CONDOMINIUM DECLARATION OF THE VINEYARD CONDOMINIUMS

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Signed: P-BY DEPUTY MARGIE RAMIREZ IBARR COUNTY CLERK Fees \$248,00

STATE OF TEXAS

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COUNTY OF WEBB

WEBB

WHEREAS, HRM International, Ltd., hereinafter called "DECLARANT" is the owner of all that certain real property, including the land, all improvements and structures thereon, and all easements, rights, and appurtenances belonging thereto, located in the City of Laredo, County of Webb, State of Texas, to be called "The Vineyard Condominiums," more particularly described in Exhibits "A" and "B," attached hereto and incorporated herein by reference.

WHEREAS, Declarant hereby submits said real property to the condominium form of unit ownership as established by the Uniform Condominium Act, Section 82.001 et. Seq. of the Texas Property Code (sometimes hereafter referred to as the "Act").

WHEREAS, said property, subject to the provisions hereof, including the provisions of Article 8 hereof, shall constitute a condominium project within the meaning of the Act.

WHEREAS, it is the intention and desire of Declarant to herein establish a plan of ownership for the condominium project, hereinafter called "Condominium," said plan to consist of individual ownership of Units and co-ownership of the remaining property, referred to hereinafter the "COMMON ELEMENTS", as more particularly depicted in the site plan, attached as Exhibit "B" and as defined herein. This phase of the Condominium encompasses one tract of land, consisting of an area of 3.34 acres, more less, located on Lot 2 of Block 1 of San Isidro Multi Family Plat, as therein recorded in

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Volume 2273 Page 702 Volume 2278 Page 383 Vol. 24, page 82, et.seq., of the Webb County Plat Records in the City of Laredo, Webb County, Texas and more particularly described in Exhibit "A" attached hereto and made a part hereof for all purpose: The Vineyard Condominiums consists of forty-six units in thirteen (13) buildings containing between 2 and 4 units each, more particularly described in Exhibits "A," "B," and "C" which collectively show and describe the location and dimension of each Unit, attached hereto and incorporated herein by reference.

WHEREAS, it is Declarant's intention to impose on said Condominium mutually beneficial restrictions for the benefit of all Units and the owners thereof.

NOW, THEREFORE, Declarant hereby declares that the property is 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 improvements of said property and the division thereof into Units, and all of which are established and agreed on for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Condominium and every party thereof. All of the covenants, conditions, and restrictions shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest therein or any part thereof, and shall be for the benefit of each Unit Owner of said Condominium or any interest therein and shall inure to the benefit of and be binding on each successor in interest of the Unit Owners thereof.

DEFINITIONS

Allocated Interests

1.01 "Allocated Interests" shall mean the undivided interest in the Common Elements and the common expense liability allocated to each Unit as specified in Exhibit "D" hereto, and the number of votes allocated to each Unit under the terms hereof. The formula used to establish the Allocated Interest pertaining to each Unit is, and at all time shall be the area contained within the Unit divided by the total area contained within all of the Units within the Condominium, from time to time.

Articles

1.02 "Articles" shall mean the Articles of Incorporation of the Association that are or shall be filed in the Office of the Secretary of State of the State of Texas.

Association

1.03 "Association" shall mean THE VINEYARD CONDOMINIUM UNIT OWNERS' ASSOCIATION, a non-profit corporation to be organized and created by Declarant as required by the Act for the management of the Condominium, the membership of which consists of all the Unit Owners within the Condominium and described in Exhibit "E" as the proposed form of this non-profit corporation.

Board

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

Bylaws

1.05 "Bylaws" shall mean the Bylaws of the Association and amendments thereto which are or shall be adopted by the Board.

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Condominium

1.07 "Condominium" shall mean the entire parcel or real property described in Exhibits "A," "B," and "C" hereto, including the land, all improvements and structures thereto, which is divided or is to be divided into Units to be owned and operated as a Condominium.

Co-Owner

1.08 "Co-Owner" shall mean any two or more persons, firms, corporations, partnerships, associations, trusts, or other legal entities, or any combination thereof, who or which together own a Unit or Units within the Condominium.

Declarant

1.09 "Declarant" shall mean HRM International, Ltd., and/or its successors and assigns.

Declaration

1.10 "Declaration" shall mean this Declaration and all Amendments thereto.

General Common Elements

1.11 "General Common Elements" shall mean all the Common Elements except the Limited Common Elements.

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Governing Instruments

1.12 "Governing Instruments" shall mean the Declaration for the Condominium, any amendments thereto and the Certificate of Formation and the Bylaws of the Association.

Limited Common Elements

1.13 "Limited Common Elements" shall mean the common elements reserved for the use of a certain number of Units to the exclusion of the other Units, the only Limited Common Elements being the patio or balcony, if any, appurtenant to each Unit as shown in Exhibits "A," "B," and "C."

Manager

1.14 "Manager" shall mean the person or corporation, if any, appointed by the Board to manage the condominium.

Person

1.15 "Person" shall mean as individual, firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof.

Rules

1.16 "Rules" shall mean and refer to the Rules and Regulations for the Condominium adopted by the Association pursuant to Paragraph 3.03(b) of this Declaration.

Special Declarant Rights

1.17 "Special Declarant Rights" shall have the same meaning as provided in the Act; including the right to maintain sales, management and leasing offices in the

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Condominium and the right to maintain signs advertising the Condominium and models within the Condominium.

Units

1.18 "Unit" shall mean a physical portion of the Condominium designed for separate ownership or occupancy, having boundaries as specified herein.

Unit Boundaries

1.19 "Unit Boundaries" shall mean the enclosed space consisting of one or more rooms within each Unit occupying all or part of a floor in a building of one or more floors having a direct exit to a thoroughfare or to a given common space leading to a thoroughfare and bounded by the interior surfaces of the walls, floor and ceiling of the Unit, as well as the exterior surfaces of balconies and terraces.

Unit Owners

1.20 "Unit Owners" shall mean each person owning a Unit within the Condominium.

ARTICLE 2

THE PROPERTY

Property Subject to Declaration

2.01 All the real property described more particularly in Exhibits "A," "B," and "C" encompassing one tract of land, consisting of an area of 3.34 acres, more or less, located on Lot 2 of Block 1 of San Isidro Multi Family Plat, as therein recorded in Vol. 24, Page 82, et. seq., of the Webb County Plat Records in the City of Laredo, Webb County, Texas, including the land, all improvements and structures now or hereafter

placed thereon, and all easements, rights, and appurtenances belonging thereto, shall be subject to this Declaration.

Exclusive Ownership and Possession

2.02 Each Unit Owner shall be entitled to the exclusive ownership and possession of his Unit. Any Unit may be jointly or commonly owned by more than one person. The boundaries of the Unit shall be and are the interior surface of the perimeter wall, floors, ceilings, and the exterior surfaces of balconies and terraces. If fenced in accordance with this Declaration and the Bylaws and Rules of the Unit Owners' Association, the boundaries of any Unit in any Building Type 1 shall extend to the midline of the fence enclosing the yard of each such Unit. A Unit Owner shall not be deemed to own the utilities running through his Unit which are utilized for, or serve more than one Unit, except as tenant in common with the other Unit Owners. A Unit owner shall be deemed to own, and shall have the exclusive right to paint, repaint, file, wax, paper or otherwise refinish and decorate, the interior surfaces of the walls, floors, ceilings, windows, and doors bounding his Unit.

Common Elements

2.03 Each Unit Owner shall be entitled to the Allocated Interest in the Common Elements in the percentages expressed in Exhibit "D" hereto until such time as additional Units may be constructed by Declarant, at which time such percentages shall be reallocated and adjusted downwards (on a square footage basis such that the Allocated Interest of each Unit shall always be equal to that ration, expressed as a percentage, that the area of each Unit bears to the total square footage and area of all of the existing Units) to reflect the addition of additional Units to the Condominium. The Allocated Interest of

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each Unit Owner in the Common Elements, as expressed in Exhibit "D," shall have a permanent character and shall not be altered without the consent of all Unit Owners, expressed in an amended Declaration duly recorded. The Allocated Interest in the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. Each Unit Owner may use the common elements in accordance with the purpose for which they are intended, without hindering or encroaching on the lawful rights of the other Unit Owners.

Limited Common Elements

2.04 The Common Elements designated as Limited Common elements herein are reserved for the exclusive use of the Unit Owners of the Units to which they are appurtenant.

Partition of Common Elements

2.05 The Common Elements, both General and Limited, shall remain undivided and shall not be the subject of an action for partition or division of the co-ownership so long as the Property remains a Condominium.

Nonexclusive Easements

2.06 Each Unit Owner shall have a nonexclusive casement for use and enjoyment of the General Common Elements and for ingress, egress, and support over and through the General Common Elements, subject to the right of Declarant to withdraw portions of the real property from the Condominium if not improved with Units within the times hereafter specified. These easements shall be appurtenant to, and shall pass

with the title to, each Unit and shall be subordinate to the exclusive easements granted elsewhere in this Declaration, as well as to any rights reserved to the Association to regulate time and manner of use, to charge reasonable admission fees, and to perform its obligations under this Declaration.

Other Easements

2.07 The Association may grant to third parties easements in, on, and over the Common Elements for the purpose of constructing, installing, or maintaining necessary utilities and services, and each Unit Owner, in accepting his deed to the Unit, expressly consents to such easements. No such easement can be granted, however, if it would interfere with any exclusive easement, or with any Unit Owner's use, occupancy, or enjoyment of his Unit and if the Condominium not be fully developed by Declarant and improved with Units, Declarant must join in any such grant of easement. The real property covered hereby, and the rights of each Unit Owner, shall be subject to all easements reflected on all Exhibits hereto.

Easements for Maintenance of Encroachments

2.08 None of the rights and obligations of the Unit Owners created herein, or by the deeds granting the Units, shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of such encroachments so long as they shall exist; provided, however, that in no event shall valid easements for encroachments be created in favor of any Unit Owner if said encroachment occurred due to the willful conduct of said Unit Owner.

UNIT OWNERS' ASSOCIATION

Association

3.01 The Unit Owners' Association operating under the name **THE VINEYARD CONDOMINIUM OWNERS' ASSOCIATION**, is charged with the duties and invested with the powers prescribed by the Act and set forth herein.

Membership

3.02 Membership in the Association is automatically granted to the owner or Co-Owners of each Unit in the Condominium. On the transfer of title to any Unit, the membership of the transferor automatically ceases and each new Unit Owner becomes a Member.

Voting Rights

3.03 Voting shall be on a percentage basis. The Unit Owner of each Unit is entitled to a percentage of the total vote equal to the Allocated Interest of the Unit as specified in Exhibit "D" hereto, as same may change from time to time by reason of Declarant filing Amended Declaration(s) pursuant to the reserved Development Rights of Declarant in order to reflect and account for construction of additional Units within the Condominium. If a unit has more than one Co-Owner, the aggregate vote of the Co-Owners of the Unit may not exceed the percentage of the total vote assigned to the Unit.

Membership Meetings

3.04 Meetings of the Members shall be called, held, and conducted in accordance with the requirements and procedures set forth in the Bylaws.

- (a) The power to establish, fix, and levy assessments against the Unit Owners in accordance with the procedure set forth in Article 4 of this Declaration and subject to the limitations therein.
- (b) The power to adopt reasonable operating rules governing the use of the Common Elements and any facilities located thereon, as well as the use of any other Association property.
- (c) The right to institute and maintain actions for damages or to restrain any actual or threatened breach of any of the provisions of the Governing Instruments or Association Rules either in its own name and on its own behalf of any consenting Unit Owner.
- (d) The right to discipline Members for violation of any of the provisions of the Governing Instruments or Association Rules by suspension of the violator's voting rights, privileges for use of the common Elements, or by imposition of monetary penalties, subject to the following limitations:
 - (i) The accused Member must be given an opportunity to be heard with respect to the alleged violation.

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- (ii) Any suspension of privileges or imposition of monetary penalties shall be reasonable related to the member's violation.
- (e) The power to delegate its authority, duties, and responsibilities, through the Board of Directors, to such committees, officers, or employees as are permitted to be retained under the Governing Instruments.
- (f) The right, through its agents or employees, to enter any Unit when necessary in connection with any maintenance, landscaping, or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Unit Owner as is practicable, and any damage caused thereby shall be repaired by the Association at its own expense.
- (g) All other powers and rights provided for or permitted in the Act.
- 3.06 In addition to the duties delegated to the Association or its agents and employees elsewhere in these Governing Instruments, the Association shall be responsible for the following:
 - (a) Operation and maintenance of the Common Elements and the facilities located thereon. Such duty shall include, but not be limited to exterior painting, maintenance, repair, including roof repairs, and landscaping of the Common Elements, and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper.
 - (b) Acquisition of, and payment from the maintenance fund for, the following:
 - (i) Water, sewer, garbage, electrical, telephone, gas, elevator(s), sprinkler system(s), and other necessary utility service(s) for the

- (ii) A policy or policies of fire insurance with extended coverage endorsement for the full insurable replacement value of the Units and Common Elements payable as provided in Article 6 herein, or such other fire and casualty insurance as the Board shall determine gives substantially equal or greater protection to the Owners, and their mortgagees, as their respective interests may appear;
- Association against any liability to the ownership and/or use of the Condominium, and including the personal liability exposure of the Unit Owners. Limits of liability under such insurance shall not be less than \$1,000,000.00 combined single limit for bodily injury and property damage. Such limits and coverage shall be reviewed at least annually by the Board and increased in its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement where the rights of named insureds under the policy or policies shall not be prejudiced as respects his, her, or their action against another named insured;
- (iv) Workers' compensation insurance to the extent necessary to comply with any applicable laws;
- (v) The services of such personnel as the Board shall determine to be necessary or proper for the operation of the Common Elements;

Legal and accounting services necessary or proper in the operation

(vii) of the Association.

Preparation and distribution, on a regular basis, of financial statements to (c) the Members in accordance with the following:

(vi)

- A pro forma operating statement for each fiscal year shall be (i) distributed not less than sixty (60) days before the beginning of the fiscal year.
- (ii) A balance sheet, as of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a unit in the condominium, and an operating statement for the period from the date of the first closing to the said accounting date, shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of assessment received and receivable identified by the number of the Condominium Units and the names of the persons assessed.
- (iii) A balance sheet, as of the day of the Association's fiscal year and an operating statement for said fiscal year shall be distributed within ninety (90) days after the close of the fiscal year.
- (d) Maintenance of the following books and records, such books and records to be kept in accordance with generally accepted accounting procedure:

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- (i) Financial records with a detailed account of the receipts and expenditures affecting the Condominium and its administration and specifying the maintenance and regular expenses of the common elements and any other expenses incurred by or on behalf of the condominium.
- (ii) Minutes of proceedings of Members, Board of Directors, and Committees having any authority of the Board of Directors.
- (iii) Records of the names and addresses of all Members with voting rights.
- (e) Arrangement for an annual independent audit of all books and records of the Association.

Board of Directors

3.07 The affairs of the Association shall be managed, and its duties and obligations performed, by an elected Board of Directors. Provisions regulating the number, term, qualification, manner of election, and conduct of meeting, of the members of the Board of Directors shall be set forth in the Bylaws of the Association.

Powers and Duties of the Board of Directors

- 3.08 The Board's powers and duties shall include, but shall not be limited to, all of the powers specified in the Act, and the following:
 - (a) Enforcement of the applicable provisions of this Declaration, any Amendments thereto, the Articles and the Bylaws and any Rules of the Association.

- (c) Contracting for casualty, liability, and other insurance on behalf of the Association.
- (d) Contracting for goods and services for the Common Elements, facilities, and interests of the Association.
- (e) Delegation of its powers to such committees, officers, or employees of the Association as are expressly authorized by the Governing Instruments.
- (f) Preparation of budgets and financial statements for the Association as prescribed on the Governing Instruments.
- (g) Formulation of rules of operation for the Common Elements and facilities owned or controlled by the Association.
- (h) Initiation and execution of disciplinary proceedings against Members of the Association for violations of provisions of the Governing Instruments in accordance with procedures set forth in the Governing Instruments.
- (i) Entering any Unit as necessary in connection with construction, maintenance, or emergency repair for the benefit of the Common Element or the Unit Owners in the aggregate.

....

- 3.09 Notwithstanding the powers set forth in Paragraph 3.08, above, the Board shall be prohibited from taking any of the following actions except with the approval of a majority of the voting power of the association residing in the Members.
 - (a) Entering into a contract with a third person wherein the third person will furnish goods or services for a term longer than one (1) year, except for a management contract approval by the Federal Housing Administration or Veterans' Administration; a contract with a public utility if the rates charged are regulated by the Public Utilities Commission, provision that the term shall not exceed the shortest tem for which the utility will contract at the regulated rate; or prepaid casualty and/or liability insurance of more than three (3) years duration, provided that the policy provides for short-rate cancellation by the insured.
 - (b) Incurring aggregate expenditures for capital improvements to the Common Elements in any fiscal year in excess of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00) of the budgeted gross expenses of the Association for that fiscal year.
 - (c) Selling during any fiscal year property of the Association having an aggregate fair market value in excess of ONE THOUSAND AND NO/100 DOLLARS (\$1,000.00).
 - (d) Paying compensation to Directors or to officers of the Association for services rendered in the conduct of the Association's business provided,

however, that the Board may cause a Director or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

ARTICLE 4

ASSESSMENTS

Covenant to Pay

4.01 Except for Declarant who will not pay any assessments or fees, each Unit Owner by acceptance of the deed to such Unit Owner's Unit is deemed to covenant and agree, to pay to the Association the regular and special assessments levied pursuant to the provisions of this Declaration. All monies collected shall be put into a maintenance fund to be used to defray expenses attributable to the ownership, operation, and maintenance of common interests by the Association. The Unit Owner may not waive or otherwise escape liability for these assessments by non-use of the Common Elements or by abandonment of such Unit Owner's Unit.

Assessments

4.02 Regular and special assessments shall be made in accordance with the following:

Regular Assessments

(a) Within thirty (30) days prior to the beginning of each calendar year, the Board shall estimate the net charges to be paid during such year, including a reasonable provision for contingencies and replacements with adjustments made for any expected income and surplus from the prior year's fund. Such estimated cash requirements shall be assessed to each Unit Owner according to the ratio of the number of Units owned by the

(b) If the Board determines that the amount to be collected from regular assessments will be inadequate to defray the common expenses for the year due to the cost of any construction, unexpected repairs or replacements of capital improvements on the Common Elements, or for any other reason, it shall make a special assessment for the additional amount needed. Such special assessments shall be levied and collected in the manner as regular assessments.

Limitations on Assessments

4.03 The Board may not, without the approval of a majority of the voting power of the Association residing in Members other than Declarant, impose a regular annual assessment per Unit which is more than Fifty Percent (50%) greater than the regular annual assessment for the preceding year, nor levy special assessments which in the aggregate exceed Twenty-five Percent (25%) of the budgeted gross expenses of the association for that year. These limitations shall not apply to a special assessment levied against a Unit Owner to reimburse the Association for funds expended in order to bring the Unit Owner into compliance with the provisions of the Association's Governing Instruments.

Liability for Assessments

4.05 Each monthly portion of a regular assessment and each special assessment shall be a separate, distinct, and personal debt and obligation of the Unit Owner against whom the same are assessed. The amount of any assessment not paid when due shall be deemed to be delinquent.

Payment of Assessments on Conveyance of Unit

- 4.06 On the sale or conveyance of a unit, all unpaid assessments against a Unit Owner for his share in the expenses to which Paragraph 4.02 refers shall first be paid out of the sale price or 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 and any political subdivision thereof for taxes past due and unpaid on the Unit;
 - (b) Amounts due under mortgage instruments duly recorded.

Lien and Foreclosure for Delinquent Assessments

4.07 The Association shall have a lien on each Unit for any delinquent assessments attributed to that Unit. The Association is authorized to enforce the lien through any available remedy, including nonjudicial foreclosure pursuant to Texas Property Code Section 51.002. The Owners expressly grant to the Board a power of sale, through a trustee designated in writing by the Board, in connection with any such liens. The Board may bring an action at law against the Owner personally obligated to pay any

Assessments, interest, collection costs and reasonable attorney's fees or foreclose the liens against the Unit or Units, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to a Unit or Units, hereby expressly vests in the Board or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien and these covenants by all methods available for the enforcement of such lien. The lien provided for in this section shall be in favor of the Board and shall be for the common benefit of all Owners. The Board action on behalf of the Owners shall have the power to bid upon an interest foreclosed at a foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

ARTICLE 5

RESTRICTIONS AND COVENANTS

General Restrictions on Use

- 5.01 The right of a Unit Owner and his guests to occupy or use his Unit, or to use the Common Elements or any of the facilities thereon, is subject to the following restrictions:
 - (a) No Unit Owner shall occupy or use his Unit or permit the same or any part thereof to be occupied or used for any purpose other than as a private residence. Nothing in this Declaration shall prevent the Unit Owner from leasing or renting out his Unit, provided that it is not for transient or hotel purposes, is for a period of at least sixty (60) days, and is subject to the Association's Governing Instruments and Rules.

- (b) There shall be no Obstruction of the Common Elements. Nothing shall be stored in the Common Elements without the prior consent of the Board, except as hereinafter provided, or in designated storage areas; provided that Declarant reserves the right to use unimproved portion of the Common Elements to store construction materials during construction of any additional Units within the Condominium.
- (c) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Common Elements without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance of any Unit or on any part of the Common Elements or which would be in violation of any law. No waste shall be permitted in the Common Elements. No gasoline, kerosene, cleaning solvents, or other flammable liquids shall be stored in the Common Elements or in any Unit, provided, however, that reasonable amounts in suitable containers may be stored in the storage spaces.
- (d) No sign of any kind shall be displayed to the public view on or from any Unit or the Common Elements without the prior written consent of the Board, except a sign advertising the property for sale.
- (e) No animals, livestock, or poultry of any kind shall be raised, bred, or kept in the Unit or in the Common Elements, except that dogs, cats, or other household pets may be kept in Units, subject to the Rules and Regulations adopted by the Board.

- (f) No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein which may be or become an annoyance or nuisance to the other Unit Owner.
- (g) Nothing shall be altered or constructed in or removed from the Common Elements, except on the written consent of the Board; provided that Declarant shall have the right to construct additional Units on the unimproved portions of the Property.
- (h) There shall be no violation of the Rules in the use of the Common Elements, adopted by the Board and furnished in writing to the Unit Owners, and the Board is authorized to adopt such Rules.
- (i) No Unit Owner shall park any automobile or other motor vehicle in the Common Elements except in a space designated for the Unit Owner by the Board.
- (j) All rubbish, trash, or garbage shall be kept screened by adequate plating or fencing so as not to be seen from neighboring building sites and streets, and shall be regularly removed from the property, and shall not be allowed to accumulate thereon, and in connection with garbage disposal, plastic garbage can liners or any product similar thereto must be used. Garbage must be disposed of in the dumpsters and may not be left in common areas or elsewhere.
- (k) It is prohibited to hang garments, rugs, or any other items from the windows, patios, balconies or any of the facades of the Buildings. No exterior clothes lines shall be erected, and there shall be not outside

laundering or drying of any garments. No rugs shall be beaten on the balconies or in the halls. No dust, rubbish or litter shall be swept from a Unit into the halls or entryways.

- (1) No television or radio antennas of any sort shall be places, allowed or maintained on any building site or any portion of the exterior of the improvements located on the property, nor upon any structures situated upon the property.
- (m) Owners and occupants shall exercise reasonable care to avoid making or permitting to be made loud, disturbing, or objectionable noises, and in using or playing or permitting to be used or played musical instruments, radios, phonographs, television sets, amplifiers and any other instruments or devices in such manner as may disturb or tend to disturb Owner, or occupants of other Units.
- (n) No Owner or occupant shall erect a fence in or around their backyard, if any, except that with respect to units in Type 1 Buildings of Type 1 as identified in Exhibit "B" hereto, an Owner may erect a fence along the perimeter of the corresponding backyard so long as: (1) any neighboring Owner consents in writing and the written consent is submitted to the Owners' Association; and (2) a written and binding commitment is signed and submitted by the UnitOwner and/or the affected neighboring Owner(s) whereby there is plan for the erection and maintenance, and paying for expenses associated therewith, of the fence, change of irrigation system, if necessary, maintenance of yard and landscaping, and any other matters

deemed required by the Owners' Association. Should the Owner(s) default under the written commitment, then the Owners' Association may assume or incur the expense to perform under the commitment and may seek reimbursement of any such expenditure as the Association is authorized under this Declaration to collect dues or fees under this Declaration.

Maintenance

5.02 Except for those portions which the Association is required to maintain and repair, each Unit Owner shall, at his sole cost and expense, maintain and repair his Unit, keeping the same in good condition and repair.

Damage Liability

5.03 Each Unit Owner shall be liable to the Association for all damages to the Common Elements or other Association property that is sustained by reason of the negligence or willful misconduct of that Unit Owner, his family, guests, or tenants.

Exemption

5.04 Declarant, by reason of the Special Declarant Rights, shall be exempt from the restrictions of Section 5.01 to the extent necessary for completion of construction, sales, or additions to the Condominium. Such exemption includes, but is not limited to, maintaining Units as model homes, placing advertising signs on Condominium property, and generally making such use of the Units and Common Elements as is necessary to carry on construction activity.

DAMAGE OR DESTRUCTION

Application of Insurance Proceeds

- 6.01 (1) If the Condominium is damaged by fire or any other disaster, the insurance proceeds, except as provided in (2), below, shall be applied to reconstruct the Condominium.
- (2) Reconstruction shall not be compulsory if the damage comprises the whole or more than two-thirds (2/3) of the Units as determined by the Association. In such case and unless otherwise unanimously agreed to by the Unit Owner, the proceeds shall be delivered pro rata to the Unit Owners or their mortgages, as their interest may appear, entitled to it in accordance with Allocated Interests of each Unit as set forth in Exhibit "D" of this Declaration.

Insufficient Insurance Proceeds

6.02 When the insurance proceeds are insufficient to cover the cost of reconstruction and reconstruction is required by Paragraph 6.01, above, the costs in excess of the insurance proceeds shall be paid by all Unit Owners directly affected by the damage, in proportion to the Allocated Interests assigned to their respective Units. If any one or more of those composing the minority shall refuse to make such payments, the majority may proceed with the reconstruction at the expense of all the Units Owners benefited thereby, on proper resolution setting forth the circumstances of the case and the cost of the work. The provision of this Paragraph may be changed by unanimous resolution of the parties concerned adopted subsequent to the date on which the fire or other disaster occurs.

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Obtaining Bids for Reconstruction

6.03 The Board shall obtain firm bids, including the obligation to obtain a performance bond, from two or more responsible contractors to rebuild the Condominium in accordance with its original plans and specifications and shall, as soon as possible thereafter, call a special meeting of the Unit Owners to consider such bids. If the Board fails to do so within sixty (60) days after the casualty occurs, any Unit Owner may obtain such bids and call and conduct such meeting as herein provided. At such meeting, the Unit Owners may, by sixty-seven percent (67%) vote, elect to reject all of such bids, or by fifty-one percent (51%) vote, elect to reject all such bids requiring amounts more than **FIVE THOUSAND DOLLARS (\$5,000.00)** in excess of available insurance proceeds. If all bids are rejected, the Board shall obtain addition bids for presentation to the Units Owner. Failure to reject all bids shall authorize the Board to accept the unrejected bid it considers most favorable.

ARTICLE 7

RIGHTS OF BENEFICIARIES UNDER

DEEDS OF TRUST

- 7.01 Declarant hereby warrants that beneficiaries under deeds of trust to Units in the Condominium shall be entitled to the following rights and guaranties:
 - (a) Should any of the Association's Governing Instruments provide for a "right of first refusal", such right shall not impair the rights of a beneficiary under a first lien deed of trust to:
 - (i) Exercise the power of sale, foreclose, or take title to a unit pursuant to the remedies provided in the deed of trust;
 - (ii) Accept a deed (or assignment) in lien of sale or foreclosure in the event of default by a grantor;
 - (iii) Interfere with a subsequent sale or lease of a Unit so acquired by the beneficiary.
 - (b) A beneficiary under a first lien deed of trust, on request, will be entitled to written notification from the Association of any default in the performance by the grantor of any obligation under the Association's Governing Instruments which is not cured within sixty (60) days.
 - (c) Any beneficiary under a first deed of trust who obtains title to a unit pursuant to the remedies provided in the deed of trust will not be liable for such Unit's unpaid assessments which accrue prior to the acquisition of title to said Unit by the beneficiary.

- (d) Unless at least two-thirds (2/3rds) of the beneficiaries under first deed of trust (based on one vote for each first deed of trust owned), and of that least eighty percent (80%) of the votes of Unit Owners other than Declarant have given their prior written approval, the Association shall not be entitled to:
 - (i) By act or omission, seek to abandon or terminate the condominium, except in the case of withdrawal from the Condominium of a portion of the Common Elements by Declarant, as permitted hereby by reason of the Development Rights reserved to Declarant, due to the Condominium not being fully improved by construction of additional Units by Declarant within the times herein specified;
 - (ii) Change the Allocated Interest or obligations of any individual Unit for the purpose of:
 - (A) Levying assessments or changes, or allocating distributions of hazard insurance proceeds or condemnation awards;
 - (B) Determining the Allocated Interest or ownership of each Unit in the Common Elements and the improvements thereon; unless by reason of the construction by Declarant of additional Units within the Condominium, as permitted by reason of the Development Rights reserved to Declarant, with consequent adjustment, re-allocation and re-computation of the Allocated Interest appertaining to each Unit on a square footage basis;
 - (iii) Partition or subdivide any Unit;

- (iv) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements, except in the case of withdrawal from the Condominium of a portion of the Common Elements by Declarant, as permitted herein by reason of the Development Rights reserved to Declarant, due to the Property not being fully improved by construction of additional Units by Declarant with the times herein specified (the granting of easements for utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this clause);
- (v) Use hazard insurance proceeds for losses to any Condominium property (whether to Units or to the Common Elements) for other than the repair, replacement, or reconstruction of such property, except as provided by statute in case of substantial loss to the Unit and/or Common Elements of Condominium.
- (e) All taxes, assessments, and changes which may become liens prior to the first mortgages under local law, shall relate only to the individual Units and not to the Condominium as a whole.
- (f) No provision of the Governing Instruments of the Association gives any
 Unit Owner, or any other party, priority or any rights of the beneficiary
 under a first deed of trust to the Unit pursuant to its deed of trust in the
 case of a distribution to such Unit Owner of insurance proceeds or

(g) Association assessments shall be large enough to provide for an adequate reserve fund for maintenance, repairs, and replacement of those common elements that must be replaced on a periodic basis. Such a reserve fund will be funded through the regular monthly assessments rather than by special assessments.

ARTICLE 8

GENERAL PROVISIONS

Amendment by Declarant to Correct Errors

8.01 For a period of four (4) years from the date that this Declaration is filed for record, Declarant and/or Declarant's successors or assigns shall have the unilateral right to amend this Declaration, without the joinder or consent of any other person, in order to correct minor errors or typographical mistakes in order to reflect the true intent hereof in a manner which does not change or materially affect the meaning and the spirit of this Declaration as may be deemed necessary to promote the welfare of the Condominium in the sole discretion of Declarant.

Amendment

8.02 Except as provided herein, with respect to unilateral amendment to this Declaration by Declarant, Declarant may also unilaterally amend this Declaration and/or the Bylaws of the Unit Owners' Association for the following reasons: (i) to reflect the addition of additional, subsequently constructed, Units within the Condominium, (ii) to expand this Condominium Declaration to apply to additional units and common elements

adjacent or in close proximity to those referenced herein, whether in the same, adjacent, or nearby tracts of land, including but not limited to Lots 3 and 4 of Block 1 of San Isidro Multi Family Plat as therein recorded in Vol. 24, page 82, et. seq., of the Webb County Plat Records in the City of Laredo, Webb County, Texas, and more particularly described in Exhibit "A" attached hereto; or (iii) to withdraw from the Condominium and this Declaration, free of the provisions hereof, unimproved portions of the original Common Elements, or (iv) to correct minor or clerical errors, this Declaration may only be amended at a meeting of the Unit owners at which the amendment is approved by the holder of at least sixty-seven percent (67%) of the Allocated Interests of the Unit Owners in the condominium, except that the Condominium may not be terminated except upon the vote of at least eighty percent (80%) of the Allocated Interests of the Unit Owners in the condominium.

An amendment of this Declaration may not alter or destroy a unit or a limited common element without the consent of the affected owners and the owners' first lien mortgages, except that as provided herein, for a period of four (4) years, from the date that this Declaration is filed for record, Declarant shall have the unilateral right, acting alone, to unilaterally amend this Declaration and/or the Bylaws of the Unit Owners' Association (i) to reflect addition of additional, subsequently constructed, Units within the Condominium,(ii) to expand this Condominium Declaration to apply to additional units and common elements adjacent or in close proximity to those referenced herein, even if located in the same, adjacent, or nearby tracts of land, including but not limited to Lots 3 and 4 of Block 1 of San Isidro Multi Family Plat as therein recorded in Vol. 24, page 82, et. seq., of the Webb County Plat Records in the City of Laredo, Webb County,

Texas, and more particularly described in Exhibit "A" attached hereto; or (iii) to withdraw from the condominium and this Declaration, free of the provisions hereof, unimproved portions of the original Common Elements.

Nonwaiver of Remedies

8.03 Each remedy provided for in this Declaration is separate, distinct, and nonexclusive. Failure to exercise a particular remedy shall not construed as a waiver thereof.

Severability

8.04 The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceable of any one provisions shall not affect the validity or enforceable of any other provision.

Binding

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

Interpretation

8.06 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. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

Limitation of Liability

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

Fair Housing

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

Number, Gender, and Headings

8.09 As used in this Declaration, the singular shall include the plural and the masculine shall include the feminine and the neuter, unless the context requires the contrary. All headings are not a part hereof, and shall affect the interpretation of any provision.

IN WITNESS WHEREOF, the undersigned has executed this instrument this

10 day of January 2006.

HRM International, Ltd.

Y: // // // // // // // RMGG Management Company, L.L.C.

General Partner

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COUNTY OF WEBB

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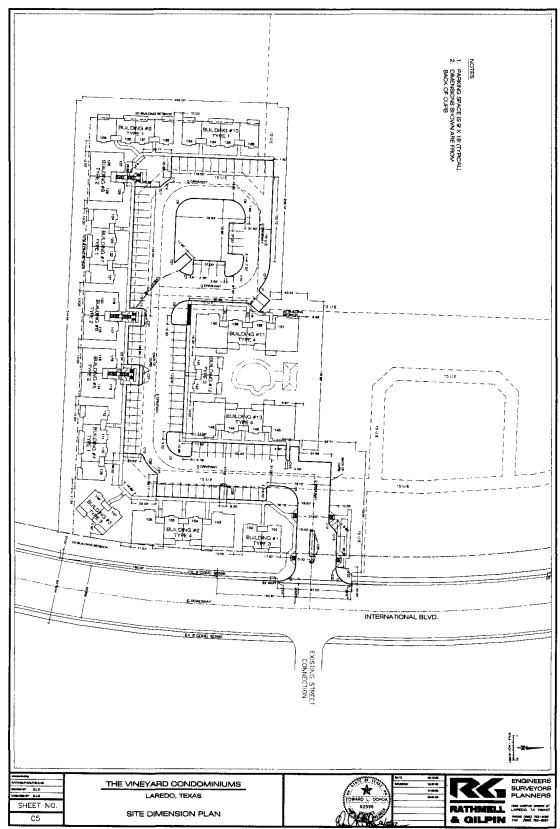
This instrument was acknowledged before me on the 10th day of January,

2007, by Hector H. Garcia Jr., Partner of RMGG Management

Company, L.L.C., General Partner of HRM International, Inc.

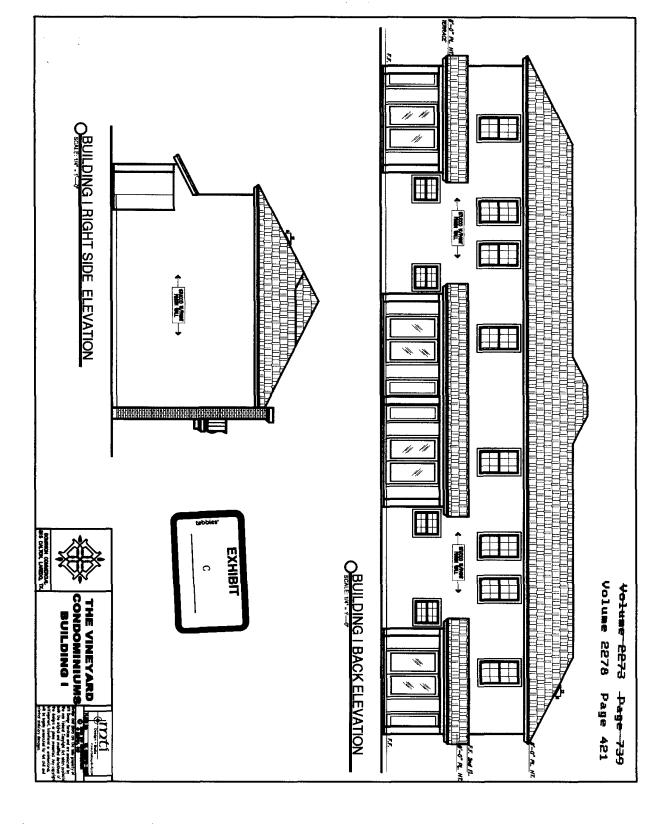


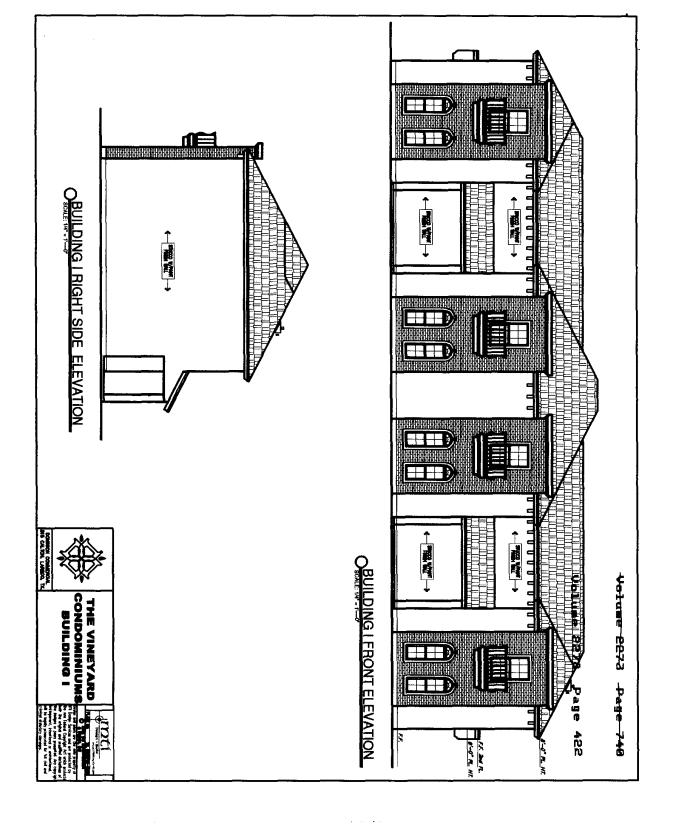
Eluica Aguilar Notary Public, State of Texas Correction: This declaration has been corrected by substituting Exhibit A and modifying Exhibit D. It is the same as the original in all other respects.

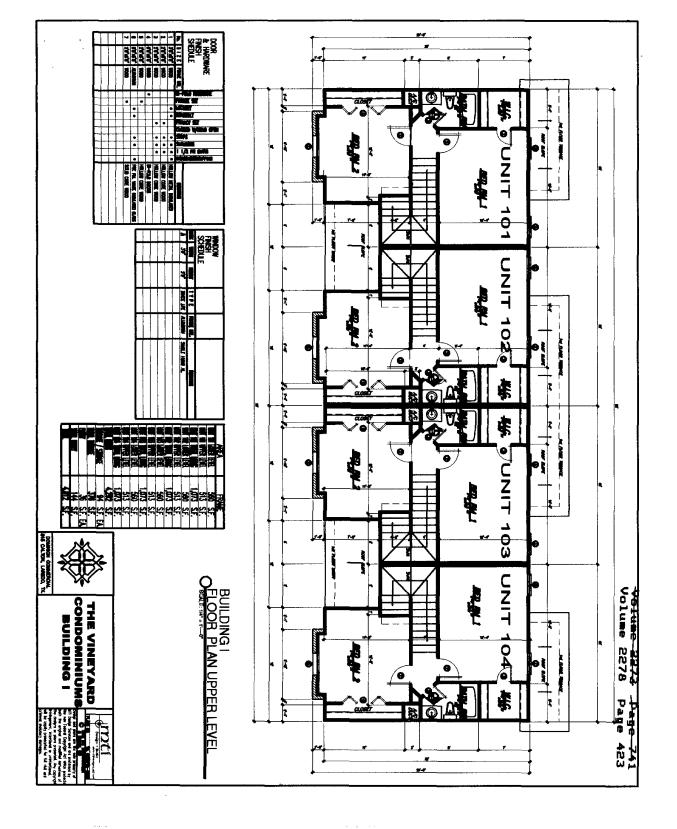


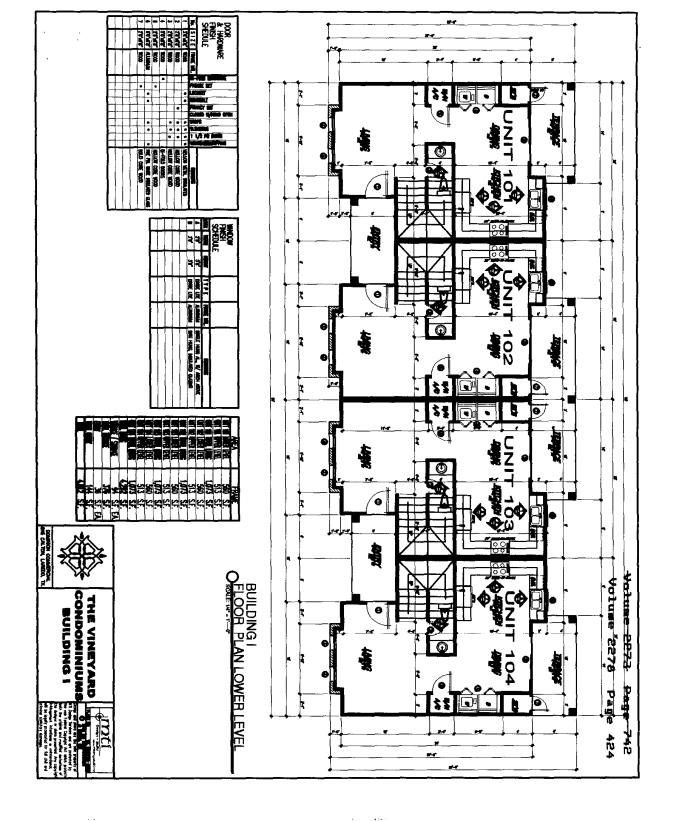


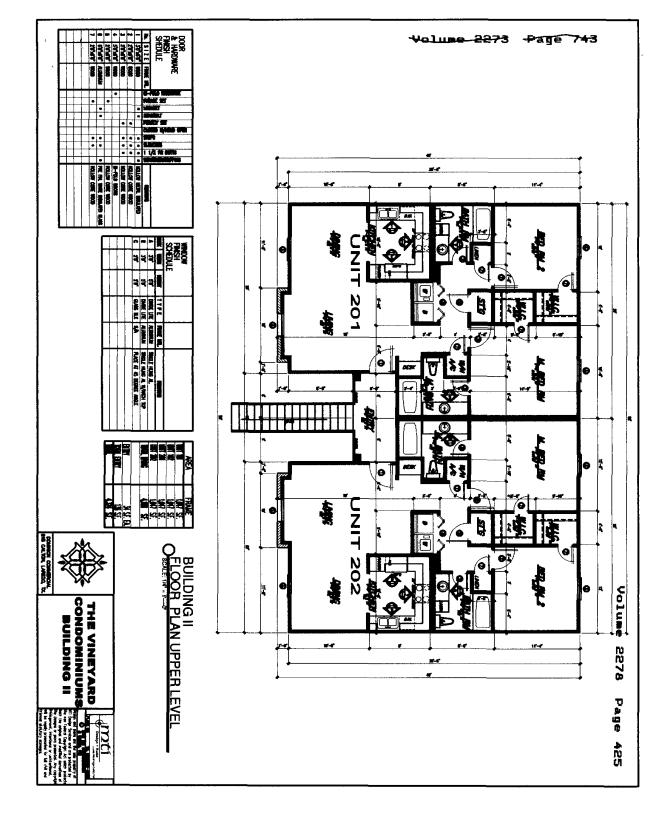
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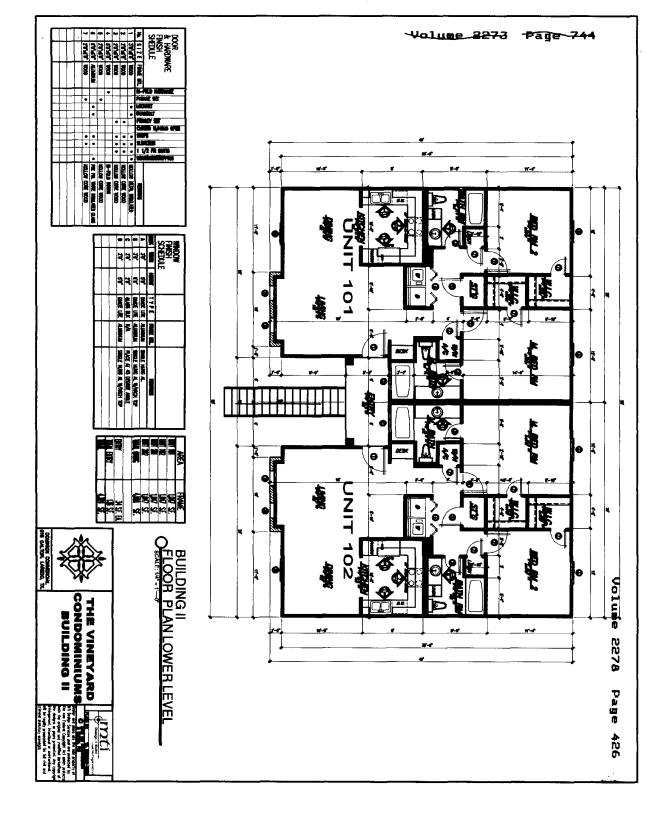




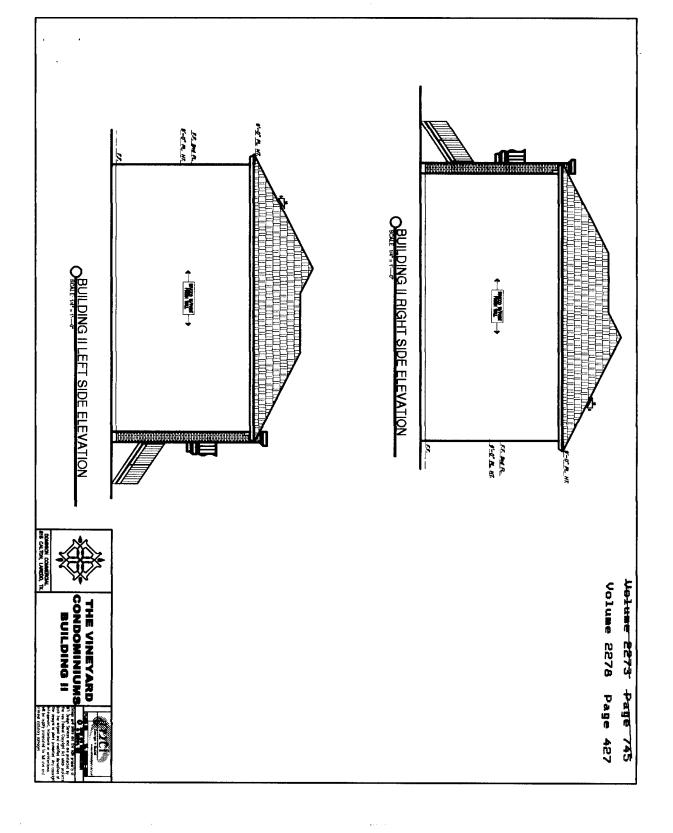


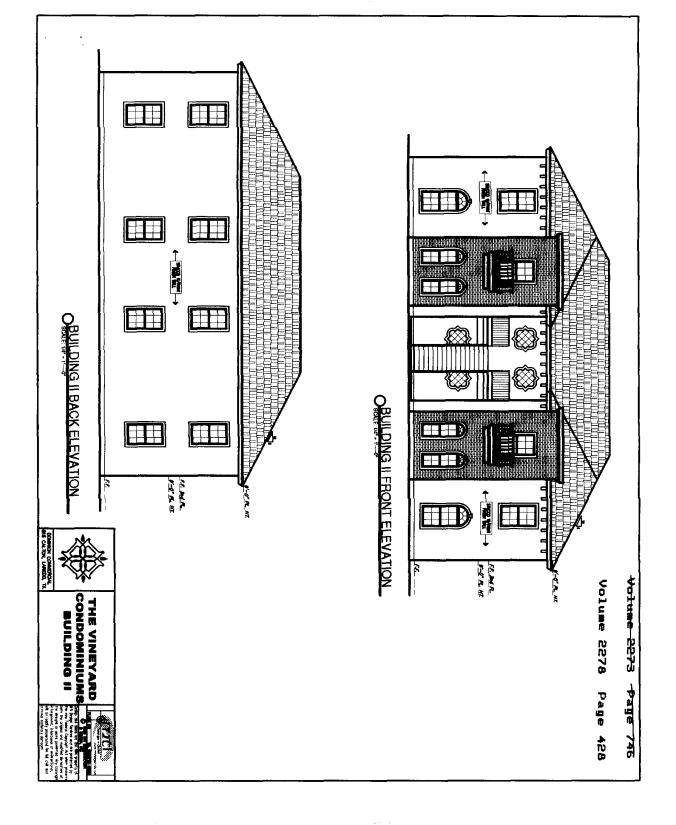


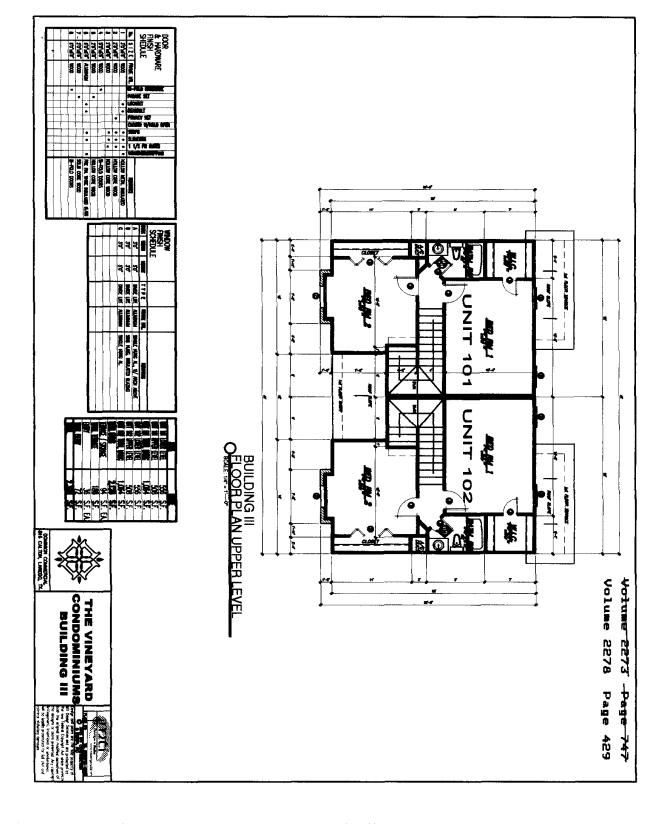


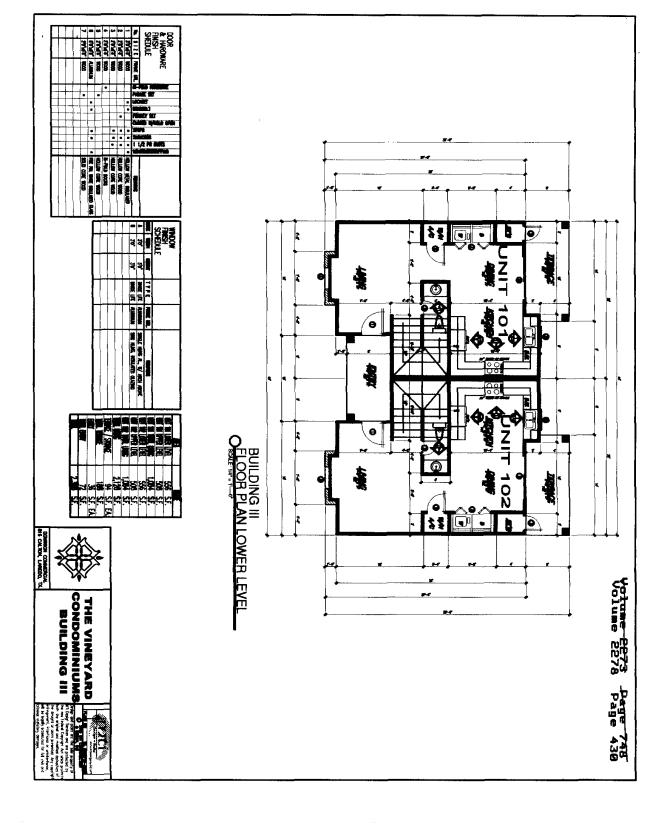


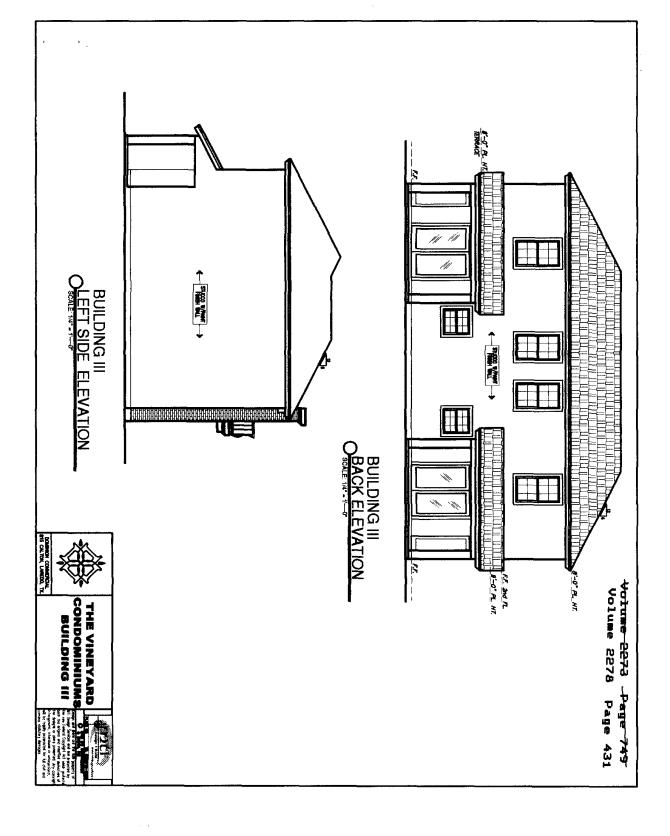
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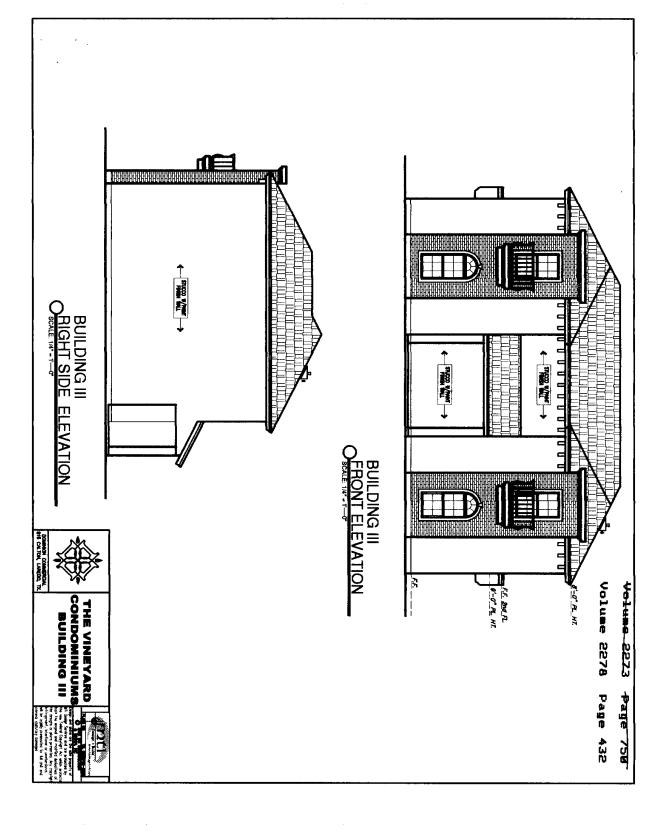


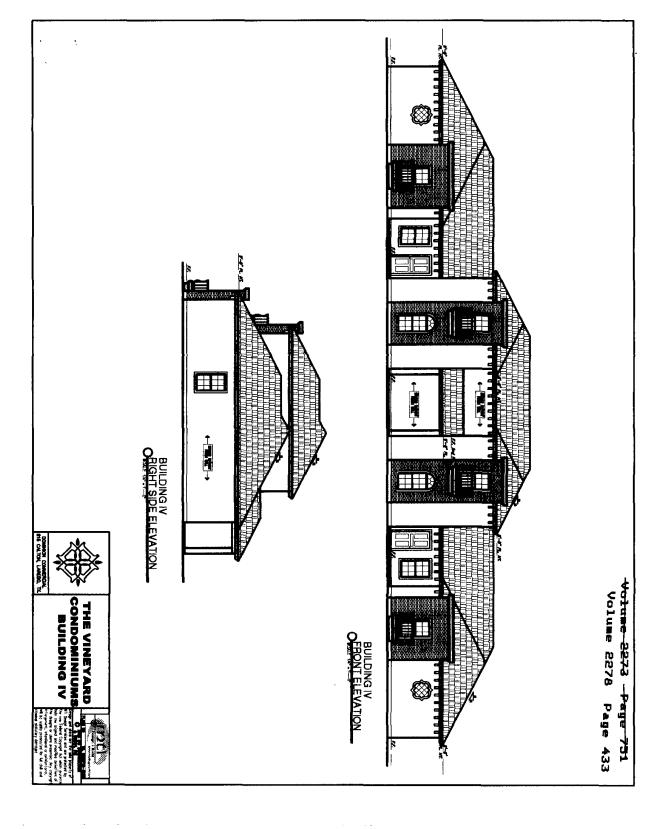


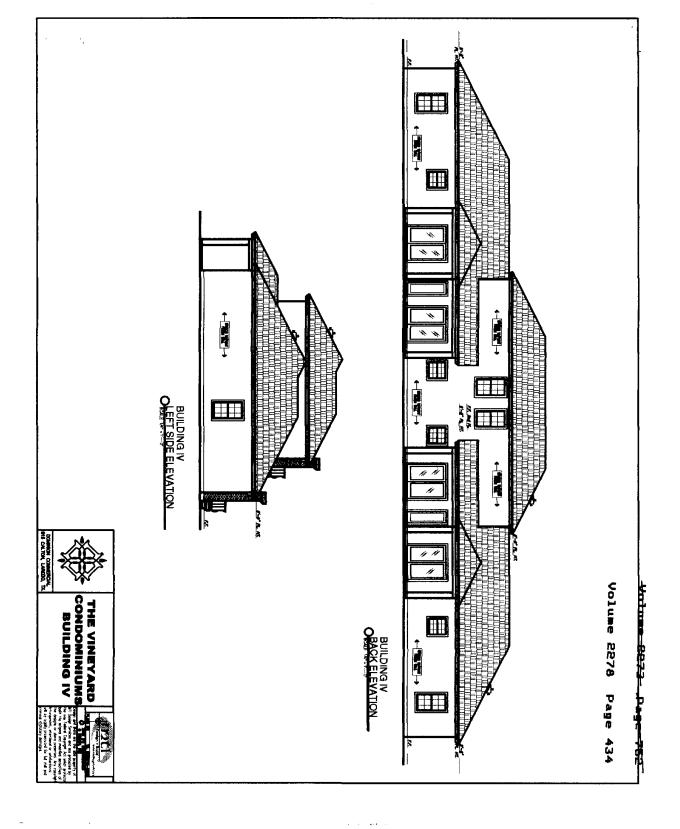


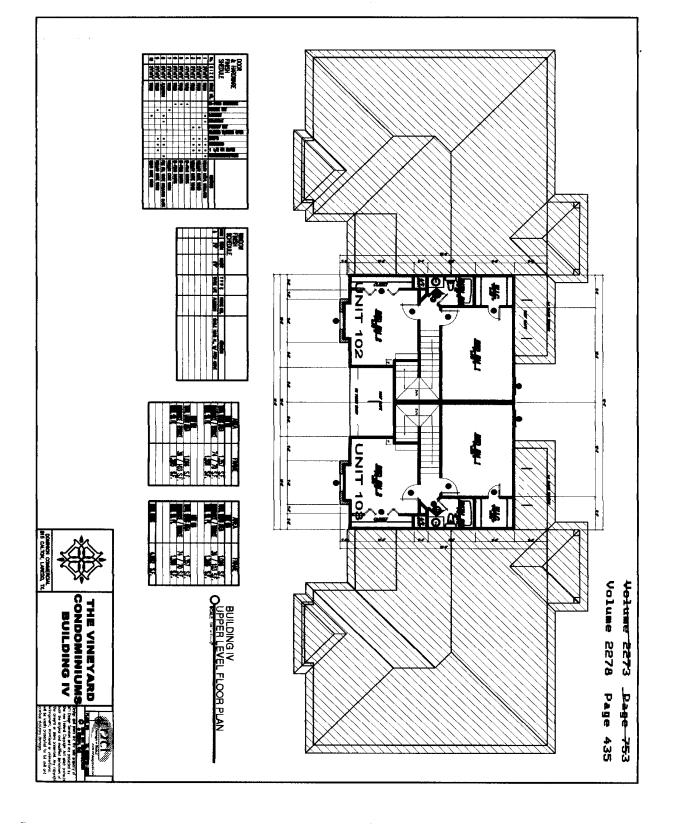


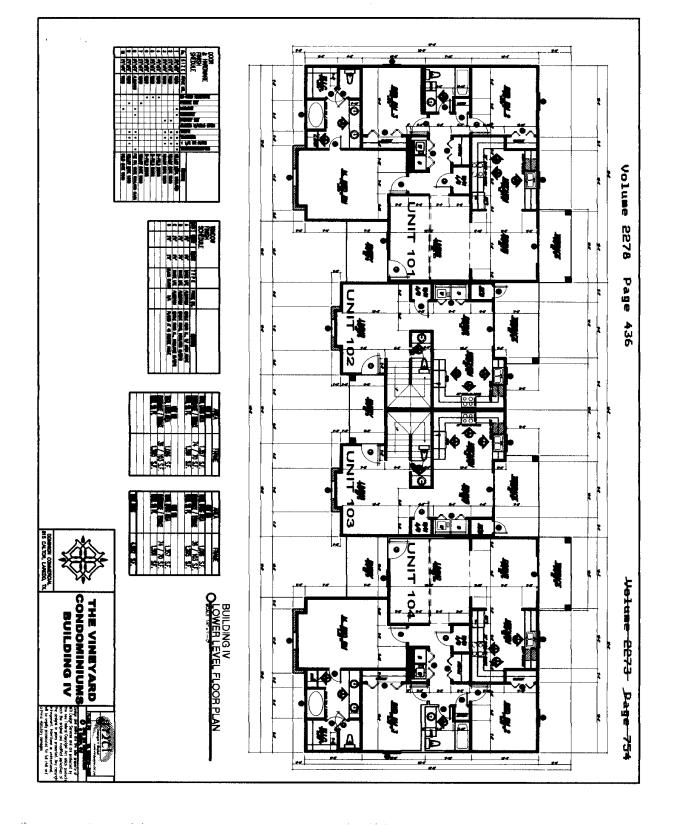












Volume 2278

A CONDOMINIUM PROJECT OUT OF THREE TRACTS OF LAND, CONSISTING OF A COMBINED AREA OF 8.08 ACRES, MORE OR LESS, LOCATED ON LOTS 2, 3, AND 4 OF BLOCK 1 OF SAN ISIDRO MULTI FAMILY PLANT, AS THEREIN RECORDED IN VOL. 24, PAGE 82, ET. SEQ., OF THE WEBB COUNTY PLAT RECORDS IN THE CITY OF LAREDO, WEBB COUNT, TEXAS.

BUILDING 1		
UNIT 101	1,064 SQUARE FEET	2.101 %
UNIT 102	1,064 SQUARE FEET	2.101 %
BUILDING 2		
UNIT 103	1,357 SQUARE FEET	2.679 %
UNIT 104	1,066 SQUARE FEET	2.104 %
UNIT 105	1,066 SQUARE FEET	2.104 %
UNIT 106	1,357 SQUARE FEET	2.679 %
BUILDING 3		
UNIT 107	1 064 COLLABE EEET	2.101 %
	1,064 SQUARE FEET	2.101 %
UNIT 108	1,064 SQUARE FEET	2.101 %
BUILDING 4		
UNIT 109	1,073 SQUARE FEET	2.118 %
UNIT 110	1,073 SQUARE FEET	2.118 %
UNIT 111	1,073 SQUARE FEET	2.118 %
UNIT 112	1,073 SQUARE FEET	2.118 %
BUILDING 5		
UNIT 113	1,047 SQUARE FEET	2.067 %
UNIT 114 (UPSTAIRS)	1,047 SQUARE FEET	2.067 %
UNIT 115	1,047 SQUARE FEET	2.067 %
UNIT 116 (UPSTAIRS)	1,047 SQUARE FEET	2.067 %
BUILDING 6		
UNIT 117	1,047 SQUARE FEET	2.067 %
UNIT 118 (UPSTAIRS)	1,047 SQUARE FEET	2.067 %
UNIT 119	1,047 SQUARE FEET	2.067 %
UNIT 120 (UPSTAIRS)	1,047 SQUARE FEET	2.067 %
OTALL IZO (OLSTAIKS)	1,047 SQUARE FEET	2.007 70

EXHIBIT D

PAGE 1 OF 2

BUILDING 7		
UNIT 121	1,073 SQUARE FEET	2.118 %
UNIT 122	1,073 SQUARE FEET	2.118 %
UNIT 123	1,073 SQUARE FEET	2.118 %
UNIT 124	1,073 SQUARE FEET	2.118 %
DYNI DRIGO		
BUILDING 8	1 047 00114 DE EEEM	20/70/
UNIT 125	1,047 SQUARE FEET	2.067 % 2.067 %
UNIT 126 (UPSTAIRS)	1,047 SQUARE FEET 1,047 SQUARE FEET	2.067 %
UNIT 127		
UNIT 128 (UPSTAIRS)	1,047 SQUARE FEET	2.067 %
BUILDING 9		
UNIT 129	1,073 SQUARE FEET	2.118 %
UNIT 130	1,073 SQUARE FEET	2.118 %
UNIT 131	1,073 SQUARE FEET	2.118 %
UNIT 132	1,073 SQUARE FEET	2.118 %
BUILDING 10		
UNIT 133	1,073 SQUARE FEET	2.118 %
UNIT 134	1,073 SQUARE FEET	2.118 %
UNIT 135	1,073 SQUARE FEET	2.118 %
UNIT 136	1,073 SQUARE FEET	2.118 %
CNII 130	1,073 BQOARE 1 EE1	2.110 /0
BUILDING 11		
UNIT 137	1,357 SQUARE FEET	2.679 %
UNIT 138	1,066 SQUARE FEET	2.101 %
UNIT 139	1,066 SQUARE FEET	2.101 %
UNIT 140	1,357 SQUARE FEET	2.679 %
BUILDING 12		
UNIT 141	1,064 SQUARE FEET	2.101 %
UNIT 142	1,064 SQUARE FEET	2.101 %
01411 142	1,004 BQO/MCE I EE I	2.101 /0
BUILDING 13		
UNIT 143	1,357 SQUARE FEET	2.679 %
UNIT 144	1,066 SQUARE FEET	2.104 %
UNIT 145	1,066 SQUARE FEET	2.104 %
UNIT 146	1,357 SQUARE FEET	2.679 %
TOTAL	50,654 SQUARE FEET	100%
	20,02 1 500111112 1 221	10070

EXHIBIT D PAGE 2 OF 2



Office of the Secretary of State

CERTIFICATE OF FILING OF

The Vineyard Condominium Unit Owners' Association, Inc. File Number: 800655695

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 05/15/2006

Effective: 05/15/2006



Roger Williams Secretary of State

EXHIBIT

me 2278 Page 439

Come visit us on the internet at http://www.sos.state.tx.us/ Fax: (512) 463-5709

Phone: (512) 463-5555 Prepared by: Delores Moore TTY: 7-1-1 Document: 129417110002 Form 202 (Revised 1/06)

Return in duplicate to: Secretary of State P.O. Box 13697 Austin, TX 78711-3697 512 463-5555

FAX: 512/463-5709 Filing Fee: \$25



Certificate of Formation Nonprofit Corporation

This space reserved for office use.

19567960399

FILED
In the Office of the
Secretary of State of Texas

MAY 15-2006

Corporations Section

	- 1954 - 1954	Man-Morale Company	·.··	•• ئىسىسىر، •	
The filing entity being formed is a	nonprofit corp	oration. The name	of the er	ntity is:	
The Vineyard Condominium Unit	Owners' Asso	ciation, Inc.			
	F. 64 . 1 . 6. 6	Community of the	in the second		
A. The initial registered agent			named above	by the nam	e of:
OR B. The initial registered agent	is an individu	al resident of the s	tate whose	e name is set	t forth below:
Jay		Puig			
First Name	M.J.	Last Name			Suffix
C. The business address of the reg	sistered agent	and the registered (office addi	ress is:	
815 E. Calton Rd.	Laredo			TX 78	041
Street Address	City			State Zip	Code
	jentej k				- X
The management of the affarmembers.	irs of the corp	poration is to be v	ested in t	he nonprofi	t corporation's
OR The management of the affair of directors constituting the initial are to serve as directors until the and qualified are as follows:	board of dire first annual man	ctors and the name ecting of members three directors required.	es and add or until t	dresses of the	e persons who ors are elected
		THE REAL PROPERTY OF THE PARTY			
Hector	H.	Garcia			Jr.
First Name	· M.I.	Last Name			Suffix
815 E. Calton Rd.	Laredo		1X	78041	USA
Street or Mailing Address	City		State	Zip Code	Country
_					

This nonprofit corporation is formed for any lawful purpose or purposes not expressly prohibited under chapters 2 or 22 of the Texas Business Organizations Code, including any purpose described by section 2.002 of the Code.

Brandonieralit The corporation is authorized on its winding up to distribute the nonprofit corporation's assets in a manner other than as provided by section 22.304 of the Code. The manner of distribution is as follows or as set forth in the attached addendum which is incorporated herein by reference;

Volume 2278 Page 441

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ext Area: [The attached addendum, if any, is in-	Composated herein by reference.	legtin	<u>. 1.34 </u>	
		1		
e name and address of the organiz	er:			
olfo Campero, Jr.		<u>.</u>		
5 Calle Del Norte, Suite 207	Laredo	TΧ	78041	
ect or Mailing Address	City	State	Zip Code	
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e date of signing. The delayed efficient of the delayed efficient takes effect up assage of time. The 90 th day after the following event or fact will cause	on the occurrence of a future the date of signing is:			
	The second of the second			
he undersigned signs this document aterially false or fraudulent instrum		osed by law for th	ne submission of a	T T T
ate: May 13, 2006	- Odolfo C	Jaym Jr		r r
	Signature of organiza	er /		
•				ie f

Doc# 951443
Recorded
81/19/2887 2:81PM
Signed: RG

Signed: CC BY DEPUTY MARGIE RAMIREZ IBARRA COUNTY CLERK Fees \$256.00

STATE OF TEXAS
COUNTY OF WEBB
I HERE'S CERTIFY THAT THIS INSTRUMENT WAS
FILED ON THE DATE AND AT THE TIME STAMPED
HEREON BY ME AND WAS DULY RECORDED IN THE
VOLJIME AND PAGE, OF THIS OFFICIAL PUBLIC
RECORDS OF WEBB COUNTY TEXAS AS STAMPED
HEREON BY ME

Mangietaring Dousa COUNTY CLERK WEBB COUNTY TEXAS

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