

**FIRST AMENDMENT TO DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS**

**FOR  
KHALEDI VILLAS TOWNHOMES**

**AND**

**FOR  
KHALEDI VILLAS HOMEOWNERS ASSOCIATION INC**

**This amends the Declaration recorded under Document #1480188 in Volume 5349, Page 269, et seq. of the Official Public Records of Webb County, Texas**

THE STATE OF TEXAS     §  
  §  
COUNTY OF WEBB         §

**PREFACE**

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE **KHALEDI VILLAS TOWNHOMES** ("First Amendment") is made on the date hereinafter set forth by **SKG Homes VII LLC**, a Texas limited liability company ("**Declarant**"), for the purposes herein set forth below in respect of the following-described real property in Webb County, Texas, known as the **KHALEDI VILLAS TOWNHOMES SUBDIVISION**, and being more fully described as follows:

**KHALEDI VILLAS TOWNHOMES, established by plat** recorded under Document #1451788, Volume 39, Pages 46-48, Map and Plat Records of Webb County, Texas.

## RECITALS

Declarant is the owner of real property described above known as the Khaledi Villas Townhomes Subdivision.

Pursuant to Section 11.02 of the Declaration, during the Development and Declarant Control Periods, Declarant reserves the sole and exclusive right, without joinder or consent of any Owner, to (i) amend, restate, modify or repeal, this Declaration and other dedicatory instruments; (ii) amend, revise, modify, or vacate any Plat; and (iii) annex and subject any other property to the scheme of this Declaration, provided that any annexation is not inconsistent with the scheme of the Subdivision.

Declarant desires to amend the Declaration to clarify responsibility for insurance and repair and rebuilding in the event of casualty, and other purposes.

The joinder of any other Owner is not required, however, all Lots are owned by Declarant, except Lots 9 and 10, in Block Number 1, of this Subdivision, which are owned by Luis A. Ayala Villanueva and Angela Maria Montoya Escobar, who have joined this First Amendment for the avoidance of any doubt.

Capitalized terms used herein and not otherwise defined, have the meanings as set out in the Declaration.

NOW THEREFORE, Declarant adopts, establishes and imposes the Declaration as amended by this First Amendment upon the Subdivision the following reservations, easements, restrictions, assessments, liens, covenants and conditions, which shall run with the land and title or interest therein, or any part thereof, and shall inure to the benefit of each Owner in the Subdivision as a whole, whether or not set out in full or incorporated by reference in any deed or other instrument of conveyance.

1. Sections 4.34 through 4.36 of the Declaration are amended in their entirety, and Section 4.37 is added, all as follows:

Section 4.34 Shared Improvements.

4.34.01 Subject to Sections 4.35, 4.36 and 4.37, below, and to the extent not inconsistent with the provisions herein, the general rules of law regarding Party Walls and liability for property damage due to negligence, or willful acts, or omissions shall apply with respect to Shared Improvements.

4.34.02 The cost of maintenance of any Shared Improvement shall be shared equally by the Owners who benefit from the Shared Improvement.

4.34.04 Except as set out in Sections 4.35, 4.36 and 4.37, below, no Owner shall alter or change a Shared Improvement in any manner (interior decoration excepted) and the Shared Improvement shall always remain in the same location as when erected.

4.34.05 Subject to Sections 4.35, 4.36 and 4.37, below, an Owner who by such Owner's negligent or willful act causes a Shared Improvement to be damaged shall bear the whole cost of furnishing the necessary protection against such elements.

4.34.06 Subject to Sections 4.35, 4.36 and 4.37, below: the right of any Owner to call for a larger contribution from any Owner under any rule of law regarding liability for negligent or willful acts or omissions shall not be prejudiced; the rights of any Owner to contribution from any other Owner under this Declaration shall be appurtenant to the land and shall pass to such Owner's successors in title. Each Owner, the Declarant and the Association shall each have the right to enforce by any proceeding at law or in equity the provisions contained in this Section 4.34. Failure by any Owner, the Declarant or the Association to enforce any provision, however, shall in no event be deemed a waiver of the right of any other Owner, the Declarant or the Association to do so thereafter.

4.34.07. Notwithstanding the rights of an Owner as set out above, for the harmony of the architecture, design and color schemes, or the Subdivision, the Shared Improvements shall be maintained in their original shape, size design and color, and if destroyed or partially destroyed, will be repaired to their original shape, size, design and color, unless otherwise approved by the ACC.

4.34.08. Shared Improvements may require period maintenance, repair or replacement, which is not covered by insurance as set out in Section 4.36 below. Each Owner benefiting from such Shared Improvements shall pay pro-rata based on the square footage of the Owner's Townhome, for such maintenance, repair or replacement. The Association may determine to make the Common Expense Fund available for such purposes, and in such case the Association shall direct such maintenance, replacement or repair.

#### 4.35. COMMON EXPENSE FUND

4.35.01 All Owners, other than the Declarant (who is exempt from this assessment), are bound to contribute to the common expense fund ("Common Expense Fund"), pursuant to a Shared Improvement Assessment (established under Section 6.08, below), for the maintenance and repair Shared Improvements or any other expenses agreed on by a majority of the Outstanding Votes. No Owners shall be exempt from the obligation to make such contribution to the Common Expense Fund by waiver of the use of enjoyment of the Shared Improvements or by abandonment of any portion of the Property or any other circumstances.

4.35.02 The Common Expense Fund shall be funded, as needed, by the Shared Improvement Assessment as determined herein, and/or by insurance proceeds; the funds raised by assessment to the Members may be used at the Board's discretion to acquire insurance on the Shared Improvements.

4.35.03 The Shared Improvement Assessment assessments collected may be paid into Common Expense Fund to be held for the use and benefit, directly or indirectly of the Owners and may be expended for the purposes set forth herein, including, without limitation, providing for the enforcement of the provisions of this Declaration, for the maintenance, operation, repair, benefit and welfare of the Subdivision and generally for those items necessary to and desirable in the opinion of the Board to maintain or improve the Subdivision.

4.35.04 **In accordance with Section 4.36, below, the Association shall maintain property insurance on each Townhome Exterior (as defined below), including Shared Improvements, under such terms as the Association deems appropriate, and to the extent of such proceeds shall be responsible for repair or rebuilding of insured losses to Townhouses, Lots and Shared Improvements. Each Owner is responsible for the repair or rebuilding of such Owner's Townhome Interior (as defined below).**

4.35.05 Notwithstanding anything contained in this Declaration to the contrary, Declarant shall at no time have any obligation for any Common Expense Fund assessments.

4.35.06. Required Insurance By Owners. Each Owner shall maintain at all times property insurance on the Owner's Townhome Interior, and all of the Owner's personal property in any Townhome, and provide to the Association current certificates (and if requested copies of policies) shown coverage complying with this Section and Section 4.36.

4.35.07 Responsibility for Family and Invitees. Each Owner is fully responsible for the acts and omissions and negligence of the Owner's family, guests and other invitees, and the contractors and vendors invited to the Lot by the Owner or Owner's family or other invitees. Accordingly, any damage to the Townhomes, the Shared Improvements or any other portion of the Subdivision done by the Owner's family, guests and other invitees, and the contractors and vendors invited to the Lot by the Owner or Owner's family or other invitees, are the responsibility of the Owner and considered as done by the Owner for the purposes of this Declaration.

#### 4.36. INSURANCE

4.36.01. Property Insurance. The Association, acting solely through the Board, shall obtain and continue in effect property insurance coverage of each "Townhome" and all improvements in the Common Area, in an amount equal to its maximum insurable replacement value, which amount shall be reviewed at least annually by the Board. "**Townhome Exterior**" means all portions of the Lot and Townhome, including Shared Improvements, other than the "**Townhome Interior**". The "**Townhome Interior**" shall mean the dry wall, ceilings, interior surface areas, floor and wall coverings, HVAC and appliances of the Townhome. Such insurance shall afford protection

against loss or damage by fire, vandalism, malicious mischief and such other risks of a similar or dissimilar nature as are, or shall hereafter, customarily be covered with respect to other properties similar in construction, design and use as the Subdivision, including flood insurance, if applicable. Such insurance policies and all certificates thereof shall have the following provisions or endorsements to the extent available in the State of Texas, unless waived or adjusted at direction of the Board:

- a. That exclusive authority to adjust losses shall be vested in the Association, acting solely through the Board as insurance trustee;
- b. That the insurance coverage shall not be brought into contribution with insurance purchased by individual Owners or their respective mortgages;
- c. That all policies of property insurance shall provide that, despite any provisions giving the insurer the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the prior written approval of the Board, in its capacity as insurance trustee. Additionally, all such property insurance shall contain a Replacement Cost Endorsement (up to eighty percent (80%)) or Inflation Guard Endorsement;
- d. That each Owner waives its right of subrogation as to any claims against the Association and its respective servants, agents, employees, guest, invitees and tenants;
- e. That the insurance coverage cannot be cancelled, invalidated or suspended because of the conduct of any one or more individual Owners or their respective tenants, employees, agents, contractors, and guests nor shall the insurance coverage be prejudiced by any failure of the Association to comply with any warranty or condition regarding any portion of the Subdivision over which the Association has no direct control;
- f. That the insurance coverage cannot be cancelled, invalidated or suspended because of the conduct of any officer or employee of the Association or Board or their employees, agents or contractors, without prior demand in writing that the Board cause the defect to be cured. If such defect is not cured within thirty (30) days after receipt of said demand by the Board, the policy may then be cancelled, invalidated or suspended, at the option of the insurer and as provided by the policy. Provided, however, the insurance carrier shall notify each mortgagee named on the Association's roster of mortgagees at least ten (10) days in advance of any reduction in or cancellation of the policy;
- g. That all policies of such insurance shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees of each Townhome, if any, as its interest may appear, provided however, the proceeds of such policy or policies shall not be applied in a manner inconsistent with the provisions of this Declaration hereof; and
- h. Each hazard insurance policy must be written by a hazard insurance carrier licensed or authorized to transact business within the State of Texas and which has a financial rating satisfactory to the Association, as set by the Board.

#### 4.36.02 Liability Insurance by Association.

- a. The Association, acting solely through the Board, shall obtain a policy or policies of insurance insuring the Board and the Association against any liability to the public or to the Owners of Townhomes, and their respective employees, tenants, guests, or invitees arising out of an incident to the ownership and/or use of the any portion of the Subdivision, including, but not limited to, liability for nonowner and hired automobiles, water damage liability, and liability for property of others and all such other risks as are customarily covered in similar projects. Limits

of liability under such insurance shall not be less than One Million and No/100 Dollars (\$1,000,000.00) per accident and shall not be less than One Million and No/100 Dollars (\$1,000,000.00) for property damaged in each occurrence. The limits in coverage of said liability policy or policies shall be reviewed at least annually by the Board and increased or decreased at its discretion, provided that such limits shall not fall below the minimums specified in this paragraph. Said policy or policies shall be issued on a comprehensive liability basis and shall include a "Severability of Interest Endorsement" or equivalent coverage which will preclude the insurer from denying the claim of an Owner because of negligent acts by the Association, its Board or an Owner. The Association shall not be responsible for procurement or maintenance of any insurance covering the liability of any Owner not caused by or connected with the Association's operation or maintenance of the Subdivision.

b. **Waiver of Subrogation.** Each Owner hereby waives any and every right or cause of action for any and all loss of, or damage to, any of its property (whether or not such loss or damage is caused by the fault or negligence of the other party or anyone for whom said other party may be responsible), which loss or damage is covered by valid and collectible fire, extended coverage, "All Risk" or similar policies covering real property, personal property or business interruption insurance policies, to the extent that such loss or damage is recovered under said insurance policies. Said waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Declaration with respect to any loss or damage to property of the parties hereto. Written notice of the terms of such mutual waivers shall be given to each insurance carrier and the insurance policies shall be properly endorsed, if necessary, to prevent the invalidation of coverage by reason of said waivers.

4.36.03. **Insurance of Townhome Exteriors.** No Owner shall be entitled to maintain separate insurance coverage on the Townhome Exterior in such a way as to decrease the amount that the Association, on behalf of all of the Owners, may realize under any insurance policy that the Association may have in force covering the Townhome Exteriors, or any part thereof, at any time.

4.36.04. **Insurance of Townhome Interiors.** Each Owner shall carry and maintain adequate insurance coverage on the Owner's Townhome Interior including also furnishings and other items of personal property belonging to an Owner. Each Owner, as to such Owner's Townhome shall maintain public liability insurance coverage. Each Owner must promptly furnish a copy of its insurance policy to the Association upon demand and must make the Association an additional insured. Each Owner is responsible for insurance coverage of its exclusive ownership and possession of their Townhome. In no event shall the Board or the Association have any responsibility to any person for an Owner's failure to carry or the Board or Association's failure to enforce, any insurance or any level of insurance. Coverage, whether by casualty or homeowners liability policies, shall include the contractual obligations of an Owner under this Declaration to repair any damage cause by such Owner to the Shared Improvements.

4.36.05. **INDEMNIFICATION.** EACH OWNER AGREES TO INDEMNIFY AND HOLD HARMLESS DECLARANT AND THE ASSOCIATION, AND THEIR OWNERS, MEMBERS, AND AGENTS FROM ANY LOSS, EXPENSE, OR DAMAGE RESULTING FROM OR RELATING TO THE OWNERSHIP, MAINTENANCE, OPERATION AND USE

OF THE SUBDIVISION BY THE OWNERS AND THEIR RESPECTIVE TENANTS, AGENTS, EMPLOYEES, GUESTS, LICENSEES AND INVITEES.

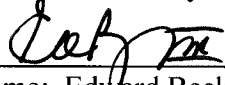
4.36.06 Restoration. In the event that the Board is to repair, replace, reconstruct or restore any improvements with insurance proceeds after an insured casualty loss, over a dollar limit to be set in the Board's discretion, the Board shall obtain firm bids, including the obligations to obtain a performance bond, from two or more responsible contractors to rebuild in accordance with original plans and specifications and shall, as soon as possible thereafter, call a special meeting of the Owners to consider such bids. If the Board fails to do so within Sixty (60) days after the casualty occurs, any Owner may obtain such bids and call and conduct such meeting as herein provided. At such meeting, the Owners may, by Sixty-Six and Two-Thirds (66 2/3rds) percent vote, elect to reject all of such bids, or by Fifty-One (51%) percent vote, elect to reject all such bids requiring amounts more than Five Hundred Dollars (\$500.00) in excess of available insurance proceeds. If all bids are rejected, the Board shall obtain additional bids for presentation to the Unit Owners. Failure to reject all bids shall authorize the Board to accept the unrejected bid it considers most favorable.

4.37. Mowing Responsibility. For so long as the Association assumes the obligation to mow the yards on each Lot, the Association shall mow the Lots on a regular basis, and each Owner grants the Association and its contractors the reasonable right of access therefor. If the Association no longer assumes such responsibility, each Owner shall be responsible for regular mowing of such Owner's Lot to maintain a neat and clean appearance within the Subdivision. The Owner shall have all other landscaping responsibilities for such Owner's Lot.

2. As amended by this First Amendment, the Declaration shall continue in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, Declarant executes this First Amendment, effective on SEPT  
28, 2022.

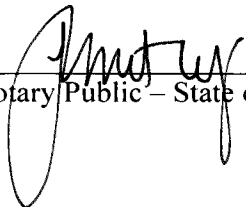
**SKG HOMES VII LLC,**  
a Texas limited liability company

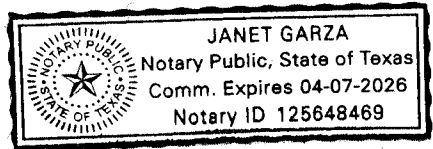
By:   
Name: Edward Beckelhymer  
Title: CFO

ACKNOWLEDGMENT

STATE OF TEXAS           §  
  §  
COUNTY OF WEBB       §

This instrument was acknowledged before me on SEPTEMBER 28, 2022, by  
EDWARD BECKELHYMER, CFO of SKG HOMES VII LLC, a Texas limited  
liability company on behalf of said company.

  
Notary Public – State of Texas





JOINDER: The approval of the undersigned, owning Lots 9 and 10, Block 1, are not required under the terms of the Declaration, but the undersigned nonetheless join in and approve the foregoing First Amendment.

*[Handwritten signature]*  
\_\_\_\_\_

Luis A. Ayala Villanueva

*[Handwritten signature]*  
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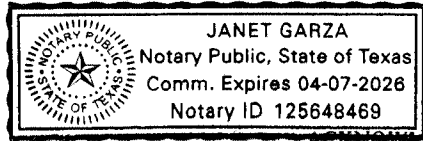
Angela Maria Montoya Escobar

ACKNOWLEDGMENT

STATE OF TEXAS     §  
                                  §  
COUNTY OF WEBB   §

2022

This instrument was acknowledged before me on SEPTEMBER 28, by Luis A. Ayala Villanueva.



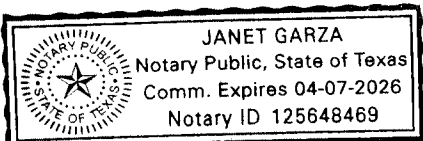
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Notary Public - State of Texas

ACKNOWLEDGMENT

STATE OF TEXAS     §  
                                  §  
COUNTY OF WEBB   §

2022

This instrument was acknowledged before me on SEPTEMBER 28, by Angela Maria Montoya Escobar.



*[Handwritten signature]*  
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Notary Public - State of Texas

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By: Jeremy Briseno, DEPUTY  
MARGIE RAMIREZ IBARRA, COUNTY CLERK  
Fees: \$58.00

STATE OF TEXAS  
COUNTY OF WEBB  
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED ON THE DATE AND AT THE TIME STAMPED HERON BY ME AND WAS DULY RECORDED IN THE VOLUME AND PAGE OF THE OFFICIAL PUBLIC RECORDS OF WEBB COUNTY TEXAS AS STAMPED HEREON BY ME



*[Handwritten signature]*  
\_\_\_\_\_  
COUNTY CLERK  
WEBB COUNTY, TEXAS