



Dyana Limon-Mercado

Dyana Limon-Mercado, County Clerk
Travis County, Texas

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Prepared in the Office of:
Julie Alexander Law, PC
www.TexasCondoLaw.com

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

for the Cerca Domain Master Owners' Association

STATE OF TEXAS
COUNTY OF TRAVIS

Preamble

This Declaration of Covenants, Conditions and Restrictions for the Cerca Domain Master Owners' Association ("Declaration") is dated to be effective on April 1, 2026, in Travis County, Texas, by Albury Cove Condos LLC, a Texas limited liability company ("Declarant"), whose mailing address is 4009 Banister Lane, #300, Austin, Texas 78704.

Recitals

1. Declarant is acting under the Development Periods as set forth in the following declarations of condominium regimes:
Declaration of Condominium Regime for the 1900 Cerca Domain Condominiums;
Declaration of Condominium Regime for the 1901 Cerca Domain Condominiums;
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Declaration of Condominium Regime for the 1905 Cerca Domain Condominiums;
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Declaration of Condominium Regime for the 1908 Cerca Domain Condominiums;
Declaration of Condominium Regime for the 1909 Cerca Domain Condominiums;
Declaration of Condominium Regime for the 1910 Cerca Domain Condominiums; and
Declaration of Condominium Regime for the 1911 Cerca Domain Condominium ("Declarations", "Documents" or "Condominiums"), for the following real properties:
1900 Albury Cove, Austin, Texas 78758;
1901 Albury Cove, Austin, Texas 78758;
1902 Albury Cove, Austin, Texas 78758;
1903 Albury Cove, Austin, Texas 78758;

1905 Albury Cove, Austin, Texas 78758;
 1906 Albury Cove, Austin, Texas 78758;
 1907 Albury Cove, Austin, Texas 78758;
 1908 Albury Cove, Austin, Texas 78758;
 1909 Albury Cove, Austin, Texas 78758;
 1910 Albury Cove, Austin, Texas 78758; and
 1911 Albury Cove, Austin, Texas 78758 (“Property”, “Properties” or “Project”), more particularly described in **Exhibit A**, which is attached and incorporated by reference. Unless otherwise defined herein, capitalized terms shall have the meaning set forth in Article 1 of the Declarations, incorporated herein for all purposes.

2. The Declarant intends to impose and establish by this Declaration on the Properties mutually beneficial restrictions for the benefit of all Units in the Properties and the persons who own those Units (the “Owners”). The Declarant further intends, in accordance with the terms set forth herein, that the Owners will govern the Properties by means of an organization of Owners (herein the “Master Association”), as more particularly set forth herein. The formal name of the Master Association is the “**Cerca Domain Master Owners’ Association.**”
3. Therefore, the Declarant declares that the Properties are held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the following covenants, conditions, and restrictions, all of which are declared and agreed to be in furtherance of a plan for the management of the Properties, and all of which are established and agreed on for the purpose of enhancing and perfecting the value, desirability, and attractiveness of the Properties. All of the covenants, conditions, and restrictions shall run with the Properties and shall be binding on all parties having or acquiring any right, title, or interest in or any part of the Properties and shall be for the benefit of each owner of the Properties or any interest in the Properties and shall inure to the benefit of and be binding on each successor in the interest of the Owners.
4. **By acquiring a Unit at the 1900 Cerca Domain Condominiums, 1901 Cerca Domain Condominiums, 1902 Cerca Domain Condominiums, 1903 Cerca Domain Condominiums, 1905 Cerca Domain Condominiums, 1906 Cerca Domain Condominiums, 1907 Cerca Domain Condominiums, 1908 Cerca Domain Condominiums, 1909 Cerca Domain Condominiums, 1910 Cerca Domain Condominiums, or 1911 Cerca Domain Condominiums, you agree to comply with the terms and provisions of this Declarations, as amended or modified.**

Article 1 - Definitions

1.01. **Area of Common Responsibility.** *Area of Common Responsibility* means those portions of Units and Buildings that are designated, from time to time, by the Master Association, to be maintained, repaired, and replaced by the Master Association, as a Common Expense.

1.02. **Board.** *Board* means the Board of Directors of the Master Association.

1.03. **Bylaws.** *Bylaws* mean the Bylaws of the Master Association and amendments to the Bylaws that are or shall be adopted by the Members of the Master Association.

1.04. **Certificate.** *Certificate* means the Certificate of Formation of the Master Association that is or shall be filed in the Office of the Secretary of State of the State of Texas.

1.05. **Common Expenses.** *Common Expenses* means all reasonable expenses incurred by the Master Association for promoting the health, safety, welfare and recreation of the Owners of the Units and in particular for the administration and management, ownership, maintenance, operation, repair, replacement, or improvement of and addition to agreed upon areas of the Properties.

- a) **Area of Common Responsibility.** All reasonable expenses associated with or arising from the maintenance, repair and replacement of the areas designated as an Area of Common Responsibility for the individual Associations in the Declarations and/or Master Association in this Declarations and/or by the Board and replacement reserves for the Area of Common Responsibility. The Board may designate items or Areas of Common Responsibility that benefit the Properties as a whole and/or are less expensive when aggregated from an individual Property to all the Properties, such as landscaping and lawn maintenance, insurance coverage, trash removal, fences, driveway maintenance and repair, Master Association expenses, and/or property and Master Association management services.
- b) **Master Association Management.** All reasonable expenses associated with or arising from maintaining reserves for the operation of the Master Association, the management, administration and operation of the Master Association, and the administration and enforcement of the Documents.
- c) **Shared Waste Removal.** The Master Association may contract with a waste disposal company for common waste disposal services on the Properties, and in such case, the cost of such services will be a Common Expense of the Master Association.
- d) **Other Expenses.** All other reasonable expenses declared to be Common Expenses by the Board, provisions of this Declaration or by the other Documents.

1.06. **Documents.** *Documents* means the Declaration, the Certificate of Formation, Bylaws of the Master Association and Rules of the Master Association.

1.07. **Majority.** *Majority* means fifty-one percent (51%) or more.

1.08. **Manager.** *Manager* means the person or corporation, if any, appointed by the Members to manage the Properties.

1.09. **Master Association.** *Master Association* means the **Cerca Domain Master Owners' Association**, a non-profit corporation organized under the Texas Business Organizations Code for the management of the Properties, the membership of which consists of all of the Owners in the Properties.

1.10. **Member(s).** *Member(s)* means any person that is an Owner of a Unit within the Properties and therefore is also a member of the Master Association.

1.11. **Owner(s).** *Owner(s)* means an Owner as defined in the individual Property Declarations.

1.11. **Resident.** *Resident* means an occupant or tenant of a Unit, regardless of whether the person owns the Unit.

1.12. **Rules.** *Rules* mean and refer to the Rules and Regulations for the Properties adopted by the Members pursuant to this Declaration.

1.13. **Unit.** *Unit* means a Unit as defined in the individual Property Declarations.

Article 2 – The Properties

2.01. Properties Subject to Declaration. All the real property described in **Exhibit A** to this Declaration, including the land; all improvements and structures on the Properties; and all easements, rights, and appurtenances belonging to the Properties shall be subject to this Declaration.

2.02. Easement for Maintenance of Area of Common Responsibility. The Master Association is hereby granted an easement over and across each Unit to the extent reasonably necessary or convenient for the Master Association or its designee to maintain, repair and/or replace those portions of a Unit, which have been designated as Area of Common Responsibility. Unless otherwise agreed to by the Owner of the Unit to be accessed, or in the case of an emergency, access to the Units is limited to Monday through Saturday, between the hours of 7 a.m. until 6 p.m., and then only in conjunction with actual maintenance activities. If the Master Association damages any portion of a Unit located while exercising the easement granted hereunder, the Master Association will be required to restore such Unit to the condition which existed prior to any such damage, at the Master Association's expense, within a reasonable period of time not to exceed thirty (30) days after the date the Master Association is notified in writing of the damage by the Owner of the damaged Unit.

2.03. Acceptance. By accepting an interest in or title to a Unit, each Owner is deemed to acknowledge the authority of the Master Association, acting through its Board, for all decisions pertaining to the Properties.

2.04. Security. The Master Association may, but is not obligated to, maintain or support certain activities within the Properties designed, either directly or indirectly, to improve safety in or on the Properties, such as gates or security personnel. Each Owner and Resident acknowledges and agrees, for himself and his guests and invitees, that Declarant, the Master Association, and their respective directors, officers, committees, agents, managers, members, contractors and employees are not providers, insurers, or guarantors of security within the Properties. Each Owner and Resident acknowledges and accepts as his sole responsibility to provide security for his own person, permittee and property, and assumes all risks for loss or damage to same. Each Owner and Resident further acknowledges that Declarant, the Master Association, and their respective directors, officers, members, managers, committees, agents, contractors and employees have made no representations or warranties, nor has the Owner or Resident relied on any representation or warranty, express or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire, monitoring, burglary, and/or intrusion systems recommended or installed, or any security measures undertaken within the Properties. Each Owner and Resident acknowledges and agrees that Declarant, the Master Association, and their respective directors, officers, members, managers, committees, agents, contractors and employees may not be held liable for any loss or damage by reason of any failure to provide adequate security or the ineffectiveness of security measures undertaken.

2.05. Injury to Person or Properties. Neither the Master Association nor Declarant, or their respective directors, officers, members, managers, committees, agents, contractors and employees

have a duty or obligation to any Owner, Resident or their guests or invitees: (a) to supervise minor children or any other person; (b) to fence or otherwise enclose any portion of the Properties; or (c) to provide security or protection to any Owner, Resident, or their guests, employees, contractors, invitees, and permittees from harm or loss. By accepting title to a Unit, each Owner agrees that the limitations set forth in this section, this article and elsewhere in the Documents are reasonable and constitute the exercise of ordinary care by the Master Association and Declarant. Each Owner agrees to indemnify and hold harmless the Master Association, Board and Declarant, and the Master Association's, Board's and Declarant's agents, members, managers, officers, employees, directors and contractors from any claim of damages, to person or property arising out of an accident or injury in or about the Properties to the extent and only to the extent caused by the acts or omissions of such Owner, his tenant, his Resident, his guests, agents, employees, contractors, permittees or invitees to the extent such claim is not covered by insurance obtained by the Master Association at the time of such accident or injury.

Article 3 – Unit Owners' Master Association

3.01. **Master Association.** The Master Association, organized as a nonprofit corporation under the Texas Business Organizations Code, operating under the name **Zilker Flats Master Owners' Master Association**, is charged with the duties and vested with the powers prescribed by law and set forth in this Declaration and in the Master Association's Certificate of Formation and Bylaws.

3.02. **Board.** Unless the Documents expressly reserve a right, action, or decision to the Owners, Declarant, or another party, the Board acts in all instances on behalf of the Master Association. Unless the context indicates otherwise, references in the Documents to the "Master Association" may be construed to mean "the Master Association acting through its Board of Directors."

3.03. **The Master Association.** The duties and powers of the Master Association are those set forth in the Documents, together with the general and implied powers of a homeowners' association and a nonprofit corporation organized under the laws of the State of Texas. Generally, the Master Association may do any and all things that are lawful and necessary, proper, or desirable in operating for the peace, health, comfort, and general benefit of its Members, subject only to the limitations on the exercise of such powers as stated in the Documents. The Master Association comes into existence on issuance of its corporate charter. The Master Association will continue to exist at least as long as the Declaration is effective against the Properties, regardless of whether its corporate charter lapses from time to time.

3.04. **Governance.** A board of directors elected by the Members will govern the Master Association, subject to the Declarant Control Period. Unless the Bylaws or Certificate provide otherwise, the Board will consist of at least three (3) persons elected at the annual meeting of the Master Association, or at a special meeting called for that purpose. The Master Association will be administered in accordance with the Bylaws. Unless the Documents provide otherwise, any action requiring approval of the Members may be approved in writing by Owners representing at least a Majority of the ownership interests, or at a meeting by Owners' representing at least a Majority of the ownership interests that are represented at the meeting.

3.05. Membership. Membership in the Master Association is automatically granted to the Owner or Owners of each Unit in the Properties. On the transfer of title to any Unit, the membership of the transferor automatically ceases and each new Owner becomes a Member.

3.06. Voting Rights and Allocation of Responsibility for Common Expenses. The allocation to each Unit of: (a) a percentage of responsibility for the Common Expenses of the Master Association, and (b) a percentage of votes in the Master Association is Two and 833/1000 Percent (2.0833%) for each Unit. Each Owner within a Unit is entitled to an equal percentage of the Unit's voting percentage. The votes cast by a Majority vote of the Units shall control.

3.07. Manager. The Board may delegate the performance of certain functions to one or more managers or managing agents of the Master Association. Notwithstanding any delegation of its functions, the Board is ultimately responsible to the Members for governance of the Master Association.

3.08. Books and Records. The Master Association will maintain copies of the Documents and the Master Association's books, records, and financial statements. Books and records of the Master Association will be made available for inspection and copying pursuant to the requirements of the Texas Business Organizations Code. The Master Association may charge copying fees as further set forth in the Bylaws.

3.09. Membership Meetings. Meetings of the Members shall be called, held, and conducted in accordance with the requirements and procedure set forth in the Bylaws.

3.10. General Powers and Authority. The affairs of the Properties shall be managed and administered by the Master Association. The Master Association shall have all of the rights, powers and duties established by the Texas Property Code, as may be amended from time to time, as well as the powers of a nonprofit corporation established under Texas law, subject only to the limitations contained in this Declaration and in the other Documents. The Master Association shall have the right, power, and obligation to provide for the maintenance, repair and replacement of the Areas of Common Responsibility, to the degree and in the manner as provided in the Texas Property Code, except as and to the extent otherwise provided in this Declaration and the other Documents. The Master Association shall not be responsible for the maintenance, repair and replacement of the Units, or for any maintenance obligations of the Unit Owners as provided herein. The Master Association may perform all acts that may be necessary for, or incidental to, the performance of the obligations and duties imposed on it by this Declaration. The powers of the Master Association shall include, but are not limited to, the following:

- (a) The power to establish, fix, and levy assessments against Owners in accordance with the procedures and subject to the limitations set forth in this Declaration and the Documents.
- (b) The repair, maintenance or replacement of the items set forth as Areas of Common Responsibility.
- (c) Legal and accounting services necessary or proper for the maintenance of the Master Association with the Texas Comptroller and Texas Secretary of State and operation of the Master Association or the enforcement of this Declaration or Documents.

- (d) Drafting and recording of a Management Certificate not later than the 30th day after the date the Master Association has notice of a change in any information in a recorded certificate.
- (e) The right to discipline Owners for violation of any of the provisions of the Documents or Master Association Rules by suspension of the violator's voting rights or privileges for use of the Common Elements or by imposition of monetary penalties, subject to the following limitations:
- i) The accused Owner must be given written notice of the violation or property damage, stating the amount of any proposed fine or damage charge and that the Owner may request a written hearing before the Members within thirty (30) days of the notice.
 - ii) The accused Owner must be given a reasonable time, by a date specified in the notice, to cure the violation and avoid the fine, unless the Owner was given notice and reasonable opportunity to cure a similar violation within the preceding twelve (12) months.
 - iii) The accused Owner must be given written notice of a levied fine or damage charge within thirty (30) days after the date of levy.
 - iv) Any suspension of privileges or imposition of monetary penalties shall be reasonably related to the Owner's violation.

3.11. Consent of Members. Any provisions herein requiring the consent of the Members requires a Majority vote, unless set forth specifically otherwise in the Declaration or Documents.

3.12. Limitations on Powers of Board. Notwithstanding the powers set forth in this Declaration, the Members shall be prohibited from taking any of the following actions except with unanimous approval of the Members:

- (a) Entering into: (i) a contract with a third person under which the third person will furnish goods or services for a term longer than one (1) year, except for a management contract approved by the Federal Housing Administration or Veteran's Administration; (ii) a contract with a public utility if the rates charged are regulated by the Public Utilities Commission, provided that the term shall not exceed the shortest term for which the utility will contract at the regulated rate; or (iii) prepaid casualty and/or liability insurance of not more than three (3) years duration, provided that the policy provides for short-rate cancellation by the insured.
- (b) Paying compensation to officers of the Master Association for services rendered in the conduct of the Master Association's business, provided, however, that the Board may cause an officer to be reimbursed for expenses incurred in carrying out the business of the Master Association with a Majority vote.

3.13. Limitations on Rights of Actions by Association. The Association shall not have the power to institute, defend, intervene in, settle or compromise litigation or administrative proceedings: (a) in the name of or on behalf of any Unit Owner (whether one or more); or (b) pertaining to a Claim, as defined below, relating to the design or construction of a Unit (whether one or more). The foregoing sentence is expressly intended to remove from the power of the Association the right, under Section 82.102 of TUCA, to institute, defend, intervene in,

settle, or compromise litigation or administrative proceedings on behalf of two (2) or more Unit Owners on matters affecting the Condominium. Specifically, all Owners hereby acknowledge and agree that the Association shall not be entitled to institute any legal action on behalf of any or all of the Owners which is based on any alleged defect in any Unit or the Common Elements, or any damage allegedly sustained by any Owner by reason thereof, but rather, all such actions shall be instituted by the Person(s) owning such Units or served by such Common Elements or allegedly sustaining such damage. This section may not be amended or modified without Declarant's written and acknowledged consent, which must be part of the recorded amendment instrument.

"Claim" means any claim, grievance, or dispute between parties involving the Property, except Exempt Claims as defined below, and including without limitation: (a) Claims relating to the rights and/or duties of Declarant, or its permitted assigns, under the Documents; (b) Claims relating to the acts or omissions of the Declarant during its control and administration of the Association, and any claims asserted against a Person appointed by the Declarant to serve as a member or officer of the Association; and/or (c) Claims relating to the design or construction of the Property, Units, or any improvement by Declarant, its permitted assigns, its contractor or subcontractors, or its designee. "Exempt Claims" means the following claims or actions, which are exempt from this section: (a) The Association's claim for assessments and any action by the Association to collect assessments; (b) An action by a party to obtain a temporary restraining order or equivalent emergency equitable relief, and such other ancillary relief as the court deems necessary to maintain the status quo and preserve the party's ability to enforce the provisions of this Declaration; (c) Any enforcement by the Association or the Declarant of the easements, maintenance, and use restrictions of this Declaration; provided, however, that any enforcement action brought by the Association against the Declarant, or vice versa, is not an Exempt Claim hereunder; and/or (d) A suit to which an applicable statute of limitations would expire within the notice period of this article, unless a party against whom the Claim is made agrees to toll the statute of limitations as to the Claim for the period reasonably necessary to comply with this article.

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

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

- (a) **Information.** Within thirty (30) days after acquiring an interest in a Unit, within thirty (30) days after the Owner has notice of a change in any information required by this Subsection, and on request by the Master Association from time to time, an Owner will provide the Master Association with the following information: (i) a copy of the recorded deed by which Owner has acquired title to the Unit; (ii) the Owner's address and phone number; (iii) any Mortgagee's name and contact information; (iv) the name

and phone number of any Resident other than the Owner; and (v) the name, address, and phone number of Owner's managing agent, if any.

- (b) **Pay Assessments.** Each Owner will pay Assessments properly levied by the Master Association against the Owner or such Owner's Unit and will pay Regular Assessments without demand by the Master Association.
- (c) **Compliance with Documents.** Each Owner will comply with the Documents as amended from time to time.
- (d) **Reimburse for Damages.** Each Owner will pay for damage to the Properties caused by the negligence, willful or intentional misconduct of the Owner, a Resident of the Owner's Unit, or the Owner or Resident's family, guests, employees, contractors, agents, or invitees.
- (e) **Liability for Violations.** Each Owner is liable to the Master Association for violations of the Documents by the Owner, a Resident of the Owner's Unit, or the Owner or Resident's family, guests, employees, agents, or invitees, and for costs incurred by the Master Association to obtain compliance, including attorney's fees whether or not suit is filed.

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

- (a) **Resale Certificate.** An Owner intending to sell his Unit will notify the Master Association and will request a condominium resale certificate from the Master Association.
- (b) **No Right of First Refusal.** The Master Association does not have a right of first refusal and may not compel a selling Owner to convey the Owner's Unit to the Master Association.
- (c) **Other Transfer-Related Fees.** A number of independent fees may be charged in relation to the transfer of title to a Unit, including but not limited to, fees for resale certificates, estoppel certificates, copies of Documents, compliance inspections, ownership record changes, and priority processing, provided the fees are customary in amount, kind and number for the local marketplace. Transfer-related fees are not refundable and may not be regarded as a prepayment of or credit against regular or special assessments. Transfer-related fees may be charged by the Master Association or by the Master Association's managing agent, provided there is no duplication of fees. Transfer-related fees charged by or paid to a managing agent must have the prior written approval of the Master Association, are not subject to the Master Association's assessment lien, and are not payable by the Master Association. This Section does not obligate the Board or the manager to levy transfer-related fees. This exclusion may be waived by a party to a conveyance who requests transfer-related services or documentation for which fees are charged.
- (d) **Exclusions.** The requirements of this Section do not apply to the following transfers:
 - (i) foreclosure of a mortgagee's deed of trust lien, a tax lien, or the Master Association's assessment lien;
 - (ii) conveyance by a mortgagee who acquires title by foreclosure or deed in lieu of foreclosure; transfer to, from, or by the Master Association;
 - (iii) voluntary transfer by an Owner to one or more Co-Owners, or to the Owner's spouse, child, or parent; a transfer by a fiduciary in the course of administering a decedent's

estate, guardianship, conservatorship, or trust; a conveyance pursuant to a court's order, including a transfer by a bankruptcy trustee; or (iv) a disposition by a government or governmental agency. Additionally, the requirements of this Section do not apply to the initial conveyance from Declarant.

3.17. Master Association's Right to Promulgate Rules. The Master Association, acting through the Board, is granted the right to adopt, amend, repeal, and enforce reasonable Rules, and penalties for infractions thereof, regarding the occupancy, use, disposition, maintenance, appearance, and enjoyment of the Properties. The Master Association, acting through a Majority of the Board, is further granted the right to amend, repeal, and enforce the Rules, if any, setting forth therein such policies governing the Master Association as the Board determines; provided, however, that during the Development Period, any amendment to the Rules must be approved in advance and in writing by the Declarant.

3.18. Rules and Regulations. Each Unit is owned and occupied subject to the right of the Board to establish Rules, and penalties for infractions thereof, governing:

- (a) Hazardous, illegal, or annoying materials or activities on the Properties.
- (b) The use of Properties-wide services provided through the Master Association.
- (c) The consumption of utilities billed to the Master Association.
- (d) The use, maintenance, and appearance of anything visible from the street or other Units.
- (e) Disposition of trash and control of vermin, termites, and pests.
- (f) Anything that interferes with maintenance of the Properties, operation of the Master Association, administration of the Documents, or the quality of life for Residents.

Article 4 - Assessments

The Master Association has the express right to levy assessments against a Unit or an Owner.

4.01. Covenant to Pay. Each Owner by the acceptance of the deed to such Owner's Unit is deemed to covenant and agree to pay to the Master Association the assessments levied pursuant to the provisions of this Declaration. Each monthly portion of an assessment shall be a separate, distinct, and personal debt and obligation of the Owner against whom all assessments are assessed. The amount of any assessment not paid when due shall be deemed to be delinquent. All moneys collected shall be put into a maintenance and/or reserve fund to be used to defray expenses attributable to the ownership, operation, and maintenance of the Common Elements incurred by the Master Association. The Owner may not waive or otherwise escape liability for these assessments by nonuse of the Common Elements or by abandonment of the Owner's Unit.

4.02. Personal Obligation. An Owner is obligated to pay assessments levied by the Master Association against the Owner or the Owner's Unit. Payments are to be made to the Master Association at its principal office or at any other place the Master Association directs. Payments must be made in full regardless of whether an Owner has a dispute with the Master Association.

another Owner, or any other person or entity regarding any matter to which this Declaration pertains. No Owner may exempt himself from his assessment liability by waiver of the use or enjoyment of the Common Elements or the Area of Common Responsibility, by abandonment of such Owner's Unit, or for any other reason. An Owner's obligation is not subject to offset by the Owner, nor is it contingent on the Master Association's performance of the Master Association's duties. Payment of Assessments is both a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Unit.

4.03. Types of Assessments. There are five (5) types of Assessments: Regular, Special, Utility, Individual, and Deficiency Assessments.

4.04. Regular Assessments. Regular assessments are used for Common Expenses related to the recurring, periodic, and anticipated responsibilities of the Master Association, including but not limited to:

- (a) Maintenance, repair, and replacement, as necessary, of the Common Elements and Areas of Common Responsibility, and improvements, equipment, signage, and property owned by the Master Association.
- (b) Utilities billed to the Master Association.
- (c) Services obtained by the Master Association and available to all Units.
- (d) Taxes on property owned by the Master Association.
- (e) Management, legal, accounting, auditing, and professional fees for services to the Master Association.
- (f) Costs of operating the Master Association, such as postage, office supplies, printing, and meeting expenses.
- (g) Insurance premiums and deductibles.
- (h) Contributions to the working capital funds.
- (i) Any other expense which the Master Association is required by law or the Documents to pay, or which in the opinion of the Master Association is necessary or proper for the operation and maintenance of the Properties or for enforcement of the Documents.

The Master Association will prepare and approve an annual budget with the estimated expenses to be incurred by the Master Association for each fiscal year. The budget will take into account the estimated income and Common Expenses for the year, contributions to the working capital or reserve funds, and a projection for uncollected receivables. The Master Association will make the budget or a summary of the budget available to the Owner of each Unit, although failure to receive a budget or budget summary will not affect an Owner's liability for assessments. Regular Assessments will be based on the annual budget, minus estimated income from sources other than Regular Assessments. Each Unit will be liable for its allocated share of the annual budget. If the Master Association does not approve an annual budget or fails to determine new Regular Assessments for any year, or delays in doing so, Owners will continue to pay the Regular Assessment as last determined. If during the course of a year the Master Association determines that Regular Assessments are insufficient to cover the estimated Common Expenses for the remainder of the year, the Master Association may increase Regular Assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency.

4.05. **Special Assessments.** In addition to Regular and Utility Assessments, the Master Association may levy one or more Special Assessments against all Units for the purpose of defraying, in whole or in part, Common Expenses not anticipated by the annual budget or reserve funds. Special Assessments may be used for the same purposes as Regular Assessments. Special Assessments do not require the approval of the Owners, except that Special Assessments for the following purposes must be approved by at least a Majority vote: (a) acquisition of real property; and (b) construction of additional improvements within the Properties (excluding the repair or replacement of existing improvements or the construction of additional improvements by the Declarant).

4.06. **Individual Assessments.** In addition to Regular and Special Assessments, the Master Association may levy an Individual Assessment against an Owner and the Owner's Unit. Individual Assessments may include, but are not limited to: interest, late charges, and collection costs on delinquent Assessments; reimbursement for costs incurred in bringing an Owner or the Owner's Unit into compliance with the Documents; fines for violations of the Documents; transfer-related fees and resale certificate fees; fees for estoppel letters and project documents; insurance deductibles; sub-metered or RUBS determined utilities serving the Unit; reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owner's guests, invitees, permittees or residents of the Owner's Unit; Common Expenses that benefit fewer than all of the Units, which may be assessed according to benefit received; fees or charges levied against the Master Association on a per-Unit basis; and "pass through" expenses for services to Units provided through the Master Association and which are equitably paid by each Unit according to benefit received.

4.07. **Deficiency Assessments.** The Master Association may levy a Deficiency Assessment against all Units for the purpose of defraying, in whole or in part, the cost of repair or restoration for General Common Elements if insurance proceeds or condemnation awards prove insufficient.

4.08. **Operations Reserves.** The Master Association may maintain operations reserves at a level determined by the Master Association to be sufficient to cover the cost of operational or maintenance emergencies or contingencies, including deductibles on insurance policies maintained by the Master Association.

4.09. **Due Date and Late Fee.** Regular and Utility Assessments are due on the first calendar day of each month or on such other date as the Master Association may designate in its sole and absolute discretion and are delinquent if not received by the Master Association on or before the tenth day of the month. Special, Individual, and Deficiency Assessments are due on the date stated in the notice of Assessment or, if no date is stated, within ten (10) days after notice of the Special, Individual, or Deficiency Assessment is given. The Master Association will assess a \$50.00 one-time late fee for all delinquent Assessments, as well as any other penalties as determined by the Master Association or otherwise set forth in the Documents.

4.10. **Declarant's Right to Inspect and Correct Accounts.** For a period of ten (10) years after termination of the Declarant Control Period, Declarant reserves for itself and for Declarant's accountants and attorneys, the right, but not the duty, to inspect, correct, and adjust the Master

Association financial records and accounts from the formation of the Master Association until the termination of the Declarant Control Period. The Master Association may not refuse to accept an adjusting or correcting payment made by or for the benefit of Declarant. By way of illustration but not limitation, Declarant may find it necessary to re-characterize an expense or payment to conform to Declarant's obligations under the Documents or applicable State law. This Section may not be construed to create a duty for Declarant or a right for the Master Association and may not be amended without Declarant's written and acknowledged consent. In support of this reservation, each Owner, by accepting an interest in or title to a Unit, hereby grants to Declarant a right of access to the Master Association's books and records that is independent of Declarant's rights during the Declarant Control and Development Periods.

4.11. Master Association's Right to Borrow Money. The Master Association is granted the right to borrow money, subject to the consent of Owners representing at least a majority of the votes in the Master Association and the ability of the Master Association to repay the borrowed funds from Assessments. To assist its ability to borrow, the Master Association is granted the right to encumber, mortgage, or pledge any of its real or personal property, and the right to assign its right to future income, as security for money borrowed or debts incurred, provided that the rights of the lender in the pledged property are subordinate and inferior to the rights of the Owners hereunder.

4.12. Limitations of Interest. The Master Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Documents or any other document or agreement executed or made in connection with the Master Association's collection of Assessments, the Master Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Master Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid Special and Regular Assessments, or reimbursed to the Owner if those Assessments are paid in full.

4.13. Financial Statements. The Master Association shall have a financial statement for the preceding full fiscal year of the Master Association prepared and made available within one hundred and twenty (120) days after the Master Association's fiscal year-end.

4.14. Payment of Assessments on Conveyance of Unit. On the sale or conveyance of a Unit, all unpaid assessments against an Owner for the Owner's share in the expenses shall first be paid out of the sale price by the purchaser in preference over any other assessments or charges of whatever nature, except the following:

- (a) Assessments, liens, and charges in favor of the State of Texas and any political subdivisions of the State of Texas for taxes past due and unpaid on the Unit; and
- (b) Amounts due under mortgage instruments duly recorded.

4.15. Lien and Foreclosure for Delinquent Assessments. The Master Association shall have a lien on each Unit for any delinquent assessments attributable to that Unit. The Master Association is authorized to enforce the lien through any available remedy, including non-judicial foreclosure

pursuant to the Texas Property Code. The Owners expressly grant to the Master Association a power of sale, through a trustee designated in writing by the Master Association, in connection with any such liens. The lien for the assessments provided for herein shall be subordinate to the lien of any recorded mortgage or mortgages granted or created by the Owner of any Unit to secure the payment of monies advanced and used for the purpose of purchasing, repairing, reconstructing, and/or improving such Unit.

4.16. **Commencement of Assessments.** Regular Assessments shall commence on the first day of the month following the date of the closing of the first sale of a Unit in the Properties, with the month of purchase being pro-rated.

Article 5 – Non-Payment of Assessments

An Assessment is delinquent if the Master Association does not receive payment in full by the Assessment's due date. The Master Association, acting through the Board, is responsible for taking action to collect delinquent Assessments. From time to time, the Master Association may delegate some or all of the collection procedures and remedies, as the Board in its sole discretion deems appropriate, to the Master Association's manager, an attorney, or a debt collector. Neither the Board nor the Master Association, however, is liable to an Owner or other person for its failure or inability to collect or attempt to collect an Assessment. The following remedies are in addition to and not in substitution for all other rights and remedies, which the Master Association may have pursuant to the Documents or Applicable Law.

5.01. **Assessment Lien.** Each Owner, by accepting an interest in or title to a Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay Regular Assessments, Special Assessments, Utility Assessments, Individual Assessments, and Deficiency Assessments to the Master Association. Each Assessment is a charge on the Unit and is secured by a continuing lien on the Unit. Each Owner, and each prospective Owner, is placed on notice that title to such Owner's Unit may be subject to the continuing lien for Assessments attributable to a period prior to the date the Owner purchased its Unit. An express lien on each Unit is hereby granted and conveyed by Declarant to the Master Association to secure the payment of Regular Assessments, Special Assessments, Utility Assessments, Individual Assessments, and Deficiency Assessments.

5.02. **Superiority of Assessment Lien.** The Assessment lien is superior to all other liens and encumbrances on a Unit, except only for: (a) real property taxes and assessments levied by governmental and taxing authorities; (b) a recorded deed of trust lien securing a loan for construction of the original Unit; (c) a deed of trust or vendor's lien recorded before this Declaration; or (d) a first or senior purchase money vendor's lien or deed of trust lien recorded before the date on which the delinquent Assessment became due. The Assessment lien is superior to any recorded assignment of the right to insurance proceeds on the Unit, unless the assignment is part of a superior deed of trust lien.

5.03. **Effect of Mortgagee's Foreclosure.** Foreclosure of a superior lien extinguishes the Master Association's claim against the Unit for unpaid Assessments that became due before the sale but

does not extinguish the Master Association's claim against the former Owner. The purchaser at the foreclosure sale of a superior lien is liable for Assessments coming due from and after the date of the sale, and for the Owner's pro rata share of the pre-foreclosure deficiency as a common expense.

NOTICE: IF YOU FAIL TO PAY ASSESSMENTS TO THE MASTER ASSOCIATION, YOU MAY LOSE TITLE TO YOUR UNIT, IF THE MASTER ASSOCIATION FORECLOSES ITS ASSESSMENT LIEN AGAINST YOUR UNIT.

5.04. **Notice and Release of Notice.** The Master Association's lien for Assessments is created by Recording this Declaration, which constitutes record notice and perfection of the lien. No other Recording of a lien or notice of lien is required. However, the Master Association, at its option, may cause a notice of the lien to be Recorded. If the debt is paid after a notice has been Recorded, the Master Association will Record a release of the notice at the expense of the paying Owner. The Master Association may require reimbursement of its costs of preparing and recording the notice before granting the release.

5.05. **Power of Sale.** By accepting an interest in or title to a Unit, each Owner grants to the Master Association a private power of non-judicial sale in connection with the Master Association's assessment lien. The Board may appoint, from time to time, any person, including an officer, agent, trustee, substitute trustee, or attorney, to exercise the Master Association's lien rights on behalf of the Master Association, including the power of sale. The appointment must be in writing and may be in the form of a resolution recorded in the minutes of a Board meeting.

5.06. **Foreclosure of Lien.** The Assessment lien may be enforced by judicial or non-judicial foreclosure. A non-judicial foreclosure must be conducted in accordance with the provisions applicable to the exercise of powers of sale as set forth in the Texas Property Code, or in any manner permitted by law. In any foreclosure, the Owner will be required to pay the Master Association's costs and expenses for the proceedings, including reasonable attorneys' fees. The Master Association has the power to bid on the Unit at foreclosure sale and to acquire, hold, lease, mortgage, and convey same.

5.07. **Interest.** Delinquent Assessments are subject to interest from the due date until paid, at a rate to be determined by the Board from time to time, not to exceed the lesser of eighteen percent (18%) per annum or the maximum permitted by law. If the Board fails to establish a rate, the rate is ten percent (10%) per annum.

5.08. **Late Fees.** Delinquent Assessments are subject to reasonable late fees, at a rate to be determined by the Board.

5.09. **Collection Expenses.** The Owner of a Unit against which Assessments are delinquent is liable to the Master Association for reimbursement of reasonable costs incurred by the Master Association to collect the delinquent Assessments, including attorneys' fees and processing fees charged by the manager.

5.10. **Acceleration.** If an Owner defaults in paying an Assessment that is payable in installments, the Master Association may accelerate the remaining installments on ten (10) days' written notice to the defaulting Owner. The entire unpaid balance of the Assessment becomes due on the date stated in the notice.

5.11. **Suspension of Vote.** Subject to the below-described limitations, if an Owner's account has been delinquent for at least thirty (30) days, the Master Association may suspend the right to vote appurtenant to the Unit during the period of delinquency. Suspension does not constitute a waiver or discharge of the Owner's obligation to pay Assessments. When the Master Association suspends an Owner's right to vote, the suspended Owner may nevertheless participate as a Member of the Master Association for the following activities: (a) be counted towards a quorum; (b) attend meetings of the Master Association; (c) participate in discussion at Master Association meetings; (d) be counted as a petitioner for a special meeting of the Master Association; and (e) vote to remove a Director and for the replacement of the removed Director. If the number of suspended Members exceeds twenty percent (20%) of the total Members (Co-Owners of a Unit constituting one member), all Members are eligible to vote. These limitations are imposed to prevent a Board from disenfranchising a large segment of the membership and to preserve the Membership's right to remove and replace Directors.

5.12. **Money Judgment.** The Master Association may file suit seeking a money judgment against an Owner delinquent in the payment of Assessments, without foreclosing or waiving the Master Association lien for Assessments.

5.13. **Notice to Mortgagee.** The Master Association may notify and communicate with any holder of a lien against a Unit regarding the Owner's default in payment of Assessments.

5.14. **Application of Payments.** The Master Association may adopt and amend policies regarding the application of payments. After the Master Association notifies the Owner of a delinquency, any payment received by the Master Association may be applied in the following order: Individual Assessments, Deficiency Assessments, Special Assessments, Utility Assessments, and (lastly) Regular Assessments. The Master Association may refuse to accept partial payment, i.e., less than the full amount due and payable. The Master Association may also refuse to accept payments to which the payer attaches conditions or directions contrary to the Master Association's policy for applying payments. The Master Association's policy may provide that endorsement and deposit of a payment does not constitute acceptance by the Master Association, and that acceptance occurs when the Master Association posts the payment to the Unit Owner's account.

Article 6 – Enforcing the Documents

6.01. **Notice and Hearing.** Before levying a fine for violation of the Documents (other than nonpayment of Assessments), or before levying an Individual Assessment for property damage, the Master Association will give the Owner written notice of the levy and an opportunity to be heard, to the extent required by applicable law. The Master Association's written notice must contain a description of the violation or property damage; the amount of the proposed fine or damage charge; a statement that not later than the thirtieth (30th) day after the date of the notice,

the Owner may request a hearing before the Board to contest the fine or charge; and a stated date by which the Owner may cure the violation to avoid the fine, unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months. The Master Association may also give a copy of the notice to the Resident. Pending the hearing, the Master Association may continue to exercise its other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of a fine or damage charge. The Owner may attend the hearing in person, or may be represented by another person or written communication. The Board may adopt additional or alternative procedures and requirements for notices and hearing, provided they are consistent with the requirements of applicable law.

6.02. Remedies. The remedies provided in this article for breach of the Documents are cumulative and not exclusive. In addition to other rights and remedies provided by the Documents and by law, the Master Association has the following rights to enforce the Documents:

- (a) **Nuisance.** The result of every act or omission that violates any provision of the Documents is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation.
- (b) **Fine.** The Master Association may levy reasonable charges, as an Individual Assessment, against an Owner and the Owner's Unit if the Owner or Resident, or the Owner or Resident's family, guests, invitees, employees, agents, or contractors violate a provision of the Documents. Fines may be levied for each act of violation or for each day a violation continues and does not constitute a waiver or discharge of the Owner's obligations under the Documents.
- (c) **Self-Help.** The Master Association has the right to enter a Common Element or Unit to abate or remove, using force as may reasonably be necessary, any erection, thing, animal, person, vehicle, or condition that violates the Documents. In exercising this right, the Board is not trespassing and is not liable for damages related to the abatement. The Board may levy its costs of abatement against the Unit and Owner as an Individual Assessment. Unless an emergency situation exists in the good faith opinion of the Board, the Board will give the violating Owner fifteen (15) days' notice of its intent to exercise self-help. Notwithstanding the foregoing, the Master Association may not alter or demolish an item of construction on a Unit without judicial proceedings.
- (d) **Suit.** Failure to comply with the Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Prior to commencing any legal proceeding, the Master Association will give the defaulting party reasonable notice and an opportunity to cure the violation.

6.03. Board Discretion. The Board may use its sole discretion in determining whether to pursue a violation of the Documents, provided the Board does not act in an arbitrary or capricious manner. In evaluating a particular violation, the Board may determine that under the particular circumstances: (a) the Master Association's position is not sufficiently strong to justify taking any or further action; (b) the provision being enforced is or may be construed as inconsistent with applicable law; (c) although a technical violation may exist, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Master Association's

resources; or (d) that enforcement is not in the Master Association's best interests, based on hardship, expense, or other reasonable criteria.

6.04. **No Waiver.** The Master Association and every Owner has the right to enforce all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by the Documents. Failure by the Master Association or by any Owner to enforce a provision of the Documents is not a waiver of the right to do so thereafter.

6.05. **Recovery of Costs.** The costs of curing or abating a violation are the expense of the Owner or other person responsible for the violation. If legal assistance is obtained to enforce any provision of the Documents, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of the Documents or the restraint of violations of the Documents, the prevailing party is entitled to recover from the non-prevailing party all reasonable and necessary costs incurred by it in such action, including reasonable attorneys' fees.

Article 7 – Insurance for the Properties, Board and Master Association

7.01. **Master Insurance Policies.** If it is determined that the Master Association is able to obtain the same or increased coverage at a lower price by aggregating the master insurance policies for the individual Properties, then the Master Association may maintain a master insurance policy insuring the Properties as a Common Expense, as reasonably determined by the Board, against all risks of direct physical loss commonly insured against, including fire insurance with extended coverage endorsement for the full insurable replacement value (as of the effective date and at each renewal date of the policy) of such improvements. The master insurance policy must provide that:

- (a) Each Unit Owner is an insured person under the policy with respect to liability arising out of the person's ownership of an undivided interest in the Common Elements or membership in the Master Association;
- (b) No act or omission of a Unit Owner, unless within the scope of the Unit Owner's authority on behalf of the Master Association, will void the policy or be a condition to recovery under the policy; and
- (c) If at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same property covered by the policy, the Master Association's policy provides primary insurance.

7.02. **Liability Insurance.** If not maintained by the individual Associations, or if it is determined that the Master Association is able to obtain the same or increased coverage at a lower price by aggregating the liability insurance policies for the individual Properties, the Master Association may maintain a commercial general liability insurance policy over the Properties, which shall expressly exclude the liability of each Owner and Resident within his Unit, for bodily injury and property damage resulting from the operation, maintenance, or use of the Common Elements. The amount of coverage should be at least that required by an Underwriting Lender, to the extent reasonably available. The purpose of this requirement is, in part, to assure mortgage companies that the Master Association maintains at least minimum levels of insurance coverage. If the policy does not contain a severability of interest provision, it should contain an endorsement to preclude the insurer's denial of an Owner's Claim because of negligent acts of the Master Association or

other Owners.

7.03. Liability Insurance for Short Term Rentals. Any Unit Owner who rents his or her Unit for a period of less than thirty (30) days shall obtain a general liability insurance policy in the amount of not less than one-million dollars (\$1,000,000.00) insuring the Unit for such use as a short term rental, and shall additionally name the Cerca Domain Master Owners' Association as an additionally insured on such policy. Any Owner renting for a period of less than thirty (30) days shall provide a copy of the aforementioned insurance policy to the Association upon request of the Association or Board.

7.04. General Provisions.

- (a) The cost of insurance coverages and bonds maintained by the Master Association is a Common Expense. Insurance policies and bonds obtained and maintained by the Master Association must be issued by responsible insurance companies authorized to do business in the State of Texas. The Master Association and any sub-Master Associations must be the named insured on all policies obtained by the Master Association. The Master Association's policies should contain the standard mortgage clause naming either the Mortgagee or its servicer followed by "its successors and assigns." The loss payee clause should show the Master Association as trustee for each Owner and Mortgagee. Policies of property and general liability insurance maintained by the Master Association must provide that the insurer waives its rights to subrogation under the policy against an Owner. The Master Association's insurance policies will not be prejudiced by the act or omission of any Owner or Resident who is not under the Master Association's control.
- (b) **Master Association as Trustee.** Each Owner irrevocably appoints the Master Association, acting through its Board, as his trustee to negotiate, receive, administer, and distribute the proceeds of any Claim against an insurance policy maintained by the Master Association.
- (c) **Notice of Cancellation or Modification.** Each insurance policy maintained by the Master Association should contain a provision requiring the insurer to give prior written notice, as provided by TUCA, to the Board before the policy may be canceled, terminated, materially modified, or allowed to expire, by either the insurer or the insured. The insurer will give to Mortgagees, prior notices of cancellation, termination, expiration, or material modification.
- (d) **Deductibles.** An insurance policy obtained by the Master Association may contain a reasonable deductible, and the amount thereof may not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the coverage limits required by this Declaration or an Underwriting Lender. In the event of an insured loss, the deductible is treated as a Common Expense of the Master Association in the same manner as the Insurance premium. However, if the Board reasonably determines that the loss is the result of the negligence, willful or intentional misconduct of an Owner or Resident or their guest or invitee, then the Board may levy an Individual Assessment against the Owner and his Unit for the amount of the deductible that is attributable to the act or omission, provided the Owner is given notice and an

opportunity to be heard in accordance with the Notice and hearing Section of this Declaration.

7.05. Worker's Compensation. The Master Association may maintain worker's compensation insurance if and to the extent necessary to meet the requirements of State law or if the Board so chooses.

7.06. Fidelity Coverage. The Master Association may maintain blanket fidelity coverage for any person who handles or is responsible for funds held or administered by the Master Association, whether or not the person is paid for his services. The policy should be for an amount that exceeds the greater of: (a) the estimated maximum funds, including reserve funds that will be in the Master Association's custody at any time the policy is in force; or (b) an amount equal to three (3) months of Regular Assessments on all Units. A management agent that handles Master Association funds should be covered for its own fidelity insurance policy with the same coverages. The Master Association must maintain fidelity coverage to the extent reasonably available, if not provided by a Manager or other method of coverage.

7.07. Directors and Officers Liability. The Master Association may maintain directors and officer's liability insurance, errors and omissions insurance, indemnity bonds, or other insurance the Board deems advisable to insure the Master Association's directors, officers, committee members, and managers against liability for an act or omission in carrying out their duties in those capacities.

7.08. Mortgagee Required Policies. Unless coverage is not available or has been waived in writing, the Master Association will maintain any insurance and bond required by a mortgagee for the Properties.

7.09. Other Policies. The Master Association may maintain any insurance policies and bonds deemed by the Board to be necessary or desirable for the benefit of the Master Association.

7.10. Master Association Does Not Insure. The Master Association does not insure an Owner or Resident's personal property. Each Owner and Resident is solely responsible for insuring his personal property in his Unit and on the Properties, including furnishings, vehicles, and stored items. **THE MASTER ASSOCIATION STRONGLY RECOMMENDS THAT EACH OWNER AND RESIDENT PURCHASE AND MAINTAIN INSURANCE ON HIS PERSONAL BELONGINGS.**

Article 8 – General Provisions

8.01. Amendment and Reservation of Development Rights.

- (a) During the Development Periods as defined in the individual Declarations, this Declaration may be amended in the sole discretion of Declarant for any of the following reasons:

- i) The right to exercise any development right permitted in the Declaration and by the Texas Uniform Condominium Act (“TUCA”), which is codified in Chapter 82 of the Texas Property Code, as may be amended from time to time;
- ii) to correct any defects or errors in the Documents and/or exhibits, to resolve conflicts in the Documents and/or exhibits, to clarify ambiguities in the Documents and/or exhibits, and to correct misstatements, errors, or omissions in the Documents and/or exhibits;
- iii) to meet the requirements, standards, or recommended guidelines of an underwriting lender to enable an institutional or governmental lender to make or purchase mortgage loans on the Units, including but not limited to making amendments to the Documents and insurance coverages of the Master Association, Units and Common Elements;
- i) to make changes in the Documents and/or exhibits as Declarant deems necessary in its sole discretion to finalize the development plan of the Properties; and
- ii) For any other purpose, provided the amendment has no material adverse effect on any right of any non-Declarant Owner.
- (b) Declarant may amend the Declaration as allowed by Texas Property Code Section 82.067(f).
- (c) After the Development Period ends, this Declaration may be amended only at a meeting of the Unit Owners at which the amendment is approved by a Majority vote.
- (d) If any provision of the Documents, including but not limited to this Declaration, the Bylaws and the Rules, results in a purchaser of a Unit not being approved for a mortgage solely as a result of such provision not complying with government agency regulations for mortgage loans, with the exception of and specifically excluding FHA and VA mortgages, then within a reasonable time of a request by Declarant or the selling Unit Owner, the Owners agree to use their best efforts to cause an amendment to these Rules altering the non-compliant provision to become conforming with the existing regulations at the time of the amendment to be recorded with the county clerk in the county in which the Properties are located. The cost of the preparation and recording of such amendment shall be the expense of the selling Unit Owner.
- (e) After the expiration of the Development Period, an amendment of the Declaration may not alter or destroy a Unit without the consent of the affected Owner and the Owner’s mortgagee.
- (f) Any amendment shall be evidenced by a writing that is prepared, signed, and acknowledged by Declarant, if executed during the Development Period, or by a Majority vote. The amendment shall be effective on filing in the office of the county clerk in the county where the Properties are located.

8.02. **Dispute Resolution.**

- (a) Subject to the provisions hereof and the Texas Property Code, in the event of any controversy, dispute, claim, question, non-payment or disagreement arising out of or relating to this Declaration, or the Documents of the Master Association, or the breach thereof, the parties to such controversy, dispute, claim, question, non-payment, or disagreement shall use their best efforts to settle such controversy, dispute, claim, question or disagreement. Towards that end, they shall consult and negotiate with each

- other, in good faith and, recognizing their mutual interest, attempt to reach a just and equitable solution satisfactory to all parties.
- (b) The Declarant shall be exempt from the provisions in the remainder of this Section 8.02 below, and in its sole discretion during the Development Period may exercise any remedy available if a dispute arises.
- (c) To the extent allowed by the Texas Property Code and applicable Texas law, if the parties to any controversy, dispute, claim, question, non-payment or disagreement do not reach a negotiated solution within a period of thirty (30) days after the dispute arises, then upon notice by any party to the other parties, such controversy, dispute, claim, question, non-payment, or disagreement shall be submitted to mediation before resort to binding arbitration. The consent or approval of the Master Association, Members or Owners shall not be required to permit an Owner to require mediation and any subsequent arbitration.
- (d) Any party shall initiate mediation, by notifying the other parties, in writing, of his or her intent to mediate a dispute. Such notification shall set forth the nature of the dispute, the amount involved, if any, and the remedy sought. The date that the written notice is received is the Notification Date. Mediation shall be held not later than thirty (30) days from the Notification Date. A Mediator shall be jointly agreed upon between the parties, within five (5) days of the Notification Date. If the parties are unable to agree upon a Mediator, then each party shall appoint a Mediator, and those Mediators will select a disinterested Mediator who shall mediate the dispute. The fees of the Mediator and all costs of Mediation shall be shared equally by the parties.
- (e) If the parties are unable to resolve all of their disputes through mediation, then any and all remaining disputes shall immediately be submitted to arbitration. The parties shall proceed with arbitration under the rules and guidelines set forth by the American Arbitration Master Association. Any court with competent jurisdiction may enter any judgment resulting from arbitration.
- (f) If the need for arbitration arises, any party shall initiate arbitration, by notifying the other parties, in writing, of his or her intent to arbitrate the dispute. Such notification shall set forth the nature of the dispute, the amount involved, if any, and the remedy sought. The date that the written notice is received by the other party is the Notification Date. Arbitration shall be held not later than thirty (30) days from the Notification Date. An arbitrator shall be jointly agreed upon by the parties, within five (5) days of the Notification Date. If the parties are unable to agree upon an arbitrator, then each party shall appoint a disinterested arbitrator, and those arbitrators will select an arbitrator who shall arbitrate the dispute. The arbitration award shall include a determination as to which party or parties should incur all or a portion of the cost of arbitration, and any related fees and expenses.
- (g) Each Mediator and Arbitrator appointed hereunder shall be an unbiased, third party, with no personal interest in the outcome of the dispute.
- (h) Each party shall continue performance of its obligations under the Documents pending resolution of the dispute. Nothing herein shall be construed as limiting a party's right to seek injunctive relief to prevent a breach or anticipated breach of the Documents, pending a resolution of the controversy pursuant to the provisions of this Section.

8.03. **Nonwaiver of Remedies.** Each remedy provided for in this Declaration is separate, distinct, and nonexclusive. Failure to exercise a particular remedy shall not be construed as a waiver of the remedy.

8.04. **Severability.** The provisions of this Declaration and the Documents shall be deemed independent and severable. The invalidity, partial invalidity, or unenforceability of any one provision shall not affect the validity or enforceability of any other provision.

8.05. **Binding.** This Declaration, as well as any amendment to this Declaration, and any valid action or directive made pursuant to it shall be binding on the Declarant and the Owners and their heirs, grantees, tenants, successors, and assigns.

8.06. **Interpretation.** The provisions of this Declaration shall be liberally construed and interpreted to effectuate its purpose of creating a uniform plan for the development and operation of a condominium project. Failure to enforce any provision of this Declaration shall not constitute a waiver of the right to enforce the provision or any other provision of this Declaration.

8.07. **Limitation of Liability.** The liability of any Owner for performance of any of the provisions of this Declaration shall terminate on sale, transfer, assignment, or other divestment of the Owner's entire interest in the Owner's Unit with respect to obligations arising from and after the date of such divestment.

8.08. **Fair Housing.** Neither Declarant nor any Owner shall, either directly or indirectly, forbid the conveyance, encumbrance, renting, leasing, or occupancy of the Owner's Unit to any person on the basis of race, color, sex, religion, ancestry, sexual orientation, or national origin.

8.09. **Notices.**

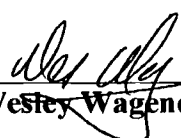
- (a) Notices provided for in this Declaration shall be in writing and shall be deemed sufficiently given when delivered personally at the appropriate address, or seventy-two (72) hours after deposit in any United States Postal Service post office box, postage prepaid, certified mail, return receipt requested, addressed to appropriate address.
- (b) Any notice to an Owner required under this Declaration shall be addressed to the Owner at the last address for the Owner appearing in the records of the Master Association or, if there is none, at the address of the Owner's Unit in the Properties. Notice to the Master Association shall be addressed to the address designated by the Master Association and in a written notice to all Owners. Notices to the Manager shall be addressed to the address designated by the Manager, if any. Notices to Declarant shall be addressed to the address for Declarant set forth above.

8.10. **Number, Gender, and Headings.** As used in this Declaration, the singular shall include the plural and the masculine shall include the feminine, unless the context requires the contrary. All headings are not a part of this Declaration and shall not affect the interpretation of any provision.

[Signature appears on following page.]

DECLARANT'S SIGNATURE:

Albury Cove Condos LLC

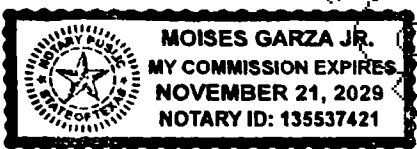

By: Wesley Wagener, Member

ACKNOWLEDGEMENT

**STATE OF TEXAS
COUNTY OF TRAVIS**

§
§

This instrument was acknowledged before me on the 31st day of March, 2026,
by Wesley Wagener, as Member of Albury Cove Condos LLC.



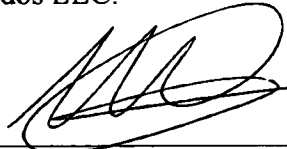

Notary in and for the State of Texas

Exhibit A

The following are the legal descriptions of the Properties as referenced in the Declarations for each Property:

1900 Albury Cove, Austin, Texas 78758, otherwise known as, Lot 7, Block B, of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the Plat Records of Travis County, Texas.

1901 Albury Cove, Austin, Texas 78758, otherwise known as, Lot 6, Block C, of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the Plat Records of Travis County, Texas.

1902 Albury Cove, Austin, Texas 78758, otherwise known as, Lot 8, Block B, of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the Plat Records of Travis County, Texas.

1903 Albury Cove, Austin, Texas 78758, otherwise known as, Lot 5, Block C, of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the Plat Records of Travis County, Texas.

1905 Albury Cove, Austin, Texas 78758, otherwise known as, Lot 4, Block C, of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the Plat Records of Travis County, Texas.

1906 Albury Cove, Austin, Texas 78758, otherwise known as, Lot 10, Block B, of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the Plat Records of Travis County, Texas.

1907 Albury Cove, Austin, Texas 78758, otherwise known as, Lot 3, Block C, of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the Plat Records of Travis County, Texas.

1908 Albury Cove, Austin, Texas 78758, otherwise known as, Lot 11, Block B, of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the Plat Records of Travis County, Texas.

1909 Albury Cove, Austin, Texas 78758, otherwise known as,
Lot 2, Block C of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision
in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the
Plat Records of Travis County, Texas.

1910 Albury Cove, Austin, Texas 78758, otherwise known as,
Lot 12, Block B of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision
in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the
Plat Records of Travis County, Texas.

1911 Albury Cove, Austin, Texas 78758, otherwise known as,
Lot 1, Block C of Amended Plat of the Village at Walnut Creek Phase 1 Section 1, a subdivision
in Travis County, Texas, according to the map or plat of record in Volume 83, Page 198D of the
Plat Records of Travis County, Texas.