offer goods for sale (such as in-home sales), or to make a delivery (such as food delivery) or for another business or commercial purpose (such as a realtor or prospective purchaser or tenant) and such other persons or entities that may come upon the property at the invitation or at the behest of the Owners or Occupants.
9. The term "Manager" refers to the manager or management company retained by the Association to provide management services.
10. The term "Occupant" refers to any person residing in the Unit at any time. "Occupant" includes tenants named on the lease of a Unit. "Occupant" includes all members of the Owner's or tenant's family who reside in the Unit. "Occupant" does not include a person who is visiting a Unit or staying in a Unit for a brief period as the guest of an Owner or Occupant.
11. The term "Owner" refers to the legal owner of the property that forms a part of the Association.
12. The term "Private Rooftop Terrace" refers to any areas on the roof that are privately assigned as a Limited Common Element to a specific Unit.
13. The term "Pool Deck" refers to the elevated area surrounding the swimming pool, which is within the Common Rooftop Terrace.
14. The term "Unit" refers to the property or condominium Unit that is owned by the Owner.

Synchronization with the CCRs and Contradictions

The preceding definitions are not synchronized or integrated with the CCRs or any other documents governing the Association. Therefore, the terminology set forth herein is separate and independent from the CCRs and any other documents governing the Association.

In instances where these rules are contradictory to the CCRs, the CCRs are controlling. In instances where these rules are contradictory to current law, current law is controlling. Invalidity of a portion of these rules as a result of being contradictory to the CCRs and/or current law shall not serve to invalidate those rules which are not contradictory.

In instances where Board approval is necessary, such approval may be provided or denied by committees appointed by the Board, such as an architectural control committee.

Authority and Applicability

1. The authority to promulgate, adopt, and enforce rules is granted to the Association in the CCRs.
2. The Association has adopted these rules to help maintain the health, safety and welfare of the Owners and Occupants and to help maximize enjoyment, maintain values and assure the continued aesthetic beauty of our community.
3. Adoption and enforcement of the rules is necessary to ensure the quiet enjoyment of the Units and Common Areas by each Owner and Occupant and to serve the other purposes of these rules.
4. The rules apply to all Owners and Occupants and their guests and Invitees.

5. The rules will be revised and amended from time to time as logic and conditions make it necessary.

Compliance with Laws

1. All Owners and Occupants, their guests and Invitees must comply with all applicable laws, ordinances, rules, and regulations of federal, state, county, and city jurisdictions.
2. All Owners and Occupants, their guests and Invitees must comply with all fire and health codes.
3. Any criminal activity by an Owner, Occupant, guest, or Invitee is prohibited and will be referred to law enforcement authorities.

Policies Applicable to All Owners, Occupants and Guests

1. *Security, safety and lighting.* Neither the Association nor the Manager provides or warrants security. Each Owner and Occupant is responsible for his own security and that of his guests and Invitees. Each home may have: (1) keyless deadbolts on all exterior doors; (2) keyed deadbolts on at least one entry door; (3) pin locks on all sliding glass doors; and (4) door-viewers on all exterior doors. No additional exterior lighting other than the existing lighting constructed on the building is allowed. If a Unit is leased to a tenant, the Owner is obligated to provide certain security devices by statute.

- A. The Association and Manager are not responsible for the Owner's obligation to provide statutory required security devices.
- B. Owners and Occupants should keep all Unit entry doors locked at all times.
- C. Owners and Occupants should keep in mind that criminals are often familiar with security systems and may be able to override their operation to defeat the protection that they were intended to provide.
- D. Each Unit is required to have and maintain battery or A/C electric smoke detector(s).
- E. The Owner must keep the smoke detector in working condition at all times, and have working batteries in place.
- F. Owners and Occupants should test smoke detectors monthly and correct any malfunctions or replace dead batteries.
- G. If a Unit is leased to a tenant, the Owner is obligated to provide smoke detection devices by statute. The Association and Manager are not responsible for the Owner's obligation to provide statutory required smoke detection devices.

Owners and Occupants are requested to immediately report Common Area lighting problems or hazardous conditions to the Manager. The Association cannot and does not check exterior lighting on a daily basis. The Association generally must rely on Owners and Occupants to notify the Manager when lights are burned out or insufficient in some manner. Clever criminals can defeat almost any kind of crime deterrent. Owners and Occupants must assume that electronic or mechanical devices may malfunction from time to time.

Overriding Building entrance controls such as automatic door closers and vehicle gates is strictly prohibited (example: propping open doors). The Association relies on Owners and Occupants to at all times attempt to secure

building entrance doors and gates. In the event that an entrance door or gate cannot be secured or is otherwise malfunctioning, Owners and Occupants must notify the Manager immediately.

2. *Storage of property on Private Rooftop Terraces and Balconies.* Nothing may be hung on Balcony railings or the exterior of the Building. Items on Private Rooftop Terraces and Balconies must not appear to be in disrepair. The Board has the right to approve and regulate any vegetation that is attached to rooftop trellises and railings, or that is placed anywhere on the rooftop. Exterior patio furniture must be kept in good condition and, at Declarant's and/or the Board's determination, be of a design and color consistent with the exterior of the Building. No cooking devices of any kind are permitted on Balconies.

- A. Storage of personal property on Private Rooftop Terraces and Balconies is prohibited except as provided below.
- B. Outdoor furniture that is in clean and neat condition and is of reasonable quality may be placed on Private Rooftop Terraces and Balconies. The Board may adopt guidelines that establish the allowable style and color(s) of outdoor furniture to be consistent with the exterior of the building. In such event, the adopted guidelines must be followed by Owners and Occupants.
- C. Storage and use of barbeque grills on Balconies is prohibited. A single barbecue grill that is in clean and neat condition and is of reasonable quality may be stored on Private Rooftop Terraces; however, any use of barbecue grills on Private Rooftop Terraces is subject to restrictions imposed by applicable regulatory bodies, including the fire department and the building insurance provider. "Open-flame" barbecue grills are prohibited.
- D. Outdoor plants on Balconies are allowed only as follows: (a.) plants in containers of one-gallon capacity or less, (b.) are less than two feet tall measured from floor to top of plant, and (c.) a maximum of three plants per Balcony. Plants or other decorative items may not be attached to walls, ceilings, or railings on Balconies. Owners shall use caution to prevent over-watering of plants, and must immediately clean any water spills. Owners are responsible for any damage that results from watering plants, and for any damage such as stains that result from the storage of plants on Balconies. Owners must keep plants alive, and discard any dead plants.
- E. Outdoor plants on Private Rooftop Terraces are allowed only as follows: (a.) plants in containers of five gallon capacity or less, (b.) are less than five feet tall measured from floor to top of plant, (c.) plants may not impede ingress and egress through the Private Rooftop Terrace. Owners of plants on Private Rooftop Terraces shall use caution to prevent over-watering of plants, and must immediately clean any water spills. Owners are responsible for any damage that results from watering plants, and for any damage such as stains that result from storage of plants on Private Rooftop Terraces. Owners must keep plants alive, and discard any dead plants.
- F. Tools, gardening equipment, motorcycles, bicycles, trash and trash cans, newspapers and periodicals, boxes, plastic bags, beverages, furniture, automotive parts and equipment, and other personal property deemed to be unsightly by the Board are not permitted to be stored on Private Rooftop Terraces or Balconies.
- G. No clothes, towels or other items may be hung anywhere outside, i.e., on Private Rooftop Terraces, Balconies, railings, etc.
- H. Clothes or other items must be dried in clothes dryers or inside the dwellings and not visible from the exterior.

- I. Any item placed on a Private Rooftop Terrace or Balcony must be clean, neat, tasteful, and not in disrepair.
- J. Feeding bowls for animals may not be left outside.
- K. Items located on Private Rooftop Terraces or Balconies in violation of this rule may be removed and disposed of without prior notice by any Director or Manager, and/or a fine may be levied against the Owner by the Board until such time that the violation is cured.

All other property must be kept inside the Unit. Liability for any item on a Balcony or Private Rooftop Terrace is the sole responsibility of the Occupant.

3. *Storage of property in Common Areas.* No property may be stored temporarily or permanently on any Common Area, including hallways, sidewalks, stair landings, or other Common Areas. Garage sales and estate sales are not allowed. The Manager's employees and service personnel, Directors and persons designated by them may remove and dispose of any property stored in violation of this rule, without notice or any liability. No item or object of any type, other than doormats (the design and condition of which is subject to reasonable control by the Manager) at Unit entrances, may be stored, placed or maintained anywhere on the Common Elements, including hallways and stairwells, except as authorized by the Board. An Owner may not decorate or customize the exterior of such Owner's front door, except for a decorative wreath or temporary holiday appropriate decorations, which must be removed within two weeks of any such holiday. Items of personal property found on Common Elements (other than Private Rooftop Terraces and Balcony areas) are deemed abandoned and may be disposed of by the Directors or the Manager.

4. *Storage lockers.* Occupants to whom a storage locker is assigned, or who have obtained proper approval from the Board to maintain a storage locker in their assigned parking space(s), must adhere to the following rules:

- A. Items in lockers must be stored in a safe manner and items must remain at all times within the confines of the locker.
- B. Storage of hazardous materials is prohibited.
- C. Occupants are responsible for keeping lockers in good and safe condition, and are responsible for making any necessary repairs to storage lockers.
- D. Occupants store items in lockers at their sole risk and responsibility. The Association and Manager are not responsible for items in storage lockers that are lost, stolen, damaged, or destroyed.

5. *Property inside dwellings.* The Association has the right and the responsibility to control the visual attractiveness of the property, including the right to require removal of objects from dwelling interiors which are visible from the Common Area and outside and which detract from the property's appearance. Blinds and drapes must be in good repair, hung properly, and comply with rules regarding color and materials.

6. *Trash.* Trash, rubbish or debris shall not be left or deposited, even temporarily, on any Common Areas or Balconies or Private Rooftop Terraces. All of such refuse must be placed in receptacles designated and approved by the Board or the Manager. Only trash, rubbish, and debris generated by normal everyday household use shall be deposited into trash receptacles. Occupants are encouraged to comply with any voluntary recycling program established for the property and are required to comply with any compulsory recycling program applicable to the property.

7. *Animals.* Animals are allowed on the property subject to the following rules:
- A. An Owner or Occupant may not have more than two dogs and/or cats in the aggregate, either permanently or temporarily.
 - B. There shall be no boarding of pets allowed, either for remuneration or on a gratuitous basis.
 - C. Dogs may not weigh more than 75 pounds when full grown.
 - D. Dog breeds that generally grow to greater than 75 pounds are not allowed.
 - E. The size limitation shall not apply to dogs that assist the visually handicapped.
 - F. Only household feline breeds are allowed.
 - G. Felines such as lions, bobcats, tigers, cougars, jaguars, etc. are not allowed.
 - H. Pet feeding bowls may not be left outside.
 - I. No animal shall be allowed to make an unreasonable amount of noise, or through its behavior to create a nuisance to other Owners, Occupants or the general public. All animals shall be on a leash and under the control of a person while in the Common Area.
 - J. Animals, even if on a leash, shall not be allowed to linger or loiter in Common Areas. Animals are prohibited from entering the Rooftop Common Area.
 - K. Animals on a leash may pass through Common Areas with the Owner or Occupant for purposes of ingress and egress only.
 - L. Leashes may not be tied to Common Area objects and must be held by a person who can control the animal at all times.
 - M. No animal shall be allowed to run at large.
 - N. Animals may not defecate or urinate anywhere on the Common Area or sidewalks around the property except inside the Owner's Unit. Used cat litter must be disposed of only in proper receptacles.
 - O. The Owner or Occupant has the responsibility to immediately clean up after its animal if the animal accidentally defecates or urinates in the Common Area or on Balconies or Private Rooftop Terraces.
 - P. No venomous pets are allowed.
 - Q. No pet snake may exceed 2 feet in length and must be contained within a cage within the Unit at all times.
 - R. Any other reptiles kept as pets are subject to the approval of the Board which may promulgate specific rules with regard to the pet's confinement and care within the Unit.
 - S. The Owner and Occupant must keep the Unit in a sanitary condition, free of fleas, animal parasites, and noxious odors.

- T. Fish aquariums and caged birds are allowed, provided, however, that caged birds may not make noise that can be heard outside of the Unit.
- U. No barnyard animals shall be allowed at any time including, but not limited to, chickens, roosters, goats, sheep, pigs, cows, or horses.
- V. If an Owner or Occupant is in violation of these restrictions, the Board may require the removal of the animal and impose a daily fine until such time animal is removed.
- W. If an animal is found to be abandoned, abused and/or neglected, the Association, Manager, and/or a Director may contact the local humane society or other such animal protection group to take control of the animal; however, the Association, Manager, and/or Directors shall be under no obligation to do so.

8. *Liability for animals.* The Occupant and the pet owner are both jointly liable to all other Owners and Occupants and their respective guests and Invitees for injuries and all damage caused by any animals brought or kept on the property by an Owner or Occupant or his guests or Invitees whether the animal has been brought or kept on the property with or without permission of the Board. Owners and Occupants agree, for themselves, and their respective guests and Invitees, that neither the Directors, the Manager, nor the Association shall have any liability for any injury or damage caused by any animal brought or kept upon the property, with or without the permission of the Board, by an Owner or Occupant or his or his guests or Invitees.

The Owners and Occupants shall indemnify, defend and hold harmless the Association, the Manager, the Board, and the Directors from any claim, demand, liability, cause of action, and/or legal proceeding arising out of an Owner's or Occupant's animal.

The Board of Directors may require permanent removal of any pet when the pet or its owner has repeatedly violated these rules or the pet has become objectionable in the opinion of the Board.

9. *Window coverings.* The Association has the right to control the visual attractiveness of the Unit from any public right of way, from any Common Element, and from any other Unit.

- A. Blinds and drapes must be in good repair, installed properly, and comply with rules regarding color and materials. Temporary window coverings such as bed sheets are prohibited.
- B. Windows shall be covered only by shades, blinds or drapes, and the side of the blinds or drapes visible from the exterior of the building must be white or black.
- C. Windows may not, under any circumstances, have direct applied materials to the window such as foil or paper except for Board approved tint.
- D. No material objectionable in the reasonable judgment of the Board shall be placed in or next to any window or sliding glass door.

10. *Noise.* Owners and Occupants shall refrain from playing radios, televisions, stereos, musical instruments, and other electrical or mechanical devices so loudly that they may be heard outside their Unit. Yelling or loud talking is prohibited. The following rules also apply:

- A. Radios, televisions, stereos, and other electronic or mechanical devices shall be placed at a distance from common partitioning walls and isolated from floors so that no vibration or reverberation is heard or felt by an Owner or Occupant in an adjoining Unit.

- B. No unsafe, noxious, offensive or illegal activity, noise or odor is permitted in the Unit or Common Area.
- C. No activity shall be conducted in the Unit or Common Area which in the judgment of the Board might reasonably be considered as annoying to neighbors of ordinary sensibilities, or might be reasonably calculated to reduce the quality of life for the other Owners and Occupants.
- D. Exterior loud speakers or lights, other than those installed and/or approved by the Board, are prohibited.
- E. No Owner, Occupant, guest, or Invitee may disrupt the quiet enjoyment of another Owner or Occupant.

11. *Business activity in units.* Owners and Occupants may conduct business activity from within a Unit, provided the activity meets the following criteria: the use of the Unit is for residential purposes, the activity is not open to the general public, no signage may be displayed anywhere that is visible from the exterior of the Unit, the activity meets the requirements of any and all local ordinances related to the conduct of home-based business activity, and conduct of the activity is consistent with all the CCRs and other rules contained herein.

12. *Mailboxes.* The Board of Directors has the exclusive right to designate the type, size, location and signage on mailboxes. Names on the outside of mailboxes are not allowed and may be removed by management without prior notice because publicly identifying names with a particular dwelling increases the risk of crime for Occupants of the dwelling.

13. *Nuisances.* No unsafe, noxious, offensive or illegal activity or odor is permitted on the property. No activity shall be conducted on the property which in the judgment of the Board might reasonably be considered as annoying to Occupants of ordinary sensibilities, or might be reasonably believed to reduce the desirability of the property for quality of living. No exterior loudspeakers or flashing lights shall be allowed. The Board has the exclusive right to designate the style and color of all exterior light fixtures and light bulbs, including those on Private Rooftop Terraces and Balconies. No person may do anything that will increase insurance rates for the property, or which may cause such improvements to be uninsurable or which may cause any policy to be canceled, suspended or materially modified by the issuing company without the prior written consent of the Board. Smoking is not permitted in any area designated as Common Area.

Sports, such as soccer, kickball, dodge ball, and basketball, etc. are not permitted anywhere in the Common Areas. No one, including adults and children, is permitted to play in the garage. Bicycles, tricycles, scooters, skateboards, skates, etc., may not be used in the Common Areas or left outside. Running in the Common Area is prohibited. Climbing trees is prohibited. Climbing on building, roof, and/or trellises is prohibited, except by persons authorized by the Board or Manager for purposes of building maintenance. Except as provided in Rule 39, no Common Area shall be used for a party or other similar event attended by more than four non-resident guests of an Owner or Occupant without the express prior written consent of the Board.

14. *Children.* Each Owner and Occupant is responsible for the conduct of children who are occupants or guests in his Unit. Children under the age of 9 years may not be left in a Unit without a person over the age of 12 who is present and responsible for the child. No children's toys may be left outside in areas visible from the street or in Common Areas. Occupants of a Unit are encouraged to exercise care to inspect sliding doors, railings, locks and latches to make sure they are in good working order and are being used properly to protect children visiting or living in the Unit.

15. *Antennas.* No exposed exterior television or radio antennas or satellite dishes may be installed anywhere on the property without prior approval of the Association. However, Declarant or the Board may install an antenna located in a Common Area serving all Units. In the event a private satellite dish or antenna is allowed by law, in a manner which invalidates this rule, but not otherwise, the Association reserves the right to approve the location of

any such antenna and/or satellite dish, it being understood that such location must be out of view from a public thoroughfare, out of view from another Unit, and out of view from the Common Area.

16. *Water leaks.* An Owner shall be strictly liable, regardless of fault, for any damages anywhere by water leaks originating from within a Unit, including but not limited to leaks originating from dishwasher, bathtubs, showers, commodes, sinks, aquariums, waterbeds and water furniture.

A. Water Leaks Originating in Owner's Unit:

1. Upon the discovery of a water leak, or the belief that there may be a water leak in a Unit, the Association, Manager, or Director may enter the Unit by whatever means are reasonably practical given the specific circumstances (generally employing a locksmith) in order to find the source of the leak, stop the leak, and/or clean up and repair damage as a result of such leak.
2. The cost of gaining entry, finding the leak, and stopping a water leak shall be the responsibility of the Owner of the Unit in which the leak originated.
3. Each Owner shall be responsible for promptly fixing leaks in all plumbing lines, plumbing fixtures, lavatories, sinks, tubs and shower stalls inside the Unit.

B. Water Leaks Originating from Common Area:

1. The Owner shall report to Manager water leaks originating from the Common Area and intruding into the Owner's Unit as soon as is possible after discovery.
2. Failure to report such leaks can lead to substantial damage to the Common Area, the Owner's Unit, and other Owners' Units.
3. Failure to report such leaks from the Common Area into the Owner's Unit within a reasonable time shall absolve the Association from responsibility for repairs to the Owner's Unit as a result of such leaks.

17. *Vehicle repair.* Vehicles may not be serviced or repaired on the property. Vehicles which have flat tires or which are obviously inoperable due to missing parts are prohibited and must be removed from the property at the Owner's expense. Such vehicles must be removed from the property immediately upon notice from any Director or the Manager.

A. The Board may require the removal of any such inoperable vehicles.

B. Aforementioned inoperable vehicles may be removed from the garage, driveway or Common Area by the Association, Manager, Board, or Director with any removal, towing, and storage expense being a cost of the Owner.

18. *Anti-theft alarms.* Owners and Occupants who have vehicles with anti-theft systems shall not allow the alarms or horns to go off and disturb other persons in the property for more than three minutes. Any vehicle violating the three-minute rule shall be deemed to be illegally parked and subject to immediate towing by the Association under the Texas towing statutes, without prior notice to the vehicle owner or operator. The Association may, without liability to the owner or operator of the vehicle, cut or disconnect any power source to such alarm or horn to avoid having to tow the vehicle.

19. *Parking.* The following rules apply to parking:

- A. Parking of vehicles anywhere in the property other than within the confines of a designated parking space is strictly prohibited. Owners and Occupants shall park vehicles in their respective assigned parking spaces.
- B. No vehicles may be parked or left unattended in such a manner as to block the passage of other vehicles on the streets, alley, or in driveways to the property. No vehicle shall be left parked and unattended in the street, along the curb or in driveway areas in such a manner as to prevent the ingress and/or egress of emergency vehicles (i.e., fire, EMS) or service vehicles (i.e., refuse trucks).
- C. No inoperable vehicle may be stored on the property.
- D. Motorcycles and bicycles may not be parked on Balconies, underneath stairwells or on Private Rooftop Terraces or in any other location not specifically designated for the parking of motorcycles and bicycles. Bicycles may be kept inside of Units. Motorcycles may be parked within the Owner's assigned parking space.
- E. Handicap parking signs must be honored. Handicap spaces may be assigned to persons who are not handicapped. In such event, the handicap space may be reassigned to a Unit Owner whose Occupant is legally entitled to and requiring the handicap space. Then, the parking space previously assigned to the handicap Unit Owner shall be reassigned to the Unit Owner who is relinquishing the handicap space. The Unit Owner that is relinquishing the handicap space will not be obligated to do so without a replacement parking space being reassigned to that Unit Owner. If someone is physically disabled, the Board may accommodate special requests for handicap parking in Common Areas as is practical.
- F. Parking spaces shall be assigned, and may be reassigned, between Owners with the express prior written acknowledgment of the Manager.
- G. An Occupant's vehicle, or the vehicle of a guest of the Occupant, must be parked in the parking space assigned to that Unit.
- H. Vehicles may not be parked in spaces assigned to or leased to others for any reason at any time.
- I. No commercial vehicles, trailers, campers, recreational vehicles, or boats will be parked in the garage, in the driveway, or in the Common Areas at any time.
- J. Vehicles parked in violation of these rules may be removed and stored without permission of the vehicle's owner or operator.
- K. *Items in the garage.*
 - 1. No personal items are allowed outside of storage lockers or outside of the confines of an Owner's parking space.
 - 2. Subject to the Board's discretion, no items are allowed in parking spaces except;
 - a. Automobiles
 - b. Motorcycles

- c. Bicycles (limit 2), if mounted on wall at end or side (if available) of parking space on a Board approved standard bicycle wall mount. (If unable to install wall mount at end or side of parking space Board must approve any other location requested for mounting.)
- d. Folding cart (limit 1) for transporting groceries or other small items, if mounted on wall at end or side (if available) of parking space on two Board approved standard hooks. (If unable to install on end or side of parking space, Board must approve any other location requested for mounting.)
- e. Wall mountings are to be done by the Association maintenance employees only. Owners and Occupants must purchase Board approved standard bicycle wall mount and then request Association maintenance to install it. There will be no charge for installation. An Owner or Occupant desiring to store a folding cart must request Association maintenance to install two hooks for proper storing. Association maintenance will provide and install Board approved standard hooks at no charge.

20. *Towing illegally parked vehicles.* Vehicles parked in violation of these rules may be removed and stored without permission of the vehicle's owner or operator. Notice and removal shall be in accordance with Chapter 684 of the Texas Transportation Code (formerly article 6701g-2). An Owner and Occupant is liable for all costs of towing illegally parked vehicles of the Owner or Occupant or their guests or Invitees.

21. *Pest control.* Owners shall have the sole responsibility for pest control in their respective Units. The Association does not have responsibilities for pest control inside Units. However, the Association shall have the right to enter and exterminate an Owner's Unit, at the Owner's expense, if the Owner's failure to control pests inside his dwelling is adversely affecting other Units.

22. *Criminal activity.* While on the property, no person may violate any criminal laws, health codes or other applicable laws. Tampering with water, lighting, timers, sprinklers, pool equipment or other common facilities is strictly prohibited.

23. *Occupancy.* Permanent occupancy of a Unit will be limited to two persons per bathroom. One child less than 2 years old is not counted for purposes of this occupancy limit.

24. *Common Area modifications.* No owner may construct, alter, modify, or otherwise perform any work whatever upon any of the Common Elements, limited or general, without the prior written approval of the Board. No exterior awning, shades, railings or additional lighting may be installed without the prior written approval of the Board. Changes to exterior colors and/or construction of improvements that affect any portion of the property outside of the interior walls of the Unit are strictly prohibited or strictly regulated by the CCRs and rules. Owners must obtain written approval from the Association before making such improvements. All written approvals shall be recorded in the minutes of the Association Board of Director meetings.

25. *Common Area repairs.* If any Common Area (for example, entry gate, common wastewater disposal system, etc.) is in need of repair or maintenance, Occupants are requested to contact the Manager immediately and leave a message about what needs to be fixed. This is especially important if exterior lighting or the automatic closing and latching devices on the Common Area gates and/or doors are malfunctioning.

26. *Leasing of Units.* The Board may recommend lease forms for use by Owners. The following rules apply to the leasing of Units:

- A. The Owner is financially responsible for the acts of his Occupants and the Owner's and Occupant's guests and Invitees.
- B. Any fines incurred due to violations of CCRs or rules shall be the responsibility of the Owner.
- C. The Association requires that any lease agreement make reference to the CCRs and rules, that a copy of the CCRs and rules be given to the tenant, and that the tenant agree in the lease or otherwise in writing to comply with the provisions of the CCRs and rules. Before the tenant takes occupancy, the Owner must provide to the Manager with either --
 - 1. a complete copy of the signed lease agreement and the tenant's written confirmation that he has been given a copy of the CCRs and these rules; or
 - 2. a completed lease information form, signed by both the Owner and the tenant, setting out the name and contact information for the tenant, the name of each other Occupant under the lease, the term of the lease and a description of any renewal or extension provisions, a statement that the lease does or does not allow subleasing, and a statement that the tenant has been given a copy of the CCRs and these rules, has had an opportunity to read them, and agrees to comply with them.
- D. Prior to move-in the tenant must meet with the Manager to schedule and discuss move-in and review building security and other relevant matters.
- E. The Association has the right to evict an Owner's tenant who substantially or repeatedly violates the Association's rules and regulations.
- F. The Manager may, with authority and compensation from an Owner, lease, manage and/or sell an Owner's Unit. In doing so, the Manager does not represent or act for the Association.
- G. The Manager is not paid by the Association to lease, manage or sell individual Units for the Owners.

It shall be a violation of these rules for an Owner or Occupant to cause or allow an advertisement to be posted or otherwise published to the public, advertising, offering, or promoting the lease of a Unit for a term shorter than the shortest term permitted by the CCRs ("Offending Advertisement"). The applicable fine for such violation shall be \$2,500.00. The Association shall send notice in writing to the Owner in violation of this rule, alerting the Owner of the violation and of the \$2,500.00 fine, and notifying the Owner that he has fifteen (15) days from the date of the letter to either (1) cause the Offending Advertisement to be removed, or (2) take affirmative steps towards its removal by sending formal written notification to the holder or publisher of the advertisement requesting its removal. Proof of such termination notification, or such other proof as may demonstrate that the Offending Advertisement will be removed or has been discontinued, must be submitted to the Board ("Proof of Removal"). Should the Owner fail to submit satisfactory Proof of Removal to the Board, the Owner shall be in continuing violation of these rules, resulting in a \$2,000.00 per day fine. The fines for the continuing violation hereunder shall begin to accrue on the date following the expiration of the above-referenced fifteen day notice period, and shall continue until such time as the unit owner either (1) causes the Offending Advertisement to be removed, or (2) submits satisfactory Proof of Removal to the Board.

It shall be an additional violation of these rules for an Owner to lease or allow the sublease of a Unit for a term shorter than the shortest term permitted by the CCRs ("Offending Lease"). This rule applies whether or not the lease agreement is in writing. The applicable fine for such a violation shall be equal to (i) 5 times the monthly Association assessment for that Unit, multiplied by (ii) the number of nights during which the Unit was leased

under the Offending Lease. The Association shall send notice in writing to an Owner in violation of this rule, alerting that owner of the violation and of the amount of the fine.

27. [Reserved]

28. *Security device requirements for leased Unit.* If a Unit is leased, a special statute provides that the Owner must re-key at every tenant turnover and that the Owner must install and maintain certain kinds of security devices in the Unit. This is very important since the Owner could be held responsible for crimes committed against tenants that are caused in part by the Owner's failure to comply with Texas law. An Owner should consult an attorney regarding you're landlord's statutory security device obligations prior to leasing a Unit.

29. *Fines and damage charges.* The following rules apply to fines and damage charges:

- A. The Board may assess fines against an Owner for violations of restrictions or standards of conduct contained in the CCRs or rules which have been committed by an Owner, an Occupant of the Owner's Unit, or by the Owner's or Occupant's guests, or Invitees. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owner.
- B. The Board may assess damage charges against an Owner for pecuniary loss to the Association from property damage or destruction of Common Areas or common facilities caused by the Owner, an Occupant of the Owner's Unit, or the Owner's or Occupant's guests or Invitees.
- C. As established in the CCRs, the Board has the authority and responsibility for establishing an enforcement regime for the CCRs and rules as defined from time to time by the Association.
- D. Below is the description of the policy for determining fines, and the mechanism for notification, accounting, and collection of said fines effective December 1, 2012.
- E. The Manager shall have authority to assess fines and charges that are provided for in the CCRs and rules and send notices to alleged violators, informing them of their violations and asking them to comply with the rules and/or informing them of potential or probable fines or damage assessments. The Board may from time to time adopt a schedule of fines.
- F. The procedure for assessment of fines and damage charges shall be as follows:
 1. The Association, acting through an officer, Director or the Manager, must give the Owner notice of the fine or damage charge not later than 10 days after the assessment of the fine or damage charge by the Board;
 2. The notice of the fine or damage charge must describe the violation or damage;
 3. The notice of the fine or damage charge must state the amount of the fine or damage charge;
 4. The notice of a fine or damage charge must state that the Owner may, not later than 30 days after the date of the notice, request a hearing before the Board to contest the fine or damage charge; and
 5. The notice of a fine must allow the Owner a reasonable time, by a specified date, to cure the violation if it is of a continuing nature and avoid the fine unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months. A reasonable

time to cure is not necessary in a notice of damage charge or notice of a violation that cannot be cured.

- G. Fine and/or damage charges are due immediately after the expiration of the 30-day period for requesting a hearing. If a hearing is requested, such fines or damage charges shall be due immediately after the Board's decision at such hearing, assuming that a fine or damage charge of some amount is confirmed by the Board at such hearing.
- H. The minimum fine for each violation shall be set by the Board and may change from time to time as determined by the Board of Directors.
- I. Fine Schedule. The Board has established a schedule of fines aligned with classes of violations;
 - 1. Nuisance fines \$25. Such as:
 - Dog off leash
 - Unsightly objects on Balcony
 - Forbidden objects in garage
 - Others, as defined from time to time by the Board
 - 2. Noxious behavior fines \$100. Such as:
 - Noise
 - Smoking
 - Others, as defined from time to time by the Board
 - 3. Party and damages fines \$250. Such as:
 - Violations of Plaza Lofts gathering and building access rules
 - Blocking door open
 - Abuse of elevators
 - Abuse of Common Elements
 - Damage directly attributed to a party. Owner is responsible for any and all damages and will be fined
 - Others, as defined time to time at the discretion of the Board
 - 4. \$500 + offenses including any of the above that are egregious in the circumstance as well as other special circumstances identified by and agreed upon by unanimous Board vote. Fines to be established at time of occurrence by Board members in amounts that are reasonable in light of the nature and circumstances of the offense.
 - 5. Other specific fines
 - Other fines specifically established in the CCRs and rules in the amounts so established.

Fines may be accompanied by notice of additional charges for damages when the Association will incur any expenses associated with addressing problems caused by a violation. Invoices for repair of damages will be forwarded and billed to the Owner as soon as they are received by the Association or, at the discretion of the Manager, included in the Owner's monthly statement of dues and charges.

These fine amounts (dollar amount) shall be the fine applied upon the first such offense against the offending Owner (irrespective of who actually committed the offense). All Owners are responsible for their Occupants, guests, and Invitees.

For a specific repeated violation, we double the amount of the fine for each subsequent occurrence of that violation cited against that Owner.

Example: the fine is \$25 for a violation cited against an Owner. First offense, fine is \$25. 3 months later they re-offend; fine is \$50. 6 months later they re-offend; fine is \$100. 6 months later they re-offend, fine is \$200. 13 months later they re-offend; the fine is \$25.

Time is measured from date of citation by the Manager (that is, date of occurrence of the violation; not date of notification or satisfaction of violation).

In the event that the Owner appeals the citation, and the Board rules in favor of the Owner, the record of the citation is stricken and bears no effect in a repetitive fine situation.

30. *Delinquency Policy.* The Association pays for maintaining the Common Areas and for your personal usage of electricity and chilled water. Your monthly assessment and electric and chilled water utility fees reimburse the Association for these costs. In order to maintain services for all Occupants as expected, the Association needs timely payment of these fees. The Manager shall mail bills on the 25th of the month to the Owners. Bills shall include the prior month's balance, payments received since the previous bill, the upcoming month's regular assessment, charges for recent individual utility consumption, and other applicable fines, fees, and charges. Payment for remaining balances must be received at the Manager's office and is due on or before the 11th of the month. Payments after the 11th are considered late and shall result in a late fee of \$50.00.

If accounts are still not paid by the next billing date, there will be an additional fee of 1% of the funds outstanding on your account. You may mail your payment to the Manager's on-site office or place it in a sealed envelope to the property Manager's attention with the concierge. Please be sure your name and Unit number are on all checks. Cash payments are not accepted. If your check is returned by the bank, we will consider your account unpaid. Late charges (as stated above) as well as a service charge for the returned check will be added to your account balance. If two of your checks are returned, you will be required to pay all future account balances by cashier's check or money order.

31. *Returned checks.* The charge for a returned check is \$25 plus bank charges incurred by the Association. If a returned check is not paid by the due date of the assessment, then the assessment is also considered late, therefore the assessment late charge of \$50 is also assessed. All returned checks and associated returned check fees are due within 10 days after notice from the Association to the Owner.

32. *Emergency access to Units.* The Association shall have the right to enter an Owner's Unit for purposes of: (a.) inspection for utility leaks and frozen pipes; (b.) prevention of water pipe freezing (by turning on heat or dripping faucets); and (c.) protection of property rights and quiet enjoyment of other Owners and Occupants. The Association may request but not require Owners to furnish the Association with entry keys to their Units for such purposes. If the Unit is unoccupied at the time such entry is needed for such purposes, only a locksmith may be used for gaining entry, except in case of extreme emergency such as a fire. Emergency utility leaks may be repaired by the Association at the Owner's expense without prior notice. In cases other than an emergency, utility leaks for which the Owner is responsible under the CCRs or rules may be repaired by the Association at the Owner's expense with prior notice delivered to the Unit if the Owner fails to promptly repair them. If a Unit is vacant, the Owner shall furnish a key to the Unit in a sealed envelope to the Association until it is reoccupied, such key to be

used only in the event of suspected utility leaks or repairs thereof or for other entry permitted by the CCRs and rules.

33. *Delinquencies.* If an Owner is delinquent in the payment of any sum due the Association for a period of 30 days or more, any tenant of the Owner occupying the Unit may pay any sums due to the Association by the Owner. If any Owner is delinquent in the payment of any sum due the Association for a period of 60 days or more, the Board may (so long as the default continues) demand and receive from any tenant occupying the Owner's Unit the rent due or becoming due from the tenant to the Owner, up to an amount sufficient to pay all delinquent sums due to the Association by the Owner.

- A. After the due date, interest shall run on unpaid assessments and damage charges due the Association at the rate of 18 percent per annum, unless such rate is determined to be usurious by law in which case the interest rate shall be the highest non-usurious rate allowed by law.
- B. The right to vote and the right to use Common Area facilities such as the swimming pool, etc., of any Owner who is more than 30 days delinquent on any sum owed to the Association are automatically suspended without notice.
- C. The Board may cut off power and chilled water service to the Unit until such time that all sums due the Association by the Owner are paid.

34. *Fees for special services.* Fees chargeable to Owners for special services (such as furnishing resale certificates, eligibility certificates, copies of CCRs and rules, copies of information sent to mortgagees, copies of accounting records, etc.) shall be set by the Board from time to time.

35. *Change of address.* Owners shall keep the Association timely informed of their current addresses. Owners shall notify the Association of current names, addresses and telephone numbers of tenants of their respective Units.

36. *Name and address of new Owners.* An Owner may not sell or convey his Unit without all monies due and owing to the Association being paid in full. If such Owner does sell, convey or transfer his Unit without paying such monies, such selling Owner shall remain liable for all monies accruing to the Association thereafter on such until such monies are paid in full. If an Owner sells or transfers ownership of his Unit and fails to notify the Association of the sale, the selling Owner shall continue to be liable for the assessments accruing after the sale or transfer until such time as the selling or transferring Owner notifies the association in writing of the name and address of the new Owner. New Owners will in all cases take title subject to any valid recorded lien against a Unit held by the Association.

37. *Interior Unit construction and installation.* Mechanical, electrical, and/or plumbing construction and/or installation within a Unit that does or may affect other Unit(s) or Common Areas requires prior written approval by the Manager and/or the Board. It will be the Owner's responsibility to verify the structural requirements for the installation and/or construction of any item(s) in or on a Unit that, due to weight or other factors, could affect the structural integrity of the building, and requires prior written approval by the Manager and/or the Board. Construction and/or installation of any item in or on a Unit that will cause an adverse insurance consequence is prohibited without prior written consent by the Board. Approval of design or construction by the Board or Manager does not make the Board or Manager liable to the Owner or any other person for any defects or legal deficiencies in the construction.

38. *Swimming pool.* The following rules shall apply to the *Common Rooftop Terrace* swimming pool:

- A. The pool may be used only by Owners, Occupants, and their guests.

- B. The pool rules apply to everyone in the pool area.
- C. No lifeguard is on duty.
- D. Persons swim at their own risk.
- E. No child under 18 may use the pool unless accompanied by a person over 18.
- F. No glass containers are permitted in the pool area.
- G. No food may be served or eaten in the pool deck area at any time. Persons are responsible for the disposal of food and drink items in the Common Rooftop Terrace area, and persons using the Common Rooftop Terrace area should leave it in a clean and neat condition before exiting the area.
- H. No animals are permitted in the pool area, except for guide animals of disabled persons.
- I. No horseplay, diving, running, loud noises or dangerous conduct is allowed in the pool area.
- J. No musical instruments, radios, TVs, stereos or other sound-emitting devices are allowed in the pool area.
- K. Walkways around the pool may not be obstructed by anyone. Climbing on fences, gates, walls and/or any other items in the pool area is prohibited. Sitting on walls, fences and/or gates around the pool area is prohibited. Except for emergency egress and ingress, no one may enter the Private Rooftop Terraces assigned to specific Units, except the Unit's Owner or Occupant and invited guests of such Unit's Owner or Occupant.
- L. No swimming is allowed before 8:00 a.m. or after 11:00 p.m. Declarant and/or the Board may change these hours at any time.
- M. No person who has a contagious disease may use the pool.
- N. No guest is allowed in the pool or pool area unless accompanied at all times by Owner or Occupant.
- O. No more than four guests of a Unit may use the pool at any one time. The Board may adopt rules with regard to reserving the pool and pool area for private parties.
- P. In no event shall the number of persons occupying the pool and pool area exceed sixty people at any time.
- Q. Yelling and loud talking in the pool and pool area is prohibited. Excessive splashing in the pool is prohibited.
- R. Safety equipment may be used only in case of emergency.
- S. Occupants and guests must be especially careful to supervise and watch their children at the pool.
- T. Pool yard gates may not be propped open or otherwise rendered inoperable, even temporarily.
- U. Owners are responsible for paying clean up expenses, repair costs and damages caused by the Owner or Occupant or the Owner's or Occupant's guests or Invitees.

- V. The Association is not responsible for lost or stolen articles.
- W. Customary bathing attire must be worn in the swimming pool. Street clothes, underwear and nude bathing are not allowed in the pool.
- X. Persons using the pool should ask others to cease any violation of these rules.
- Y. Owners are requested to notify management of significant rule violations.
- Z. Owners and Occupants shall indemnify, defend, and hold harmless the Association, the Manager, the Board, and the Directors from any claim, demand, liability, cause of action, and/or legal proceeding arising out of the use of the pool by an Owner or Occupant, or any guest or Invitee of an Owner or Occupant.

39. *Gathering Rules.*

A. General.

- 1. Guests shall not loiter anywhere in the Building and shall travel only the most direct route between the building entry and the location of the gathering.
- 2. Guests shall not use the common stairwells except in the event of an actual emergency.
- 3. Guests must be quiet at all times while in the corridors, elevators, and lobby. Gatherings must be contained within the Unit, and Unit entry doors must remain closed.
- 4. It is the responsibility of Owners and Occupants to ensure that their guests follow all rules. Owners and Occupants will be liable for any violations of the rules by their guest(s), and are subject to be fined.
- 5. If it is determined that an Owner or Occupant permitted access to the building to another person under any circumstance, the Owner or Occupant who gave that person access to the building (and the Owner and Occupant or any Unit visited by the person) will be responsible for violations of these rules by that person.
- 6. Any Owner or Occupant hosting a gathering must be present in the location of the gathering for its entire duration.
- 7. The Manager must be notified, in writing, at least (5) business days before a Unit Gathering.

B. *Unit gatherings.* A gathering of twenty five (25) or more guests (excluding Owners and Occupants) in a Unit at any time is considered a Unit Gathering. Balconies and Private Rooftop Terraces are considered part of the Unit for the purpose of rules related to gatherings.

- 1. Any gathering of twenty five (25) or more guests in a Unit requires the use of a "doorman".
 - a. The "doorman" may be an on duty Plaza Concierge or Plaza Security Guard.
 - b. In the event that any portion of a Unit Gathering is hosted outside of standard working hours of Plaza Concierge or Plaza Security Guard personnel, the Unit Gathering must meet the following conditions:

- (1) The Manager shall retain a “doorman”, at the owner’s expense, for any and all portions of the event not covered by a Plaza Concierge or Plaza Security Guard.
 2. In the event that more than one Unit Gathering of twenty (25) or more guests is being held concurrently and the gathering is outside the standard working hours of a Plaza provided “doorman”, the Owners and Occupants may make a request to the Board, in writing, to split the cost of the doorman.
 3. To ease the overhead associated with admitting guests into the building the Owner or Occupant may provide the “doorman” with a list of the names of each guest. Guests on the list will be admitted without contacting the Owner or Occupant during the Unit Gathering.
 4. Unit Gatherings must end by 11 pm, Sunday through Thursday, and 1 am Saturday and Sunday.
- C. *Large gatherings.* A Large Gathering is defined as a Unit Gathering with forty (40) or more guests. It is subject to the following additional restrictions:
1. The Manager must be notified, in writing, at least ten (10) business days prior to the event. (The Manager will, in turn, notify the Board.)
 2. The Manager shall arrange for the presence of the Plaza Concierge, guard, or doorman for the duration of a Large Gathering, and the Owner or Occupant will bear the expense thereof outside normal staffing hours. The Owner or Occupant will also provide adequate additional attendant(s) for the duration of the event to ensure proper entry and exit of guests and other compliance with these rules.
 3. The Board may at its discretion set additional security and staffing requirements for the event.
 4. The Board may at its discretion require fees or deposits, or establish special conditions and fines, in advance of the event.
 5. The Manager should notify Unit neighbors (those residing on the same floor as, and those residing above and below, the Unit in which the gathering is taking place) at least 72 hours before the event.
 6. Large Gatherings must end by 11 pm, Sunday through Thursday, and 1 am on Saturday and Sunday.
- D. *Rooftop gatherings.* A gathering of more than twelve (12) guests lasting more than thirty (30) minutes on the Common Rooftop Terrace (“CRT”) is considered a Rooftop Gathering.
1. Rooftop gatherings are subject to the same rules as Unit Gatherings and Large Gatherings (where applicable due to the number of guests).
 2. A Rooftop Gathering must be approved by the Board.
 3. To obtain Board approval, written request must be made to the Board at least five (5) business days before the requested date of the Rooftop Gathering.
 4. The Board, in its sole discretion, may deny any requests to reserve the CRT.

5. The Board, or Manager, will notify other property owners, using the building mailing list, of any event on the CRT.
 6. All Owners and Occupants will be permitted to enter and use the CRT and the pool at all allowable times even if the CRT has been reserved for a gathering by another Owner or Occupant.
 7. For the purpose of enforcing the occupancy limit, Owners and Occupants are not counted as guests during the CRT Gathering.
 8. CRT Gatherings must end by 11 pm and are prohibited between the hours of 11 pm and 7 am.
- E. *After hours gatherings.* An Afterhours Gathering is defined as a gathering between the hours of 1 am – 8 am. No more than ten (10) guests are permitted access to any Unit during this time and the Owner or Occupant must be present. Only Owners and Occupants and one guest per Owner or Occupant are permitted on the CRT between 11 pm and 6 am.
- F. *Cleaning of Common Areas.* Any Occupant hosting a gathering is responsible for immediately and completely cleaning any affected Common Areas after the gathering. If this cleaning has not been performed within 6 hours of the end of the gathering or by 8 am, whichever comes earliest, the Owner may be fined an amount of not less than \$250. Additionally, any costs that are incurred by the Association as a result of a gathering will be charged to the Owner in addition to any charge for any damage to the building and/or lack of adequate cleaning.
- G. *Enforcement.* Any Owner or Occupant who holds a gathering in violation of any of the rules stipulated herein will be subject to a fine per the fine schedule in these rules.
- H. *Building access.* No one is allowed to permit entry to the building to anyone who is not properly and specifically authorized by an Owner, Occupant, and/or the Manager to enter the building. Any person who is in the Building at any time without proper authorization by an Occupant, Owner, and/or the Manager will be considered trespassing and will be prosecuted.
- I. *Guest parking in the garage.* Any vehicle parked in the garage must be authorized to park in the space it is located in either by the Owner or Occupant of the Unit to which that space is assigned or by the Manager. All cars parked in the garage in violation of this rule are subject to being towed at vehicle owner's expense by the Manager or by the Owner or Occupant of the Unit to which that space is assigned.
- J. *Entry Policy.* Management reserves the right to request all persons entering the building to present valid identification.

The undersigned, being all the members of the Board of Directors of The Plaza Lofts Condominium Association, Inc., a Texas nonprofit corporation (the "Association"), hereby confirm that the above rules constitute the Rules and Regulations of the Association within the meaning of the CCRs as of the date set forth above.

Adopted at a meeting of the Board of Directors held on _____, 2012

Dean Greenwood

Paul Nelson

Rayfes Mondal