



NOTICE OF DEDICATORY INSTRUMENTS
for
KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.

THE STATE OF TEXAS §
COUNTY OF GALVESTON §

The undersigned, being the Secretary of Karankawa Townhouse Owners Association, Inc. ("Association"), a property owners' association as defined in Section 202.001 of the Texas Property Code hereby certifies as follows:

- 1. Property: The Property to which the Notice applies is described as follows:
(a) Karankawa Subdivision, Section 2, a subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 16, Page 46 of the Map Records of Galveston County, Texas and all amendments to and replats of said maps or plats, if any.
2. Restrictive Covenants: The description of the documents imposing restrictive covenants on the Property, the amendments to such documents, and the recording information for such documents are as follows:
a. Documents:
(1) Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses.
(2) First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses.
b. Recording Information:
(1) Galveston County Clerk's File No. 2007053496.
(2) Galveston County Clerk's File No. 2010032565.
3. Other Dedicatory Instruments: In addition to the Restrictive Covenants identified in Paragraph 2 above, the following document is a Dedicatory Instrument governing the Association which was previously recorded in the Official Public Records of Real Property of Galveston County, Texas:
a. Document:
(1) Certificate of Secretary of Karankawa Townhouse Owners Association, Inc. regarding Board Resolution adopting Fining Policy.
b. Recording Information:
(1) Galveston County Clerk's File No. 2010033512.

RECORDER'S MEMORANDUM
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed and recorded.

4. Dedictory Instruments: In addition to the Dedictory Instruments identified in Paragraph 3 above, the following documents are Dedictory Instruments governing the Association:
- a. Guidelines Relating to Rain Barrels and Rain Harvesting Systems, Solar Energy Devices, Storm and Energy Efficient Shingles, Flags, and Religious Items for Karankawa Townhouse Owners Association, Inc.
  - b. Payment Plan Policy for Karankawa Townhouse Owners Association, Inc.
  - c. Records Retention Policy for Karankawa Townhouse Owners Association, Inc.
  - d. Open Records Policy for Karankawa Townhouse Owners Association, Inc.
  - e. Articles of Incorporation of Karankawa Townhouse Owners Association, Inc.
  - f. By-Laws of Karankawa Town House Owners Association.
  - g. Certificate of Secretary of Karankawa Townhouse Owners Association, Inc. regarding Amendment to By-Laws.
  - h. KTOA At – A – Glance Rules.

True and correct copies of such Dedictory Instruments are attached to this Notice.

This Notice is being recorded in the Official Public Records of Real Property of Galveston County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Notice is true and correct and that the copies of the Dedictory Instruments attached to this Notice are true and correct copies of the originals.

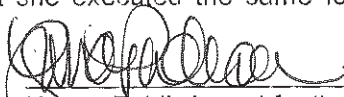
Executed on this 23 day of December, 2011.

**KARANKAWA TOWNHOUSE OWNERS  
ASSOCIATION, INC.**

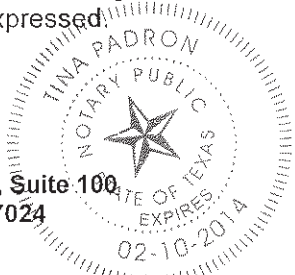
By:   
Ivonne Dominguez, Secretary

THE STATE OF TEXAS                   §  
                                                         §  
COUNTY OF Harris                   §

BEFORE ME, the undersigned notary public, on this 23 day of December, 2011 personally appeared Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed:

  
Notary Public in and for the State of Texas

Return to:  
Butler | Hailey  
8901 Gaylord Drive, Suite 100  
Houston, Texas 77024



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ARTICLES OF INCORPORATION  
OF  
KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.

FILED  
In the Office of the  
Secretary of State of Texas

AUG 01 1983

Clerk A  
Corporations Section

We, the undersigned, being natural persons over the age of twenty-one (21) years and citizens of the State of Texas, acting as Incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such Corporation.

ARTICLE ONE

The name of the Corporation is: KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.

ARTICLE TWO

The Corporation is a non-profit Corporation.

ARTICLE THREE

The period of its duration shall be perpetual.

ARTICLE FOUR

The purpose or purposes for which the Corporation is organized are:

- 1) To provide for the administration, management, maintenance, preservation and control of Karankawa Townhouses, a townhouse project located in Galveston County, Texas.
- 2) To exercise all powers and perform all duties imposed upon this Corporation in accordance with the Declaration of Covenants, Conditions and Restrictions of Karankawa Townhouses, as such may hereafter be amended, including, without limitation, to fix, levy, collect and enforce payment by lawful means of all charges or assessments affecting such Townhouse project; to pay all expenses in connection therewith and all expenditures incident to the conduct of the business and administration of the Townhouse project, and all licenses, franchise taxes and governmental charges levied or imposed against this Corporation or the Common Area of the Townhouse project.
- 3) In connection with the affairs of such Townhouse project, to buy, sell, and deal in real property, personal property and services and to exercise any and all other powers under the Texas Non-Profit Corporation Act by law now or hereafter exercised.

The aforesaid statement of purposes should be construed as a statement of both purposes and of powers and shall be broadly construed to effectuate its intent.

ARTICLE FIVE

The street address of the initial registered office of the Corporation is 6904 Lasker Drive, Galveston, Texas 77551, and the name of its initial registered agent at such address is Patrick Reilly.

ARTICLE SIX

The number of Directors constituting the initial Board of Directors of the Corporation is three (3), and the names and addresses of the persons who are to serve as the initial Directors are:

Robert Tresch, Jr. - 2803 Greenfield, Sugarland, Texas 77479  
Cynthia Sunseri - Route 1, Box 149X50, Galveston, Texas 77551  
William Sanders - 11614 Hillbrook, Houston, Texas 77070

#### ARTICLE SEVEN

The names and addresses of the Incorporators are:

Robert Tresch, Jr. - 2803 Greenfield, Sugarland, Texas 77479  
Cynthia Sunseri - Route 1, Box 149X50, Galveston, Texas 77551  
William Sanders - 11614 Hillbrook, Houston, Texas 77070

#### ARTICLE EIGHT

Every person or entity who is a record owner of a lot in Karankawa Subdivision, Section 2, a Subdivision in Galveston County, Texas, (except those persons or entities holding interest only as security for the performance of an obligation) and only such persons or entities, shall be Members of this Corporation. Membership in this Corporation shall be appurtenant to and may not be separated from ownership of any lot in Karankawa Subdivision, Section 2. Ownership of such lot or interest therein shall be the sole qualification for membership in this Corporation. The Corporation may (but shall not be required) to issue certificates evidencing membership therein. There shall be two classes of voting membership in the Corporation. Class "A" members shall be owners with the exception of Declarant (William Sanders) and shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any lot. Class "B" members shall be the Declarant, and he shall be entitled to three (3) votes for each lot owned. The Class "B" membership shall cease and be converted to Class "A" membership on the happening of either of the following events, whichever occurs later:

(i) When the total votes outstanding in Class "A" membership equals the total votes outstanding in Class "B" membership; or (ii) Five (5) years from the date on which the first lot is conveyed by Declarant to another owner.

Cumulative voting in the election of Directors or in other exercises

of the right to vote is prohibited. Any owner of a lot who is in default in any provisions of the Declaration of Covenants, Conditions and Restrictions of Karankawa Subdivision, Section 2, shall not be entitled to vote at any meeting of the Corporation so long as such default is in existence.

ARTICLE NINE

Except as otherwise provided in the Declaration of Covenants, Conditions and Restrictions of Karankawa Subdivision, Section 2, these Articles of Incorporation may be amended only upon the affirmative vote of holders of seventy-five percent (75%) of the total number of Percentage Ownership Interests assigned to those Members qualified to vote, and such amendment shall become effective upon its recordation in the Official Public Records of Galveston County, Texas.

IN WITNESS WHEREOF, we have hereunto set our hands this 2nd day of January, 1983.

Robert Tresch, Jr.  
ROBERT TRESCH, JR.

Cynthia Sunseri  
CYNTHIA SUNSERI

William Sanders  
WILLIAM SANDERS

STATE OF TEXAS  
COUNTY OF Galveston

I, Cathy J. Sweeten, a Notary Public, do hereby certify that on this 2nd day of January, 1983, personally appeared before me Robert Tresch, Jr., Cynthia Sunseri and William Sanders, who, each being by me first duly sworn, severally declared that they are the persons who signed the foregoing instrument as incorporators, and that the statements contained therein are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

Cathy J. Sweeten  
NOTARY PUBLIC in and for  
Galveston County, Texas.

**BY-LAWS**  
**OF**  
**KARANKAWA TOWN HOUSE OWNERS ASSOCIATION**

*ARTICLE I: Name and Location*

The name of the corporation is Karankawa Town House Owners Association, Inc., hereinafter referred to as the "Association." The principal office of the Association shall be located at Box 453, Port Boliver, Texas 77650, but meetings of Members and Directors may be held at such places within the State of Texas, County of Galveston, or other Counties and Cities as may be designated by the Board of Directors.

*ARTICLE II: Definitions*

Section 1. All terms used herein shall have the meanings given thereto in the Declaration unless expressly stated to the contrary herein.

Section 2. "Articles of Incorporation" shall mean the articles of incorporation of the Association, as amended from time to time.

Section 3. "Architectural Control Committee," (ACC) shall be a committee elected or appointed by the Board Members, which has the responsibility to, advise the Board relating to, "Requests for Modification" of our deed restrictions or other building, landscaping, or property changes.

Section 4. "By-Laws" shall mean the By-Laws of the Association, as amended from time to time.

Section 5. "Declaration" shall mean the declaration of reservations, restrictions, and easements applicable to the Properties recorded in the official Map Records of Real Property in Galveston County, Texas, under Volume 16, Page 46 and all amendments thereto made from time to time.

Section 6. "Director" shall mean a member of the Association's Board of Directors.

Section 7. "Member" shall mean those persons entitled to membership in the Association as provided in the Declaration.

Section 8. "Nominating Committee" shall mean a committee formed for the purpose of nominating candidates for election to the Board of Directors as contemplated by Article IV, Section 2 of the By-Laws.

Section 9. "Properties" shall mean that real property known as Karankawa Townhomes, Section 2, a subdivision in Galveston County, Texas, according to replat thereof recorded at Volume 16, Page 46 of the Map Records in the office of County Clerk of Galveston County, Texas as replatted from time to time.

#### *ARTICLE III: Members, Meetings and Voting Rights*

Section 1. **Composition and Powers.** Every owner shall be a member of the Association and shall continue to be a member as long as he owns a building site. The forgoing is not intended to, include persons or entities holding an interest in a Karankawa Townhouse merely as security for an obligation.

Membership shall be appurtenant to, and may not be separated from, the ownership of any building site. Except as otherwise provided in these By-Laws or in the Declaration, all action to be taken or authorized by the Members shall be deemed validly taken or authorized upon adoption by vote of majority of the Members.

Section 2. **Annual Meetings.** The annual meeting of the Members shall be held in August of each year.

Section 3. **Special Meetings.** Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of 1/3 of the Members who are entitled to vote.

Section 4. **Notice of Meetings.** Written notice of each annual and special meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least thirty (30) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last

appearing on the books of the Association, or supplied in writing by such Member to the Association for the purpose of notice.

Such notice shall specify the place, date and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

**Section 5. Quorum and Adjournment.** The presence at any meeting, in person or by proxy, of Members entitled to cast a majority of the votes of the Members shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws.

Any meeting of the Association, whether annual or special, may be adjourned from time to time, whether a quorum by present or not, without notice other than the announcement of the meeting, and such Adjournment may be to such time, date and place as may be determined by a majority of the votes cast at such meeting. At any such reconvened adjourned meeting provided a quorum is present, any business may be transacted which might have been transacted at the original meeting.

**Section 6. Proxies.** At all meeting of Members, each *proposed* Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his building site.

**Section 7. Voting.** No Member shall have any greater rights than any other Member regardless of any variation in size, value, or otherwise of his building site. One (1) vote only for each site.

#### **ARTICLE IV: Board of Directors**

**Section 1. Composition.** The affairs of the Association shall be managed by a Board of three (3) to five (5) Directors, who must be Owners within the Association. At each annual meeting, the Members shall elect one director for a term of three (3) years.

**Section 2. Nomination.** Nominations for election to the Board of Directors shall be made by the Nominating Committee or by any Member at a monthly Members' meeting prior to July 1, for inclusion on the proxy / ballot to be mailed with the annual meeting notice.

Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be on the



Board of Directors, and two or more other persons who shall be either Directors or Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting.

The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members.

**Section 3. Election.** Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and these By-Laws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

**Section 4. Removal.** Any Director may be removed from the Board of Directors, with or without cause, by a majority vote of the Members. In the event of death, resignation, or removal of a Director, his successor shall be elected by the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor.

**Section 5. Compensation.** No Director shall receive compensation for any service he may render to the Association; however, any Director may be reimbursed for his actual reasonable expenses incurred in the performance of his duties.

**Section 6. Quorum.** A majority of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of such Board of Directors. A vote of the Directors shall be valid if concurred in by a majority present at a meeting.

Directors shall abstain from voting on personal matters or on matters where a conflict of interest may exist.

**Section 7. Action Taken Without a Meeting.** The Directors shall have the right to take any action without a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action

so approved shall have the same effect as though taken at a meeting of the Directors.

**Section 8. Meetings.** Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board of Directors.

Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days' notice to each Director, which notice may be waived by attendance at the meeting or by written waiver.

**Section 9. Powers and Duties.** The Board of Directors, for the benefit of the Members, shall have the following powers and duties,

( a ) To exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these By-Laws, Articles of Incorporation, or the Declaration.

( b ) To take all such lawful action as the Board of Directors may determine to be necessary, advisable, or conducive to the purposes and provisions of the Declaration, the Articles of Incorporation, and the By-Laws.

( c ) To perform any and all duties imposed on or powers allowed to the Board of Directors by applicable law.

#### *ARTICLE V: Officers, their Duties, and Committees*

**Section 1. Election of Officers.** The officers of the Association shall be the President, one or more Vice Presidents, Secretary, and Treasurer, and, in addition thereto, in the discretion of the Board of Directors, such other officers with such duties as the Board of Directors shall from time to time determine.

All officers shall be elected annually by the Board of Directors as the Board may determine. All officers shall serve until their successors shall have been elected or until they have been removed or have resigned. All officers shall be subject to removal at any time by the Board of Directors.

The Board of Directors may in its discretion, elect acting or temporary officers and elect officers to fill vacancies occurring for any reason

whatsoever, and may, in its discretion, limit or enlarge the duties and powers of any officer elected by it. Any person may simultaneously hold more than one of any offices, except the offices of President and Secretary.

**Section 2. The President.** The President shall preside at all meetings of the Board of Directors and the Members; see that orders and resolutions of the Board of Directors are carried out; and, unless otherwise provided by the Board of Directors, sign all leases, mortgages, deeds and other written instruments that have been approved by the Board of Directors or pursuant to the authority granted by the Board of Directors.

**Section 3. The Vice President.** Each Vice President shall have such power and duties as may be assigned to him by the Board of Directors. If more than one Vice President is elected, the Board of Directors shall designate who is the First Vice President, who is the Second Vice President, etc. In the absence of the President, the First Vice President shall perform the duties of the President. Such authority to act for the President shall vest to the Vice Presidents in the order of their numerical designation by the Board of Directors.

**Section 4. The Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings in conformity with these By-Laws; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties assigned by the Board of Directors.

**Section 5. The Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all money of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of accounts in accordance with the Deed restrictions; prepare an annual budget and a statement of income and expenditures to be presented to the Members at its regular annual meeting, and deliver a copy of each to the Members; and perform all other duties assigned to him by the Board of Directors.

Section 6. Committees. In addition to the committees provided for in the Declaration, the Board of Directors may appoint such other committees as may be deemed appropriate by the Board.

These committees shall have the level of authority necessary to execute their duties, not exceeding limitations established for Board authority. Actions outside of established limits should be handled in a manner consistent with those required of the Board.

*ARTICLE VI: Books and Records*

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and any first mortgage of a building site. The Declaration, By-Laws, and Articles of Incorporation of the Association shall be available for inspection by any Member or first mortgage of a building site at the principal office of the Association.

*ARTICLE VII: Corporate Seal*

The Association shall have a seal in the form prescribed by the Board of Directors.

*ARTICLE VIII: Miscellaneous*

Section 1. Covenant to Obey Laws, Rules, and Regulations. Each Member shall be subject to the Declaration and shall abide by the By-Laws and any other rules and regulations as the same are or may from time to time be established by the Board of Directors or the membership.

Each Member shall observe, comply with and perform all rules, regulations, ordinances, and laws made by the Board of Directors or Members and any other governmental authority of the municipal, state, and Federal government, applicable to the Properties, or any building site or townhouse built thereon.

Section 2. Fiscal Year. The fiscal year of the Association shall begin on the first day of ~~July~~ and end on the ~~31st day~~ of ~~June~~ of every year.

JAN

FIRST DAY DEC

Section 3. Amendment. These By-Laws may be amended, at an annual, monthly, or special meeting of the Members, by a majority vote of the Members cast in person or by proxy.

**Section 4. Conflicts. In the case of any conflict between the Articles of Incorporation, these By-Laws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration, these By-Laws, the Articles of Incorporation, the Declaration shall control.**

**BYLAWS**  
**of**  
**KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.**

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**Article I**

Name, Membership, and Definitions

Section 1. Name. The name of the Association is Karankawa Townhouse Owners Association, Inc. (hereinafter referred to as the "Association").

Section 2. Definitions/Gender. All other capitalized terms used in these Bylaws shall have the same meanings as that set forth in the Declaration, unless otherwise provided. Pronouns, wherever used in these Bylaws, shall include all persons regardless of gender.

**Article II**

Association: Meetings, Quorum, Voting, Proxies

Section 1. Place of Meetings. Meetings of the Association shall be held at such place as may be designated by the Board of Directors.

Section 2. Annual Meetings. The annual meeting of the Association shall be held each year on the last Saturday of January unless otherwise designated by the Board of Directors.

Section 3. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least ten percent (10%) of the total votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. Written notice of each annual or special meeting of the Association shall be sent to each Member's address listed with the Association, stating the purpose of the meeting, as well as the time and place where it is to be held. Such notice may be delivered personally, by mail, by facsimile, and to the extent expressly authorized by statute, by electronic message. If a Member desires that notice be given at an address other than the Lot, the Member shall provide the alternative address for the purpose of receiving notice in writing to the Secretary. Notice by facsimile must be sent to the facsimile number provided to the Association in writing by that Member. Notice shall be served not less than ten (10) nor more than sixty (60) days before a meeting. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail, first class postage pre-paid, addressed to the Member. If faxed, the notice shall be deemed to be delivered as of the date and time shown on a written confirmation that the facsimile was successfully transmitted. If sent by electronic message, the notice shall be deemed to be delivered as provided by applicable statute. The Board of Directors may use any other means to deliver a notice of a meeting that may become available with advancements in technology, provided that notice by such means is authorized by statute.

Section 5. Waiver of Notice. Waiver of notice of meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in

person or by proxy, shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to the calling or convening of the meeting is raised before the business (of which proper notice was not given) is put to a vote.

Section 6. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, either in person or by proxy, the presiding officer may adjourn the meeting and reconvene at a time not less than five (5) days and not more than thirty (30) days from the time the original meeting was called. If a time and place for reconvening the meeting is not fixed by those in attendance at such an adjourned meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed herein for a first called meeting. At such reconvened meeting, whether or not a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice provided that (i) at least five percent (5%) of the total votes of the Members as of the date of the meeting is present in person and/or by proxy; and, (ii) any action taken shall be approved by at least a majority of all of the Members present, in person and/or by proxy, absentee or electronic ballot, at such reconvened meeting.

Section 7. Proxies. Only the official proxy promulgated by the Board for the Association meeting in question will be honored at the meeting. All proxies shall be in writing and filed with the Association before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon (i) conveyance by the Member of the Member's interest in a Lot; (ii) receipt of notice by the Secretary of the death or judicially declared incompetence of a Member; (iii) receipt of written revocation; or, (iv) expiration of eleven (11) months from the day of the proxy. In the event a Member executes more than one (1) proxy, the proxy with the most current date shall be valid. Proxies not delivered prior to the start of any meeting shall not be valid.

Section 8. Majority of Members. As used in these Bylaws, the term "majority of Members" shall mean those votes, Members, or any other group, as the context may indicate, totaling more than fifty percent (50%) of the total number of votes.

Section 9. Quorum and Adjournment. The presence at any meeting in person or by proxy, absentee or electronic ballot of Members entitled to cast a majority of the votes of the Members shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws.

Any meeting of the Association, whether annual or special, may be adjourned from time to time, whether a quorum by present or not, without notice other than the announcement of the meeting, and such Adjournment may be to such time, date and place as may be determined by a majority of the votes cast at such meeting. At any such reconvened adjourned meeting provided a quorum is present, any business may be transacted which might have been transacted at the original meeting.

Section 10. Conduct of Meetings. The President or in his absence, a Vice-President shall preside over all meetings of the Association and the Secretary, or another person designated by the Secretary, shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 11. Action Without a Meeting of the Members of the Association. To the extent allowed by applicable law, any action which may be taken or is required to be taken at a meeting of the

Association may be taken without a meeting if written consent is signed by Members holding the number of votes necessary to approve the action at a meeting. The written consent must (a) set forth the action to be taken and (b) be executed by the required number of Members as of the effective date set forth in the written consent. Any written consent adopted in accordance with this section shall have the same force and effect as a unanimous vote of the Members.

### **Article III**

#### **Board of Directors: Number. Powers. Meetings**

Section 1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Not more than one (1) representative of a particular corporation or other entity that is a Member may serve on the Board at any given time. A Member is not eligible to serve on the Board of Directors if the Member has been convicted of a felony or crime involving moral turpitude and there is written, documented evidence of such a conviction from a database or other record maintained by a governmental law enforcement authority.

Section 2. Number and Term of Directors. The Association shall be governed by a Board of Directors consisting of not less than three (3) nor more than five (5) persons, who must be Members of the Association. The terms of Directors elected to office by the Members will be three (3) years.

Section 3. Candidates for Election to the Board. All Members have the right to run for a position on the Board of Directors. Any Member may place their name in nomination prior to the annual meeting. Nominations may also be taken from the floor at the annual meeting.

Section 4. Election; No Quorum at Annual Meeting. The election of Directors is to be conducted at the annual meeting of the members. Provided, however, if an election of Directors cannot be conducted at an annual meeting because a quorum is not established, any member who is present at the attempt to hold the annual meeting (at which quorum was not established) may notify the Board at that time of his/her desire to be a candidate for election to the Board. In addition, a member who is not present at the time the annual meeting was called may notify the Association of his/her desire to be a candidate for election to the Board; provided that, the notice must be sent by email to the Secretary of the Association from an email address for which the identity of the Member submitting the self-nomination can be confirmed in writing and signed by the member and delivered to the Association at the address set forth in the most recently recorded management certificate required by Section 209.004 of the Code not later than five (5) business days after the date on which the annual meeting was called.

Not later than ten (10) business days after the date on which the annual meeting was called, the Association shall either (i) mail to each member of the Association a list of the candidates for election to the Board, together with a written ballot and instructions for returning the ballot, and/or (ii) notify each member of the Association that the Board has opted to utilize Section 209.00592 of the Code for an electronic balloting process, which includes the notification required by Section 209.00592(e) of the Code ("Voting Notice"). The list of candidates for election to the Board shall include:

- (i) each person who notified the Board at the time the annual meeting was called of his/her desire to be a candidate for election to the Board, and



(ii) each person who timely notified the Association in writing of his/her desire to be a candidate for election to the Board after the date on which the annual meeting was called.

In the event there are no more candidates for the Board than there are positions, the mail balloting process described in this Section will not be necessary; in this event those candidates will be placed into office without the need for further action.

Each candidate may, but shall not be required to, provide biographical information to the Association to be included with the other information forwarded to the members of the Association which biographical information can be: mailed to all members; posted on the Association's website (if any); or, made available by other means approved by the Board. The biographical information shall be limited to personal information, work history, service on other boards, and the like; the information shall not include political statements or agendas. Information submitted by a candidate which includes political statements or agendas is not required to be sent by the Association to all members.

Members will have a period of twenty (20) days from the date the Voting Notice was either mailed or members notified in accordance with Section 209.00592(e) of the Code to (i) return ballots to the Association at the address set forth in the instructions, or (ii) vote electronically as directed. Only the balloting process authorized by the Board may be used in the election of Directors under this Section.

Proxies may not be used for the election of Directors under this Section and shall not be counted. Once a member's vote has been cast, the member's vote cannot be changed. No ballots shall be reviewed by anyone other than the vote tabulator(s), unless a member demands a recount in accordance with Section 209.007 of the Code ("Recount").

The results of the election shall be posted in one (1) of the methods allowed for posting of Notices of Board meetings in accordance with Section 209.0051(e)(2)(A) of the Code as soon as the votes have been tabulated. The candidate(s) receiving the highest number of votes shall be elected, regardless of the total number of votes cast by the members. In the event of a tie, the vote tabulators will place the names of the candidates that have the tie vote in a container and draw the name of the winning candidate. If a member demands a Recount, the date that the results of the election are posted shall be the date on which the statutory period to request a recount commences.

Notwithstanding the fact that a person elected as a Director under this Section is elected after the date the annual meeting was called, that Director's term shall expire as of the annual meeting of the members held in the third year after the year in which the Director is elected or, if the annual meeting cannot be held in that year due to a lack of quorum, the date the Director's successor is elected per the provisions of this Section.

**Section 5. Removal of Directors.** Any Director elected by the Members may be removed from the Board, with or without cause, by the affirmative vote of a majority of the total number of votes of Members at a (i) special meeting called for that purpose, or (ii) at an annual meeting for which notice of the proposed removal is given in the Notice of the annual meeting. The provisions of Article II, Section 6, which reduce the quorum requirement for an adjourned meeting, shall not be applicable to an adjourned meeting originally called for the purpose of considering the removal of a Director. In the event of the removal of a Director, a successor for the removed Director shall be elected by a majority vote of the Members voting at the meeting at which the Director was removed. The Director whose removal is proposed shall be given the opportunity to be heard at the meeting. Provided that, if the Board is presented with written documented evidence from a database or other record maintained by a governmental law enforcement authority that a Board

member has been convicted of a felony or crime involving moral turpitude, the Board member is immediately ineligible to serve on the Board and shall, therefore, be immediately removed. Any Director may also be removed by a vote of a majority of the remaining Directors as the result of the Director's failure, without just cause, to attend three (3) consecutive, regularly scheduled meetings of the Board of Directors. "Just cause" means any event that, in the reasonable, good faith judgment of the Board, prevents a Director from attending a meeting and includes, without limitation, death or serious injury to a member of the Director's family or other person with whom the Director has a long-term relationship, a mental or physical ailment or impairment that prevents the Director from attending a meeting, and any mandatory business engagement related to the Director's livelihood and/or employment. Vacancies on the Board caused by reasons other than removal by a vote the Member shall be filled by the remaining Directors. A Director elected or appointed to fill a vacancy on the Board shall serve the unexpired term of his predecessor.

Section 6. Voting Procedure for Directors. The election of the Board of Directors shall be conducted at the annual meeting of the Association. At such election, the Members may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Voting for Directors shall be by written or electronic ballot unless there is only one (1) candidate for a position on the Board, in which event the candidate may be elected by acclamation.

Section 7. Recount of Votes. Any Member may request a recount of the votes of an election. A request for a recount must be submitted not later than the 15<sup>th</sup> day after the date of the meeting at which the election was held. A demand for a recount must be submitted in writing either:

- a. by certified mail, return receipt requested or by delivery by the U.S. Postal Service with signature confirmation service to the Association's mailing address as reflected on the last recorded management certificate; or
- b. in person to the Association's managing agent as reflected on the last recorded management certificate or to the address to which absentee ballots and proxy ballots were mailed.

Upon the receipt of a timely request for a recount, the Association shall, at the expense of the Member requesting the recount, retain the services of a qualified person to perform the recount. The Association shall enter into a contract for the services of a person who is not a Member of the Association or related to a member of the Board of Directors of the Association within the third degree by blood or marriage and is a:

- a. current or former county judge;
- b. current or former county elections administrator;
- c. current or former justice of the peace;
- d. current or former county voter registrar; or
- e. person agreed on by the Association and the Member requesting the recount.

A recount must be performed on or before the 30<sup>th</sup> day after the date of receipt of the request and payment for the recount. If the recount changes the results of the election, the Association shall reimburse the Member for the cost of the recount. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by the recount.

Section 8. Regular Meeting. Regular meetings of the Board of Directors may be held at such time, date, and place as shall be determined from time to time by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of each regular meeting shall be given to all Members as required by law. The Board of Directors may participate in and hold a regular or special meeting by means of:

- a. conference telephone or similar communication equipment by which all persons participating in the meeting can hear each other; or
- b. another suitable electronic communications system, including video conferencing technology or the Internet, only if:
  - i. each Director entitled to participate in the meeting consents to the meeting being held by means of that system; and
  - ii. the system provides access to the meeting in a manner or using a method by which each Director participating in the meeting can communicate concurrently with each other participant.

Participation in a meeting by conference telephone or similar communication or video conferencing technology or the Internet shall constitute presence in person at such meeting except where a Director participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Provided that, without prior notice to the Members, the Board may take action only on routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that required immediate Board action. Any action taken without notice to the Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting. Provided further that, the Board may not take action without prior notice to the Members on any matter prohibited by law to be taken without prior notice to the Members.

Section 9. Special Meeting. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two (2) Directors. The notice shall specify the date, time, and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by any one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by facsimile, or (d) by email. All such notices shall be given or sent to the Director's address, email, or facsimile number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox, at least seventy-two (72) hours before the time set for the meeting. Notices given by personal delivery, email, or facsimile shall be delivered or given at least seventy-two (72) hours before the time set for the meeting.

Section 10. Notice of Board Meetings. The Board of Directors shall give Members notice of Board meetings (regular and special), including the date, hour, place, and general subject of the Board meeting, including a general description of any matter to be brought up for deliberation in closed executive session. A notice of meeting shall be:

- a. mailed to all Members at least ten (10) days before the date of the meeting; or
- b. provided at least 72 hours before meeting by:
  - i. being posted in a conspicuous location, either in a Common Area, on the Association's website or (with the Owner's consent), on other conspicuously located privately owned property in the Subdivision; and

- ii. being emailed to all Members who have registered their email addresses with the Association.

It is a Member's duty to register and keep an updated email address with the Association.

Section 11. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice thereof.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the vote of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue and business may be transacted, notwithstanding the withdrawal of Directors during the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 13. Compensation. No Director shall receive any compensation from the Association for acting in such capacity. However, Directors may be reimbursed for out-of-pocket expenses incurred on Association business. Directors may receive compensation from the Association when taking action at the request of the Association other than in the capacity of Director.

Section 14. Conduct of Meetings. A chairperson shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

Section 15. Open Meetings. All meetings of the Board of Directors shall be open to all Members, but Members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board of Directors. Provided that, if a Member unreasonably disrupts a meeting of the Board of Directors or repeatedly interrupts the discussion between Directors, the Board of Directors shall have the authority, after an initial warning, to cause that Member to be removed from the meeting.

Section 16. Executive Session. The Board of Directors may adjourn a regular or special meeting and reconvene in a closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of individual Members, and matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made in executive session shall be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, violating any privilege, or disclosing any information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

Section 17. Action Without a Formal Meeting. Any routine or administrative matter or matter involving a reasonably unforeseen emergency may be taken without a meeting if a written consent, stating the action to be taken, is signed by the number of Directors necessary to take that action at a meeting at which all of the Directors are present and voting. Such consent may also be

by email from a Director provided the identity of the Director submitting the email can be confirmed. The consent must state the date of each Director's signature. Any such action must be summarized orally including an explanation of any known actual or estimated expenditures approved, and documented in the minutes of the next regular or special Board meeting.

Section 18. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs. The Board of Directors may do all acts and things on behalf of the Association that are not by the Declaration, Articles of Incorporation or these Bylaws directed to be done and exercised exclusively by the Members.

## **Article IV**

### Officers

Section 1. Officers. The officers of the Association shall be the President, Vice-President(s), Secretary and Treasurer. The Board of Directors may select, appoint and/or remove such other officers, as it shall deem appropriate, such officers to have the authority and to perform the duties prescribed from time to time by the Board of Directors. Any person may simultaneously hold more than one office, except the offices of President and Secretary.

Section 2. Election Term of Office and Vacancies. The officers of the Association shall be elected annually from within and by the Board of Directors at the first meeting of the Board of Directors held after the annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by a majority vote of the Board of Directors, at a duly called meeting of the Board, at which a quorum is present, whenever in its judgment the best interests of the Association will be served thereby.

### Section 4. Powers and Duties.

a. The President. The President shall preside at all meetings of the Board of Directors and the Members; see that orders and resolutions of the Board of Directors are carried out; and, unless otherwise provided by the Board of Directors, sign all leases, mortgages, deeds and other written instruments that have been approved by the Board of Directors or pursuant to the authority granted by the Board of Directors.

b. The Vice President. Each Vice President shall have such power and duties as may be assigned to him by the Board of Directors. If more than one Vice President is elected, the Board of Directors shall designate who is the First Vice President, who is the Second Vice President, etc. In the absence of the President, the First Vice President shall perform the duties of the President. Such authority to act for the President shall vest to the Vice Presidents in the order of their numerical designation by the Board of Directors.

c. The Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings in conformity with these Bylaws; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties assigned by the Board of Directors.

d. The Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all money of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of accounts in accordance with the Deed restrictions; prepare an annual budget and a statement of income and expenditures to be presented to the Members at its regular annual meeting, and deliver a copy of each to the Members; and perform all other duties assigned to him by the Board of Directors.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Agreements, Contracts, Deeds, Leases, Etc. All agreements, contracts, deeds, leases, and other instruments of the Association shall be executed by at least one (1) officer or by such other person or persons as may be designated by resolution of the Board of Directors.

Section 7. Checks. All checks shall be signed by at least two (2) officers or Directors or by such other person or persons as to be designated by the Board of Directors. The Board of Directors may authorize that checks for less than \$1,000.00 may only require the signature of one (1) officer or director.

Section 8. Compensation. No officer shall receive any compensation from the Association for acting in such capacity.

## **Article V** Committees

In addition to the committees provided for in the Declaration, the Board of Directors may appoint such other committees as may be deemed appropriate by the Board.

These committees shall have the level of authority necessary to execute their duties, not exceeding limitations established for Board authority. Actions outside of established limits should be handled in a manner consistent with those required by the Board.

## **Article VI** Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall be the calendar year, commencing January 1 and ending December 31.

Section 2. Conflicts. If there are conflicts or inconsistencies among the provisions of Texas law, the Declaration, the Articles of Incorporation, these Bylaws, and/or any rules and regulations of the Association, the provisions of Texas law, the Declaration, the Articles of Incorporation, the Bylaws, and the rules and regulations of the Association shall prevail in that order.

Section 3. Books and Records. Books and records of the Association shall be retained by the Association in accordance with the Association's Document Retention Policy.

Section 4. Indemnification. The Association shall indemnify a director, officer or committee member who was, is or is threatened to be named as a defendant or respondent in a proceeding to the extent indemnification is consistent with the Texas Business Organizations Code, as it now exists or may hereafter be amended.

Section 5. Interested Parties. Contracts or transactions between Directors, Officers and Members of the Association and the Association must be handled in accordance with Section 22.230 of the Texas Business Organizations Code, as well as any other applicable laws.

Section 6. Amendment. These Bylaws may be amended only by the affirmative vote of a majority of the number of votes of the Association that are present in person, by proxy, absentee or electronic ballot at a meeting of the Members duly called for the purposes of amending the Bylaws.

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**CERTIFICATE OF SECRETARY  
of  
KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.**

---

STATE OF TEXAS           §  
                                          §  
COUNTY OF GALVESTON §

I, \_\_\_\_\_, Secretary of Karankawa Townhouse Owners Association, Inc., a Texas non-profit corporation, ("the Association"), do hereby certify that the foregoing "Bylaws of Karankawa Townhouse Owners Association, Inc." were adopted by a majority of the members of the Association that were present in person or by proxy at the \_\_\_\_\_ Meeting of the members of the Association held on the \_\_\_\_ day of \_\_\_\_\_, 2013, at which the requisite quorum was present.

TO CERTIFY WHICH WITNESS MY HAND on this \_\_\_\_ day of \_\_\_\_\_, 2013.

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Its:     Secretary

STATE OF TEXAS           §  
                                          §  
COUNTY OF HARRIS§

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2013 by \_\_\_\_\_, Secretary of Karankawa Townhouse Owners Association, Inc., on behalf of said corporation.

\_\_\_\_\_  
Notary Public in and for the State of Texas

237489



CERTIFICATE OF SECRETARY  
of  
KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.  
regarding  
AMENDMENT TO BY-LAWS

STATE OF TEXAS           §  
                                          §  
COUNTY OF GALVESTON   §

The undersigned, being the duly elected, qualified and acting Secretary of Karankawa Townhouse Owners Association, Inc., a Texas non-profit corporation ("Association"), does hereby certify that the following amendment to the By-Laws of the Association ("By-Laws") were approved by a majority of the members of the Association that were present in person or by proxy at the 2005 Annual Meeting of the members of the Association held on the 15<sup>th</sup> day of August, 2005, at which the requisite quorum was present. The By-Laws were amended as set forth below:

Article III, Section 2 of the By-Laws of the Association was amended to read as follows:

Section 2. Annual Meetings. The annual meeting of the Members shall be held the last Saturday of the month of January.

All other provisions of the By-Laws of the Association shall remain in full force and effect.

TO CERTIFY WHICH WITNESS my hand on this 23 day of December, 2011.

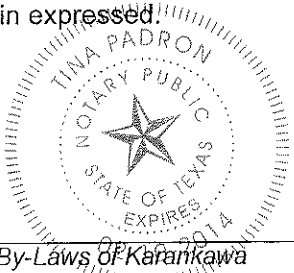
KARANKAWA TOWNHOUSE OWNERS  
ASSOCIATION, INC.


By:   
Ivonne Dominguez, Secretary

THE STATE OF TEXAS       §  
                                          §  
COUNTY OF Harris       §

BEFORE ME, the undersigned notary public, on this 23 day of December, 2011 personally appeared Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.

208794



  
Notary Public in and for the State of Texas



DECLARATION OF AMENDED AND RESTATED COVENANTS, CONDITIONS AND RESTRICTIONS for KARANKAWA TOWNHOUSES

THE STATE OF TEXAS § KNOW ALL PERSONS BY THESE PRESENTS: COUNTY OF GALVESTON §

WHEREAS, WILLIAM SANDERS and R.E. TRESCH CO., INC. (hereinafter referred to as "Declarant") were the owners of all of the Lots in Karankawa Subdivision, Section 2, a subdivision in Galveston County, Texas according to the map or plat thereof recorded in Volume 16, Page 46 of the Map Records of Galveston County, Texas (the "Properties"); and

WHEREAS, Declarant, did impose on all of the real property in the Properties all those certain covenants, conditions, restrictions set forth in that certain instrument entitled "Declaration of Covenants, Conditions and Restrictions" filed of record under County Clerk's File No. 8234125 in the Official Public Records of Real Property of Galveston County, Texas (the "Declaration");

WHEREAS, the Declaration was heretofore duly amended by that certain instrument entitled "Amendment to Declaration of Covenants, Conditions and Restrictions" filed of record under County Clerk's File No. 8312016 in the Official Public Records of Real Property of Galveston County, Texas (the Declaration as amended hereinafter still referred to as the "Declaration").

WHEREAS, Article XIII, Section 3 of the Declaration entitled "Amendment" provides the Declaration may be amended by an instrument signed by the owners

in the Properties holding not less than seventy-five percent (75%) of the total votes of the membership of the Association; and

NOW, THEREFORE, the owners in the Properties holding not less than seventy-five percent (75%) of the total votes of the membership of the Association as evidenced by the Consents attached hereto and incorporated herein as Exhibit "A" for the purpose of acknowledging, their consent and approval to this amendment and restatement of the Declaration have approved this instrument, which instrument shall: i) encumber and run with the real property encumbered by the Declaration and, ii) be effective upon its date of filing in the Official Public Records of Real Property of Galveston County, Texas.

## ARTICLE I.

### Definitions

The terms defined in this Article shall have the respective meanings stated in this Article for all purposes of this Declaration (except as otherwise expressly provided or unless the context otherwise requires):

Section 1. "Association" shall mean and refer to KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "By-Laws" shall mean the By-Laws of the Association as the same may be amended from time to time.

Section 3. "Casualty Damage" shall mean damage, destruction, or loss of property resulting from an identifiable event that is sudden, unexpected, or unusual.

Section 4. "Common Area" shall mean that portion of Properties which is shown on the recorded plat of Properties to be the "Common Area", as well as any and all other lands, Properties or facilities which may be hereafter from time to time owned by the Association for the common use and enjoyment of the Members of the Association and shall include, but is not limited to, all, pumps, trees, landscaping, sprinkler systems, garbage enclosure, pavements, streets,

driveways and walkways, but shall not include (I) any portion of the building locations shown on such recorded plat or (II) any portion of such locations hereinafter described as a "Lot".

Section 5. "Covenants and Restrictions" shall mean all of the covenants, conditions, restrictions, uses, limitations, affirmative obligations, easements, liens and charges imposed by the provisions of this Declaration, as the same may be amended from time to time.

Section 6. "Declarant" shall mean and refer to WILLIAM SANDERS, his heirs and assigns, if such heirs or assigns shall acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, and any amendments thereto.

Section 8. "Lot" shall mean and refer to each of the building locations shown on the plat of the Properties, or any amendments thereto, on which there is or will be constructed a single family Townhouse, including the garage, carport and patio area located within the boundaries thereof.

Section 9. "Manager" shall mean and refer to the party or parties under contract to manage the Association.

Section 10. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 11. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 12. "Plat" shall mean and refer to the recorded Plat of the Properties, hereinabove referenced, and any amendment or replat which is filed for record in the Office of the County Clerk of Galveston County, Texas.

Section 13. "Party Wall" shall mean each wall or other structure which is built as a part of the construction of Townhouse and placed on the dividing line between two Lots.

Section 14. "Properties" shall mean and refer to that certain real property

hereinbefore described, and such additions thereto as may be hereafter brought within the jurisdiction of the Association.

Section 15. "Townhouse" shall mean a single family residence unit constructed on a Lot as part of a group of two or more single family residences, and shall include garages and carports.

Section 16. "Wear and Tear" shall mean and refer to deterioration that occurs, based upon the use for which the townhouse unit is intended, without negligence, carelessness, accident or abuse of the premises or equipment or chattels by the owners or members of the tenant's household or their invitees or guests.

## ARTICLE II.

### Property Rights

Section 1. Owner's Easements of Enjoyment. Each Owner shall have the right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass for the title to every Lot, subject to the following provisions.

a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area.

b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed thirty (30) days from any infraction of its published rules and regulations.

c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed by the Members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of Members and all holders of first mortgages on individual Lots agreeing to such dedication or transfer has been recorded.

d) The right of the Board to limit the number of guests allowed in

Townhouses.

e) The right of the Association, in accordance with its Articles and By-Laws, to borrow money and facilities and, in aid thereof, to mortgage said Properties and the rights of such mortgages and such Properties shall be subordinate to the rights of the homeowners hereunder.

f) The right of the Association, through its Board of Directors, to determine the time and manner of the use of the recreational facilities by the Members.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers, who reside on the property, subject to such rules and regulations as may from time to time be, promulgated by the Association.

### ARTICLE III.

#### Membership and Voting Rights

Section 1. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation.

Section 2. All Members shall be Owners and each of the Owners shall be entitled to one (1) vote for each Lot owned by him. When more than one person owns a fee interest in any Lot, all such interested persons shall be Members; however, the vote for such Lot in which more than one person has a fee interest shall be cast by the person or persons having a majority interest; and, in the event the persons having a majority interest are not able to agree in respect to a vote upon any matter, then such Owners shall not have a right to vote on such matters as there shall be no fractional votes.

Section 3. Membership in the Association is neither transferable nor assignable, other than by the conveyance of a Lot.

#### ARTICLE IV.

##### Covenant for Maintenance Assessment.

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a Deed therefor, whether or not it shall be so expressed in such Deed, is deemed to covenant and agree to pay to the Association (1) annual assessments or charges, and (2) special assessments, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, late fees, cost and reasonable attorney's fees, shall be a charge on the land, and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, cost and reasonable attorney's fees shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them, but shall constitute a lien against and on the Lot.

Section 2. Purposes of Assessment. The assessments levied by the Association shall be used exclusively for the improvement, maintenance and management of the property, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area and of the Townhouses situated upon the Properties. The purpose of the assessments shall include, but are not limited to, providing payment of the actual cost to the Association of the insurance (including fire, flood and other casualty and liability insurance on the Common Area), and, if the Association so determines, a master or blanket policy of multi-peril insurance on the Townhouses, providing as a minimum fire, and extended coverage and all other coverage in kinds and amounts commonly required by private institutional mortgage investors for projects similar in

construction, location and use on a replacement-cost basis in an amount not less than 80% of the insurable value (based upon replacement costs) or the maximum currently available. The Assessments shall also include replacement and maintenance of the Common Area and of such maintenance of the exterior surfaces of the Townhouses as may from time to time be authorized by the Board of Directors, providing payment for such other facilities and activities as mowing grass, caring for the grounds, maintenance to the walkways over any sand dunes, and other similar services, sprinkler system, if any, landscaping, fences, masonry walls, maintenance of the septic system, lighting, garbage enclosure, roofs and exterior walls of the Townhouses, taxes (except real property taxes and such other taxes assessed separately on each Lot or the personal property, or any other interest of the owner), streets, and drives within the Common Area, providing for collecting and disposing of garbage, trash or rubbish, wages, accounting or legal fees, management fees, and other expenses incurred by the Association on or for the Common Area, and the costs of and reserve for maintenance, repair reinstatement, rebuilding and replacement of the Common Area or other Properties which may be required, from time to time, and performing such other functions as the Board of Directors of the Association shall determine to be necessary to meet the primary purposes of the Association.

The foregoing enumeration of purposes of the assessments shall not be deemed to require the Association to use the funds derived from such assessment for any one or more of such purposes to require that any particular amount of funds be expended for a particular purpose. The Board shall be entitled to expend such amounts for the foregoing purposes as it shall determine, in the exercise of its good faith judgment, to be necessary and proper.

NEITHER THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, AND EMPLOYEES ("ASSOCIATION AND RELATED PARTIES") SHALL IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SAFETY OR SECURITY WITHIN THE PROPERTIES. THE ASSOCIATION



AND RELATED PARTIES SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR THE INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN, IF ANY. OWNERS, LESSEES AND OCCUPANTS OF ALL LOTS, ON BEHALF OF THEMSELVES, AND THEIR GUESTS AND INVITEES, ACKNOWLEDGE THAT THE ASSOCIATION AND RELATED PARTIES DO NOT REPRESENT OR WARRANT ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES, OR OTHER SECURITY SYSTEMS (IF ANY ARE PRESENT) WILL PREVENT LOSS BY BURGLARY, THEFT, HOLD-UP OR OTHERWISE, NOR THAT ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS WILL IN ANY OR ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. OWNERS, LESSEES, AND OCCUPANTS OF LOTS ON BEHALF OF THEMSELVES, AND THEIR GUESTS AND INVITEES, ACKNOWLEDGE AND UNDERSTAND THAT THE ASSOCIATION AND RELATED PARTIES ARE NOT INSURERS AND THAT EACH OWNER, LESSEE AND OCCUPANT OF ANY LOT AND ON BEHALF OF THEMSELVES AND THEIR GUESTS AND INVITEES ASSUME ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO RESIDENCE OR LOT AND TO THE CONTENTS OF THEIR RESIDENCE OR LOT AND FURTHER ACKNOWLEDGE THAT THE ASSOCIATION AND RELATED PARTIES HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER OR LESSEE ON BEHALF OF THEMSELVES AND THEIR GUESTS OR INVITEES RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTIES, IF ANY.

Section 3. Maximum Annual Assessment. Commencing on January 1 of the year immediately following the filing of this "Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" filed of record in the Official Public Records of Real Property of Galveston County, Texas, the maximum annual assessment, may be increased or decreased over the amount of annual assessment imposed for the immediately preceding year by action of the Board of Directors of the Association, without approval of the Membership, by such amount as the Board of Directors, in its sole discretion, shall deem to be required in order to carry out the purposes of the Association, and for the assessments herein provided.

Notwithstanding anything contained herein to the contrary, in the event the public and/or private roads and/or streets in the property (including, but not limited to, access roads), walkways or landscaping are damaged by hurricane, flood, storm or other act of nature, and, with respect to the roads, the City of Galveston or the County of Galveston does not satisfactorily repair such roads, the annual maintenance charge may be increased in mid year by an amount not to exceed one-half (1/2) of the then current annual maintenance charge in order to raise sufficient funds to pay the cost of restoring such roads, streets, walkways or landscaping to their former condition and the funds collected by reason of such increase may be used to repair such damage. After the total cost of such repairs, including interest, if any, has been paid, the annual maintenance charge shall revert to such amount as may have been collected annually prior to such increase, subject to the right of the Board to increase the maintenance charge as herein provided.

Section 4. Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, provided that any such special assessment shall have the consent of two-thirds (2/3) of the Members who are voting in person or by proxy, at a meeting duly called for this purpose written notice of which shall be sent to all Association Members

not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purposes of the meeting.

Section 5. Rate of Assessment. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis with each Owner paying an amount equal to that paid by each of the other Owners.

Section 6. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to all Lots with completed Townhouses not owned by Declarant on the first (1st) day of the month more than thirty (30) days following conveyance of that portion of the Common Area not shown on the dedicated map. The annual assessments as to all other Lots shall commence on the first (1st) day of the month more than ninety (90) days following the conveyance of that portion of the Common Area not shown on the dedicated map. The annual assessment shall be due and payable in monthly installments equal to one-twelfth (1/12) of the annual assessment, commencing on the date provided hereinbefore. The first (1<sup>st</sup>) annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due date shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an Officer of the Association, setting forth whether the assessments on a specified Lot have been paid.

Section 7. Collection of Annual Assessment by Board. The Board is empowered to collect the annual assessment for each Lot in installments of one-twelfth (1/12) of the assessment.

Section 8. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest at the maximum allowable interest by law plus late fees, returned check fees established by the Board and other fees that may be levied by a bank or collection agency.

The Association may bring an action at law against the Owner personally obligated to pay the same to recover the amount of the delinquent account and all accrued interest thereon, costs, and reasonable attorney's fees for such action, and to foreclose the lien securing such assessment against the subject Lot. Each such Owner, by his acceptance of a Deed to a Lot, hereby expressly vests in KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC., its agents, successors or assigns, 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 by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association, its agents, successors or assigns, in a like manner as a mortgage or Deed of Trust lien on real property, and such Owner hereby expressly grants to the Association a power of sale in connection with said lien, the same to be exercised in compliance with the terms of Chapter 51 of the Texas Property Code. The lien provided for in this Section shall be in favor of the Association, its successors or assigns, and shall be for the benefit of all other Lot Owners. The Association, acting on behalf of all other Lot Owners, shall have the power to bid in an interest foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. No Owner may waive, or otherwise escape, liability for the assessments provided for herein by non-use of the Common Area, sale or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages imposed on the Lots to secure debt incurred for the purchase price thereof or for improvements thereto. Sale, transfer or other disposition of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to the foreclosure under such mortgage, or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer. No sale or transfer of any kind, including foreclosure, shall relieve such Lot from liability for any assessments thereafter becoming due, or

from the lien thereof.

ARTICLE V  
Architectural Control

No building, fence, wall, structure or other improvement shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition or change or alteration therein, be made, including the color of the exterior until the plans and specifications showing the nature, kind, shape, height, materials, location and color of the same shall have been submitted to and approved in writing as to harmony of external design, color and location in relation to surrounding structures and topography by the Board of Directors of the Association. In the event said Board fails to approve or disapprove such design, color and location, within sixty (60) days after said plans and specifications have been submitted to it, approval will not be required, and this Article shall be deemed to have been fully complied with.

ARTICLE VI.  
Exterior Maintenance

Section 1. The responsibility of the Owner shall be to maintain, repair and replace at his expense all portions of his Townhouse, except the portions to be maintained, repaired and replaced by the Association as hereinafter stated; and to promptly report to the Association any defect or need for repairs, the responsibility for the remedying of which is that of the Association.

Section 2. The maintenance and operation of the Common Area shall be the responsibility of the Association.

Section 3. The exterior surfaces of all Townhouses shall be maintained and repaired on a periodic basis by the Association, which maintenance and repair shall include, repainting and repair of exterior walls, trim, eaves, fences, gutters, downspouts, roofs or any portion of the foregoing. Such exterior

maintenance shall not include repair of glass surfaces or damages due to leaks including, but not limited to, roof leaks, siding leaks or pipe leaks. The times and extent of such maintenance and exterior maintenance to be performed by the Association shall extend only to maintenance and repair of normal Wear and Tear, and not to exterior damage caused by ("Casualty Damage"). Each Owner shall be responsible for and shall promptly cause to be made the repair of any such Casualty Damage to his respective Townhouse in a good and workmanlike manner and in accordance with the original plans and specifications for such Townhouse. In the event any such Owner shall fail or refuse to repair such Casualty Damage within thirty (30) days, the Association is hereby irrevocably authorized by such Owner to repair such Casualty Damage. The Owner shall promptly repay the Association for all amounts expended in making such repairs of Casualty Damage, and the Association shall have a lien to secure payment thereof in like manner as the lien to secure payment of the assessments provided for in Article IV above, with the right of foreclosure.

There is hereby reserved in favor of the Association the right to enter upon all of the Lots and buildings located thereon for the purpose of conducting a periodic program of exterior maintenance and repair.

The Association shall not be responsible for repairs beyond those to the exterior surfaces of the Townhouses for normal Wear and Tear all such other repairs being the responsibility of the Owner. The Association shall have no responsibility for (i) exterior Casualty Damage, except that which is covered by insurance maintained by the Association, or (ii) interior damage including, but not limited to, damages due to any type of leaks, including, but not limited to roof or window leaks.

## ARTICLE VII.

### Use Restrictions

In order to provide for a congenial occupation of the Properties and to provide for the protection of the value of the entire development, the use of the

Townhouses and Common Area shall be in accordance with the following provisions:

a) Each of the Townhouses shall be occupied by only the family, its servants and guests, as a residence, and for no other purpose. No Townhouse may be divided or sub-divided into a smaller unit nor any portion thereof sold or otherwise transferred. Nothing herein shall prevent any Owner from leasing or renting his Townhouse upon such terms and conditions as he may deem appropriate provided that such terms and conditions do not violate any provisions herein or in the associated Bylaws.

b) The Common Area shall be used only for the purposes for which it is intended and the furnishing of services and facilities for the enjoyment of the Townhouses. No use or practice shall be permitted in any Townhouse, or in the Common Area, which interferes with the peaceful possession and proper use of the property by the other residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate nor fire hazard allowed to exist. No immoral, improper, offensive or unlawful use shall be made of the Townhouse Property, or any part thereof. All valid laws, zoning ordinances and regulations of all governmental bodies, having jurisdiction thereof, shall be observed. No Owner shall permit any use of his Townhouse, or of the Common Area, which will increase the rate of insurance upon the Properties.

c) No signs of any kind, or for any use or purpose whatsoever, shall be erected, posted, painted or displayed by an Owner (i) in the Common Area, nor (ii) upon any Lot without the prior consent of the Board of Directors of the Association, which consent will not be unreasonably withheld. Provided, however, Owners may place ground mounted signs on their Lot, which advertise a political candidate or ballot item for an election ("Political Signs"), if the following criteria are met:

- (1) No Political Sign may be placed on an Owner's Lot prior to the ninetieth (90th) day before the date of the election to which the sign relates, or remain on an Owner's Lot subsequent to the tenth (10th) day after the election date.

- (2) No more than one (1) Political Sign is allowed per political candidate or ballot item.
- (3) No Political Sign may: contain roofing material, siding, paving, materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component; be attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object; include the painting of architectural surfaces; threaten the public health or safety; be larger than four feet by six feet; violate a law; contain language, graphics, or any display that would be offensive to the ordinary person; or be accompanied by music, other sounds, by streamers or is otherwise distracting to motorists.

The Association may remove a sign displayed in violation of this section.

d) No animals shall be kept or allowed to be kept in any Townhouse, or in the Common Area, nor shall any commercial dog raising or cat raising, or any kind of commercial business, be conducted on the premises, except that household pets may be permitted in written rules adopted by the Association. Any household pets permitted shall be leashed when not in the Townhouses.

e) No recreational vehicles or commercial vehicles, including but not limited to, boats, boat trailers, house trailers, camping trailers, motorcycles, pickup trucks or similar-type items, shall be kept, other than in a carport or garage of the Owner's Townhouse.

f) Reasonable rules and regulations concerning the use of the Properties (including Townhouses) and a corresponding fining policy may be made and amended, from time to time, by the Board.

g) An Owner shall not, without the prior written consent of the Association, make any structural alterations in the Townhouse, or in the water, gas, steam pipes, electrical conduits, plumbing or other fixtures connected therewith, or remove any additions, improvements or fixtures from the Townhouse or Common Area.



h) No exterior antennas, aerials, satellite dishes, or other apparatus for the reception of television, radio, satellite or other signals of any kind shall be placed, allowed, or maintained upon any Lot, which are visible from any street, Common Area or another Lot, unless it is impossible to receive an acceptable quality signal from any other location. In that event, the receiving device may be placed in the least visible location where reception of an acceptable quality signal is possible. The Board of Directors of the Association may require painting or screening of the receiving device, which painting or screening does not substantially interfere with an acceptable quality signal. In no event are the following devices permitted: (i) satellite dishes, which are larger than one (1) meter in diameter; (ii) broadcast antenna masts, which exceed the height of the center ridge of the roofline; or (iii) MMDS antenna masts, which exceed the height of twelve feet (12') above the center ridge of the roofline. No exterior antennas, aerials, satellite dishes, or other apparatus shall be permitted, placed, allowed or maintained upon any Lot, which transmit television, radio, satellite or other signals of any kind. This section is intended to be in compliance with the Telecommunications Act of 1996 (the "Act"), as the Act may be amended from time to time; this section shall be interpreted to be as restrictive as possible, while not violating the Act. The Board of Directors of the Association may promulgate architectural guidelines, which further define, restrict or elaborate on the placement and screening of receiving devices and masts, provided such architectural guidelines are in compliance with the Telecommunications Act.

## ARTICLE VIII.

### Easements

Each Lot shall include the following easements from each Lot Owner to each other Lot Owner, and the same shall pass with each Lot and shall vest in the Grantee thereof as an inseparable appurtenance thereto.

Section 1. Ingress and Egress. Easements through the Common Area for ingress and egress for all persons making use of such Common Area in

accordance with the terms of the Declaration.

Section 2. Maintenance, Repair and Replacement. Easements through the Lots and Common Area for Maintenance, Repair and Replacement of the Townhouse and Common Area Elements. Use of these easements, however, for access to the Lots shall be limited to reasonable hours except that access may be had at any time in case of an emergency, originating in an Owner's Townhouse or threatening the safety of his or other Townhouses, whether the Owner be present or not.

Section 3. Utilities. Easements through the Lots and Common Area for all facilities for furnishing of utility services within the property and to the various Lots, which facilities shall include, but not be limited to, conduits, ducts, plumbing and wiring; provided, however, that the easements for such facilities through a Lot shall be substantially in acceptance with the plans and specifications of the property.

Section 4. Roof Projections. Each roof, projection and the like, which is built as a part of the original construction of the residences upon the Properties, which projects onto adjacent Lots, shall constitute permissible encroachments, and each Owner of a residence which, as originally built, projects onto adjacent Lots, shall have a right and easement of enjoyment in and to said encroachment, which easement shall be appurtenant to and shall pass for the title to each said Lot, whether expressly provided in the Deed to said Lot or not, and every Lot onto which such roof, projection and the like encroaches, shall be subject to the aforesaid easement, whether expressly stated in the Deed to said Lot or not.

## ARTICLE IX

### Party Walls

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots, shall constitute a Party Wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law

regarding Party Walls and liability for property damage due to negligence or willful acts or omissions, shall apply thereto. The destruction in whole or in part of a Party Wall shall not affect the rights and obligations inherent therein and the Owners sharing such Party Wall shall continue to have the right of obtaining lateral support from the adjoining Townhouse.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a Party Wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a Party Wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereof make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, subject to the rights of any such Owners to call for a larger contribution from the others under any rules of law regarding liability for negligence or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his negligent or willful act, causes the Party Wall to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

## ARTICLE X.

### Additional Rights of Mortgagees

Section 1. Notice to Mortgagee. Upon request to the Association, the holder of a first mortgage on a Lot shall be entitled to receive written notice of:

- a) All meetings, both annual and special, of the Association at least thirty (30) days, but not more than sixty (60) days, prior thereto;
- b) Any material amendment to this Declaration, the By-Laws, or

Articles of Incorporation;

c) Substantial damage to or destruction of the Common Area and facilities, or any individual Townhouse, or any condemnation or eminent domain proceedings; and

d) Any default under the Declaration or By-Laws by an Owner which is not cured within sixty (60) days.

Section 2. Books and Records. The holder of a first mortgage on a Lot shall have the right to examine the books and records of the Association during normal business hours, and upon written request to the Association, shall be entitled to receive a copy of the annual audited financial statement of the Association within ninety (90) days following the end of the fiscal year of the Association.

Section 3. Rights to Pay Amounts in Default. The holder(s) of a first mortgage on a Lot may, jointly and singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the Common Area, and the holder(s) making such payments shall be owed immediate reimbursement therefore from the Association.

Section 4. Prior Written Approval. Unless at least seventy-five percent (75%) of the holders of a first mortgage on individual Lots have given their prior written approval, the Association shall not be entitled to:

a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area, or any part thereof, or improvements thereon. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this clause.

b) Change of method of determining the obligations, assessments, dues or other charges which may be levied against an Owner.

c) By act or omission change, waive, or abandon any of the restrictions, or enforcement thereof, pertaining to architectural control, exterior

maintenance, or Party Walls.

d) Fail to maintain insurance in accordance with the provisions hereof, or to use the proceeds of such insurance for losses to the Common Area for other than the repair, replacement or reconstruction of such improvements.

## ARTICLE XI.

### General Provisions

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, rules and regulations, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Attorneys' fees incurred by the Association by virtue of such enforcement actions will be reconcilable from the Owner and secured by the Association's lien retained in Article IV of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained, shall in no event, be deemed a waiver of the right to do so thereafter.


Section 2. Severability. Invalidation of any one of these covenants or restrictions by Judgment or Court Order shall in no wise effect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The Covenants and Restrictions to this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall automatically be extended for successive periods of ten (10) years. This Declaration may be amended by instrument signed by not less than seventy-five percent (75%) of the total votes of the membership of the Association as defined in Article III hereof. It is the specific intention of this provision that ownership of a Lot by a Member entitles that Member to vote on questions of amendment in accordance with provisions of Article III hereof.

IN WITNESS WHEREOF, the President of the Association hereby executes this Amendment evidencing i) the Association's approval of the Amendment, and ii) that Consents attached hereto as Exhibit "A" and incorporated herein represent the approval of this modification to the Declaration by not less than seventy-five percent (75%) of the total votes of the membership of the Association to be effective upon its filing of record in the Official Public Records of Real Property of Galveston County, Texas.

DATED this 14<sup>th</sup> day of June, 2007.

ATTEST:

  
By: \_\_\_\_\_  
Secretary  
Ivonne Dammeyer

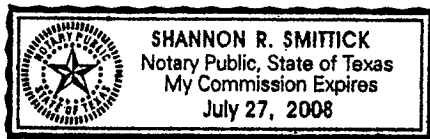
KARANKAWA TOWNHOUSE  
OWNERS ASSOCIATION, INC.

By: Linda W. Peterson  
\_\_\_\_\_  
Linda W. Peterson, President

STATE OF TEXAS           §  
                                          §  
COUNTY OF Harris       §

Before me, a notary public, on this day personally appeared Linda Peterson, President of Karankawa Townhouse Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and, being by me first duly sworn and declared that he/she executed same in the capacity and consideration therein expressed. Given under my hand and seal of office this 14<sup>th</sup> day of June, 2007.

Shannon R. Smittick  
NOTARY PUBLIC - STATE OF TEXAS



Return To:  
**BUTLER & HAILEY, P.C.**  
1616 S. VOSS RD., SUITE 500  
HOUSTON, TEXAS 77057

CONSENT FORM

Date: 1-26-07

[Signature]  
(Owner's Signature)

17625 San Luis Pass  
Property Address in Karankawa

Ivonne Dominguez  
(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

[Signature]  
(Owner's Signature)  
Robert J. Dominguez  
(Print Name)

STATE OF Texas §

COUNTY OF Harris §

BEFORE ME, the undersigned authority, on this day personally appeared Ivonne Dominguez + Robert Dominguez known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26<sup>th</sup> day of January, 2007.

[Signature]  
Notary Public in and for the State of Texas

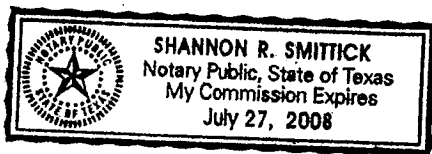


EXHIBIT "A"

**CONSENT FORM**

Date: 3/23/07

H. J. Cones Jr  
(Owner's Signature)

17605 San Luis Pass Rd  
Property Address in Karankawa

H. J. CONES JR  
(Print Name)

Block 1, Lot 13

Carol A. Cones  
(Owner's Signature)

CAROL A. CONES  
(Print Name)

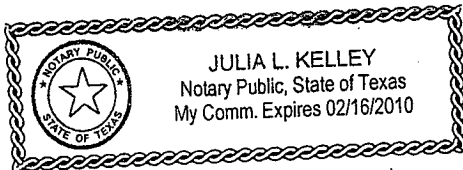
STATE OF Texas §

COUNTY OF Harris §

BEFORE ME, the undersigned authority, on this day personally appeared H. J. Cones Jr + Carol A. Cones known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 23 day of March, 2007.

Julia L. Kelley  
Notary Public in and for the State of Texas



**EXHIBIT "A"**



**CONSENT FORM**

Date: 03/26/07

[Signature]  
(Owner's Signature)

17611 SAN LUIS PASS RD.  
Property Address in Karankawa

JOEL DAVIS  
(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

\_\_\_\_\_  
(Owner's Signature)

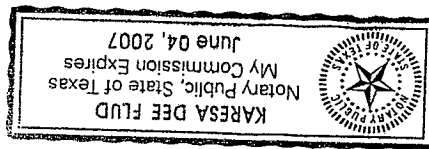
\_\_\_\_\_  
(Print Name)

STATE OF Texas §  
COUNTY OF Dallas

BEFORE ME, the undersigned authority, on this day personally appeared Joel Davis known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26th day of March, 2007.

[Signature]  
Notary Public in and for the State of Texas



**EXHIBIT "A"**

**CONSENT FORM**

Date: 4-2-07

17621 AAN LUIS PASS RD.  
CELESTON, TX 77554  
Property Address in Karankawa

Premier Designs, Inc.  
(Owner's Signature)

Kevin Melton, Personnel Manager  
(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

Kevin Melton  
(Owner's Signature)

\_\_\_\_\_  
(Print Name)

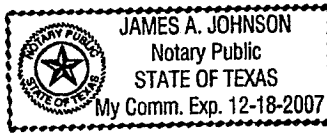
STATE OF Texas §

COUNTY OF Dallas §

BEFORE ME, the undersigned authority, on this day personally appeared Kevin Melton known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 2<sup>nd</sup> day of April, 2007.

James A. Johnson  
Notary Public in and for the State of TX



**EXHIBIT "A"**

**CONSENT FORM**

Date: 4/3/17

*Sherry Weathers*  
(Owner's Signature)

17603 San Luis Pass  
Property Address in Karankawa  
Galveston, TX 77554

SHERRY WEATHERS  
(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

\_\_\_\_\_  
(Owner's Signature)

\_\_\_\_\_  
(Print Name)

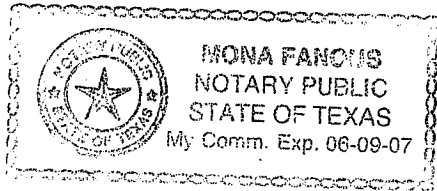
STATE OF Texas §  
COUNTY OF Collin §

BEFORE ME, the undersigned authority, on this day personally appeared Sherry Weathers known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 3 day of April, 2007.

*Mona Fancis*

Notary Public in and for the State of Texas.



**EXHIBIT "A"**

**CONSENT FORM**

Date: 4/3/07

[Signature]  
(Owner's Signature)

17603 San Luis Pass Rd  
Property Address in Karankawa  
Galveston, TX

George Sutton  
(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

\_\_\_\_\_  
(Owner's Signature)

\_\_\_\_\_  
(Print Name)

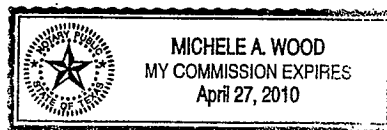
STATE OF Texas §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared GEORGE SUTTON known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 3<sup>rd</sup> day of April, 2007.

Michele A Wood  
Notary Public in and for the State of TEXAS



**EXHIBIT "A"**

**CONSENT FORM**

Date: 1-30-07

Brian Rutkowski  
(Owner's Signature)

17613 San Luis Pass Rd.  
Property Address in Karankawa  
Galveston, TX

BRIAN RUTKOWSKI  
(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

N/A  
(Owner's Signature)

N/A  
(Print Name)

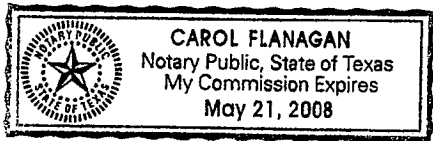
STATE OF Texas §

COUNTY OF Harris §

BEFORE ME, the undersigned authority, on this day personally appeared Brian Rutkowski known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30<sup>th</sup> day of January, 2007.

Carol Flanagan  
Notary Public in and for the State of Texas



**EXHIBIT "A"**

**CONSENT FORM**

Date: 1/30/2007

*Darrell Schelnick*  
(Owner's Signature)

17623 San Luis Pass Rd  
Property Address in Karankawa

Darrell Schelnick  
(Print Name)

Block 2 <sup>section</sup>, Lot 4

*Rebecca Schelnick*  
(Owner's Signature)

Rebecca Schelnick  
(Print Name)

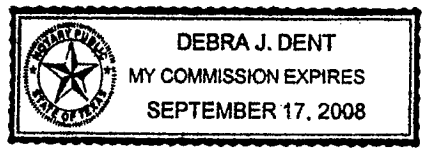
STATE OF Texas §

COUNTY OF Harris §

BEFORE ME, the undersigned authority, on this day personally appeared Darrell + Rebecca Schelnick known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30<sup>th</sup> day of January, 2007.

*Debra J. Dent*  
Notary Public in and for the State of Texas



**EXHIBIT "A"**

**CONSENT FORM**

Date: March 12 2007

*[Handwritten Signature]*

(Owner's Signature)

17601 San Luis Pass Rd.  
Property Address in Karankawa

*Mike Morton*

(Print Name)

Block \_\_\_\_\_, Lot 15

*Ellert*

(Owner's Signature)

ELIZABETH C. MORTON

(Print Name)

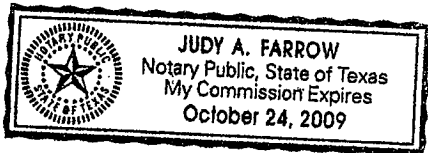
STATE OF Texas §

COUNTY OF Brazoria §

BEFORE ME, the undersigned authority, on this day personally appeared Michael Morton and Elizabeth Morton known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 12th day of March, 2007.

*Judy A. Farrow*  
Notary Public in and for the State of Texas



**EXHIBIT "A"**

**CONSENT FORM**

Date: 3-29-2007

*Jo Ann Zemlicka*  
(Owner's Signature)

17607 SAN LUIS PASS  
Property Address in Karankawa

JO ANN ZEMLICKA  
(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

\_\_\_\_\_  
(Owner's Signature)

\_\_\_\_\_  
(Print Name)

STATE OF TEXAS §

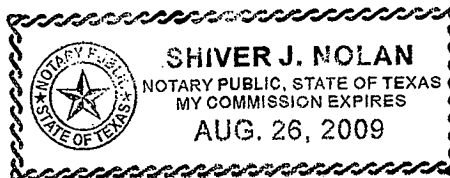
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared  
JO ANN ZEMLICKA

known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 29<sup>th</sup> day of  
MARCH, 2007.

*Shiver J. Nolan*  
Notary Public in and for the State of TEXAS



**EXHIBIT "A"**



**CONSENT FORM**

Date: 2/17/07

[Signature]

(Owner's Signature)

17609 SAN LUIS PASS  
Property Address in Karankawa

RYAN HERBST

(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

[Signature]

(Owner's Signature)

DANIEL DIBOS

(Print Name)

STATE OF Texas §

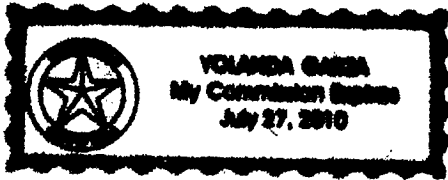
COUNTY OF Harris §

BEFORE ME, the undersigned authority, on this day personally appeared

\_\_\_\_\_ known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 17 day of February, 2007.

[Signature]  
Notary Public in and for the State of Texas



**EXHIBIT "A"**

**CONSENT FORM**

Date: January 26, 2007

\_\_\_\_\_  
(Owner's Signature)

17619 San Luis Pass Rd.  
Property Address in Karankawa

Mary Ann Ezell  
(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

Mary Ann Ezell  
(Owner's Signature)

Mary Ann Ezell  
(Print Name)

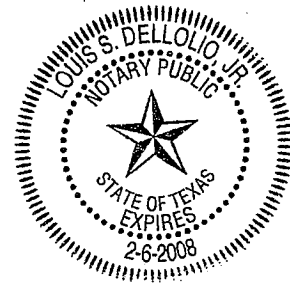
STATE OF Texas §

COUNTY OF Galveston §

BEFORE ME, the undersigned authority, on this day personally appeared Mary Ann Ezell known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26 day of Jan, 2007.

Louis S DelloLio Jr  
Notary Public in and for the State of Tx



**EXHIBIT "A"**

**CONSENT FORM**

Date: 1/26/07

Linda W Petersen  
(Owner's Signature)

17617 San Luis Pass Rd  
Property Address in Karankawa

Linda W Petersen  
(Print Name)

Block \_\_\_\_\_, Lot \_\_\_\_\_

\_\_\_\_\_  
(Owner's Signature)

\_\_\_\_\_  
(Print Name)

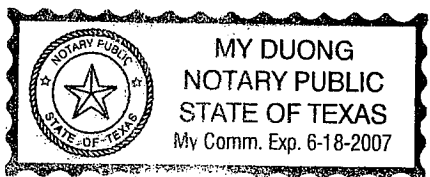
STATE OF Texas §

COUNTY OF Harris §

BEFORE ME, the undersigned authority, on this day personally appeared Linda W. Petersen known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 26<sup>th</sup> day of January, 2007.

My Duong  
Notary Public in and for the State of TX



**EXHIBIT "A"**

**FILED AND RECORDED**



OFFICIAL PUBLIC RECORDS

*Mary Ann Daigle*

2007053496

August 15, 2007 09:33:16 AM

FEE: \$148.00

Mary Ann Daigle, County Clerk

Galveston County, TEXAS



**CERTIFICATE OF SECRETARY**  
*of*  
**KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.**  
*regarding*  
**BOARD RESOLUTION**  
*adopting*  
**FINING POLICY**

STATE OF TEXAS           §  
                                       §  
 COUNTY OF GALVESTON §

I, Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc. (the "Association"), do hereby certify that at a meeting of the Association's Board of Directors (the "Board") duly called and held on the 16<sup>th</sup> day of April, 2010, with at least a quorum of the members of the Board being present and remaining throughout, and being duly authorized to transact business, the following resolution was duly made and approved by a majority vote of the members of the Board:

In accordance with Article VII(f) of that certain instrument entitled "Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" filed of record in the Official Public Records of Real Property of Galveston County, Texas, under County Clerk's File No. 2007053496 (the "Declaration") the Board of Directors of the Association has the authority to adopt a fining policy.

The Board of Directors wishes to standardize the policies and procedures related to the power of the Board of Directors to levy fines and hereby adopts the "Finning Policy" set forth below.

**FINING POLICY**

- 1.1 The capitalized terms used in this Fining Policy shall have the same meaning as those terms defined in Article I of the Declaration, unless otherwise defined herein.
- 1.2 All Owners are responsible for assuring that all of the occupants (whether long term or short term) of their Townhouse, and all their guests and invitees ("Owner and Related Parties") comply with the provisions of the Declaration, all Rules and Regulations and all other "dedicatory instrument" of the Association as that term is defined by Section 202.001(1) of the Texas Property Code ("Rules"). In the event an Owner and Related Parties violate any provision of the Rules, the Association through its Board of Directors (the "Board"), shall have the authority to impose a fine upon the Owner of the Residence for each violation, which fine shall be twenty-five dollars (\$25.00) per violation of the Rules. The fine will be doubled for every subsequent violation of the same Rule by an Owner and Related Parties. By way of example, the second (2<sup>nd</sup>) violation of the same Rule by an Owner and Related Parties will result in a fifty

dollar (\$50.00) fine and the third (3<sup>rd</sup>) violation of the same Rule will result in a one hundred dollar (\$100.00) fine, etc.

1.3 Upon determining that a violation of the Rules has occurred the Board shall mail or deliver a written notice by certified mail, return receipt requested to the Owner in question and, if applicable, a copy by regular mail to the Occupant of the Lot, which notice must:

- (i) describe the violation and state the amount of the proposed fine;
- (ii) inform the Owner that he or she is allowed a reasonable period by a specified date to cure the violation and avoid the fine; provided, however, if the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) month period, the fine may be levied immediately without giving the Owner a reasonable time within which to cure the violation; and
- (iii) inform the Owner that not later than the thirtieth (30th) day after the date of the notice, (or later date provided by §209.006(b)(2)(B) of the Texas Property Code or successor statute), the Owner may request a hearing before the Board of Directors to contest the fine.

1.4 In addition to the authority to impose fines for violations of the provisions of the Declaration and/or Rules and Regulations, the Association shall have all the rights and remedies provided for in the Declaration and/or Rules and Regulations or which may be available at law or in equity, including the right to file suit against any Owner and/or Occupant who has violated any term of the Declaration and/or Rules and Regulations.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing resolution was approved as set forth above and now appears in the books and records of the Association.

TO CERTIFY which witness my hand this the 2 day of July, 2010.

KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.

By:

Ivonne Dominguez, Secretary

STATE OF TEXAS           §  
                                          §  
COUNTY OF Harris     §

This instrument was acknowledged before me on 2 day of July, 2010 by Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc. on behalf of said corporation.



*Kathleen Gregory*  
Notary Public in and for the State of Texas

176006

**FILED AND RECORDED**



OFFICIAL PUBLIC RECORDS

*Mary Ann Daigle*

2010033512

July 12, 2010 09:36:09 AM

FEE: \$24.00

Mary Ann Daigle, County Clerk  
Galveston County, TEXAS



**FIRST AMENDMENT**  
**to**  
**DECLARATION OF AMENDED AND RESTATED**  
**COVENANTS, CONDITIONS AND RESTRICTIONS**  
**for**  
**KARANKAWA TOWNHOUSES**

---

THE STATE OF TEXAS                   §  
                                                  §                   KNOW ALL PERSONS BY THESE PRESENTS:  
COUNTY OF GALVESTON               §

WHEREAS, WILLIAM SANDERS and R.E. TRESCH CO., INC. (hereinafter referred to as "Declarant") were the owners of all of the Lots in Karankawa Subdivision, Section 2, a subdivision in Galveston County, Texas according to the map or plat thereof recorded in Volume 16, Page 46 of the Map Records of Galveston County, Texas (the "Properties");

WHEREAS, Declarant, did impose on all of the real property in the Properties all those certain covenants, conditions, restrictions set forth in that certain instrument entitled "Declaration of Covenants, Conditions and Restrictions" filed of record under County Clerk's File No. 8234125 in the Official Public Records of Real Property of Galveston County, Texas (the "Declaration");

WHEREAS, the Declaration was heretofore duly amended by those certain instruments entitled "Amendment to Declaration of Covenants, Conditions and Restrictions" and "Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" respectively filed of record under County Clerk's File No. 8312016 and 2007053496 in the Official Public Records of Real Property of Galveston County, Texas (the Declaration as amended hereinafter still referred to as the "Declaration").

WHEREAS, Article XI, Section 3 of the Declaration entitled "Amendment" provides the following:

... This Declaration may be amended by instrument signed by not less than seventy-five percent (75%) of the total votes of the membership of the Association as defined in Article III hereof. It is the specific intention of this provision that ownership of a Lot by a Member entitles that Member to vote on questions of amendment in accordance with provisions of Article III hereof.

NOW, THEREFORE, seventy-five percent (75%) of the total votes of the membership agree to amend the Declaration as follows:

1. Article I, Section 3 of the Declaration is amended to read as follows:

Section 3. "Casualty Damage" shall mean damage, destruction, or loss of property resulting from an identifiable event that is sudden, unexpected, or unusual, including but not limited to damage caused by fire, windstorm, hail and floods.



2. Article IV, Section 2 of the Declaration is amended to read as follows:

Section 2. Purposes of Assessment. The assessments levied by the Association shall be used exclusively for the improvement, maintenance and management of the property, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area and of the Townhouses situated upon the Properties. The purposes of the assessments shall include, but are not limited to, the payment for insurance carried by the Association in accordance with Article XII of this Declaration. The Assessments shall also include replacement and maintenance of the Common Area and of such maintenance of the exterior surfaces of the Townhouses as required by this Declaration as may from time to time be authorized by the Board of Directors, providing payment for such other facilities and activities as mowing grass, caring for the grounds and other similar services, sprinkler system, if any, landscaping, fences, masonry walls, periodic maintenance of the septic tanks (but excluding any and all repairs and replacements of septic systems and septic tanks belonging to individual Townhouses, which are the responsibility of the Owner), lighting, garbage enclosure, roofs and exterior walls of the Townhouses, taxes (except real property taxes and such other taxes assessed separately on each Lot or the personal property, or any other interest of the owner), streets, and drives within the Common Area, providing for collecting and disposing of garbage, trash or rubbish, wages, accounting or legal fees, management fees, and other expenses incurred by the Association on or for the Common Area, and the costs of and reserve for maintenance, repair reinstatement, rebuilding and replacement of the Common Area or other Properties which may be required, from time to time, and performing such other functions as the Board of Directors of the Association shall determine to be necessary to meet the primary purposes of the Association.

The foregoing enumeration of purposes of the assessments shall not be deemed to require the Association to use the funds derived from such assessment for any one or more of such purposes to require that any particular amount of funds be expended for a particular purpose. The Board shall be entitled to expend such amounts for the foregoing purposes as it shall determine, in the exercise of its good faith judgment, to be necessary and proper.

NEITHER THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, AND EMPLOYEES ("ASSOCIATION AND RELATED PARTIES") SHALL IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SAFETY OR SECURITY WITHIN THE PROPERTIES. THE ASSOCIATION AND RELATED PARTIES SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR THE INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN, IF ANY. OWNERS, LESSEES AND OCCUPANTS OF ALL LOTS, ON BEHALF OF THEMSELVES, AND THEIR GUESTS AND INVITEES, ACKNOWLEDGE THAT THE ASSOCIATION AND RELATED PARTIES DO NOT REPRESENT OR WARRANT ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES, OR OTHER SECURITY SYSTEMS (IF ANY ARE PRESENT) WILL PREVENT LOSS BY BURGLARY, THEFT, HOLD-UP OR OTHERWISE, NOR THAT ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS WILL IN ANY OR ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE

SYSTEM IS DESIGNED OR INTENDED. OWNERS, LESSEES, AND OCCUPANTS OF LOTS ON BEHALF OF THEMSELVES, AND THEIR GUESTS AND INVITEES, ACKNOWLEDGE AND UNDERSTAND THAT THE ASSOCIATION AND RELATED PARTIES ARE NOT INSURERS AND THAT EACH OWNER, LESSEE AND OCCUPANT OF ANY LOT AND ON BEHALF OF THEMSELVES AND THEIR GUESTS AND INVITEES ASSUME ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO RESIDENCE OR LOT AND TO THE CONTENTS OF THEIR RESIDENCE OR LOT AND FURTHER ACKNOWLEDGE THAT THE ASSOCIATION AND RELATED PARTIES HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER OR LESSEE ON BEHALF OF THEMSELVES AND THEIR GUESTS OR INVITEES RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY ACCESS CONTROL SYSTEMS, PATROL SERVICES, SURVEILLANCE EQUIPMENT, MONITORING DEVICES OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTIES, IF ANY.

3. Article IV, Section 4 of the Declaration is amended to read as follows:

Section 4. Special Assessments. In addition to the annual assessments authorized above, the Association may levy special assessments; provided that any such special assessment shall have the consent of (i) two-thirds (2/3rds) of the Members who are voting in person or by proxy, at a meeting duly called for this purpose written notice of which shall be sent to all Association Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purposes of the meeting, or (ii) the written consent of two-thirds (2/3rds) of all Members (with one (1) vote per Lot), which written consent may also be obtained in accordance with any method allowed by Section 6.205 of the Texas Business Organizations Code. In the event a special assessment proposed by the Board of Directors of the Association is not approved by the Members for any reason, neither the Association nor any of the members of the Board of Directors shall have any liability whatsoever due to their failure to make the repairs or other improvements made the basis of the proposed special assessment that was not approved.

4. Article VI, Section 3 of the Declaration is amended to read as follows:

Section 3. The exterior surfaces of all Townhouses shall be maintained and repaired on a periodic basis by the Association, which exterior maintenance and repair shall include, repainting and repair of exterior walls, trim, eaves, fences, gutters, downspouts, roofs, support pilings or any portion of the foregoing. Such exterior maintenance shall not include: (i) stairs, (ii) decks, (iii) railings (except for periodic painting by the Association), (iv) repair of glass surfaces, (v) exterior doors, and (vi) damages to the interior of the Townhouses due to leaks including, but not limited to, roof leaks, siding leaks or pipe leaks. The times and extent of such maintenance and exterior maintenance to be performed by the Association shall extend only to maintenance and repair of normal Wear and Tear, and not to exterior damage caused by Casualty Damage except that which is covered by insurance maintained by the Association. Each Owner shall be responsible for and shall promptly cause to be made the repair of any such

Casualty Damage or repairs or maintenance for which the Owner is responsible to his respective Townhouse in a good and workmanlike manner and in accordance with the original plans and specifications for such Townhouse. In the event any such Owner shall fail or refuse to repair such Casualty Damage or repairs or maintenance for which the Owner is responsible to his/her Townhouse within thirty (30) days after notice from the Association, the Association is hereby irrevocably authorized by such Owner to repair such Casualty Damage or other repairs and maintenance. The Owner shall promptly repay the Association for all amounts expended in making such repairs for Casualty Damage or other repairs and maintenance, and the Association shall have a lien to secure payment thereof in like manner as the lien to secure payment of the assessments provided for in Article IV above, with the right of foreclosure.

There is hereby reserved in favor of the Association the right to enter upon all of the Lots and buildings located thereon for the purpose of conducting a periodic program of exterior maintenance and repair and performing its rights and obligations under this Declaration.

The Association shall not be responsible for repairs beyond those to the exterior surfaces of the Townhouses (set forth above) for normal Wear and Tear all such other repairs being the responsibility of the Owner. The Association shall have no responsibility for (i) exterior Casualty Damage, except that which is covered by insurance maintained by the Association, or (ii) interior damage including, but not limited to, damages due to any type of leaks, including, but not limited to roof or window leaks.

Additionally, in the event the need for maintenance or repair to Townhouses or Common Area is caused through the willful or negligent act of any Owner, the Owner's family, or guests, or invitees, such maintenance or repairs may be performed by the Association and the cost of such maintenance or repairs shall be added to and become a part of the assessment attributable to such Owner's Lot and secured by the Association's lien created in Article IV, Section 1.

5. Article VII, Section (d) of the Declaration is amended to read as follows:

(d) No animals, livestock or poultry of any kind shall be raised, bred or maintained for any commercial purposes or kept on any Lot, except that dogs, cats, and other typical household pets may be kept, provided that not more than a cumulative total of two (2) such household pets (e.g. dogs and cats) may be kept on a Lot at any given time. No such kept pets shall be noxious, offensive, vicious or dangerous (by way of example and not in limitation, pit bull terriers shall not be permitted), make objectionable noises, create any objectionable odor, or otherwise constitute a nuisance to other Owners. The foregoing limitation on the number of permitted household pets does not apply to hamsters, small birds, fish, or other constantly caged animals which are continuously kept completely within a residence, nor shall it apply to require the removal of any litter born to a permitted pet prior to the time that the animals in such litter are three (3) months old. All pets must be kept on a leash or otherwise maintained under the control of their owner.

It shall be the absolute duty and responsibility of each such pet owner to immediately clean up pet waste to the extent their pets have used any portion of the Lot of another Owner or the Common Area, except those portions of the Common Area designated for such use by the Board.

Any Owners that have more than the allowed two (2) pets prior to the effective date of this Amendment to the Declaration of Amended and Restated Covenants, Conditions and Restrictions, may keep the pets and not be in violation of this Amendment, until such time of the pet's death or the Owner sells the Lot.

6. The Declaration is amended to add a new Article XII entitled "Insurance" to read as follows:

ARTICLE XII.  
Insurance

Section 1. **Association's Insurance.** Notwithstanding any provision of this Declaration to the contrary the Board of Directors of the Association shall have authority to obtain and maintain the following insurance:

(a) insurance against loss by damage due to fire, windstorm, and hail in an amount equal to in an amount not less than eighty percent (80%) of the replacement costs of (except as otherwise provided under Section 3(h):

(1) all Townhouses and carport areas on all Lots, from the unfinished interior surfaces out of the perimeter walls, floors, and ceilings of the Townhouses, but excluding (i) finishes, partition walls, floor coverings, carpeting, ceilings, furniture, furnishings, appliances, drapes or other personal property, and (ii) all fixtures, installations or additions thereto contained within the unfinished interior surfaces of the perimeter walls of the Townhouses;

(2) the Common Areas, and

(3) all improvements, if any, located in the Common Areas, against loss.

(The replacement cost of such improvements and any applicable deductibles shall be determined from time to time by the Board of Directors, and the Board of Directors shall have the authority to obtain and pay for an appraisal by a person or organization selected by the Board of Directors to make such determination. The cost of any and all such appraisals shall be paid for out of the assessments of the Association.)

(b) a comprehensive policy of public liability insurance;

(c) directors and officers liability insurance; and

(d) any such other insurance the Board deems necessary to protect the Properties or the Association.

Section 2. **Owners' Insurance.** Each Owner shall be responsible for obtaining and maintaining (1) full replacement cost flood insurance (where eligible) on their Townhouse in such format required by the Board, and (2) insurance covering the personal liability of such Owner in an amount of at least \$300,000.00 per occurrence, all at the Owner's expense. Upon recordation of this amendment to the Declaration in the Real Property Records of Galveston County, Texas and annually thereafter by each renewal date of the Owner's said insurance policies, each Owner shall deliver to the Association copies of the insurance policies described in this Section 2. If any Owner fails to perform any of his obligations under this Section 2 within thirty (30) days after a demand for same has been made upon the Owner with the Association, the Association may, but has no duty to, perform those obligations by placing and purchasing such insurance as the Association may determine in its sole and uncontrolled discretion and the Association shall be reimbursed by Owner upon demand for any sums so paid. Any such funds expended by the Association will be secured by the Association's lien retained in Article IV, Section 1 of this Declaration.

Section 3. **Casualty Losses.**

(a) **Restoration by Association.** Except as provided in subsection (d) below, in the event of damage by fire or other casualty to the Common Area or to all or any part of a Townhouse or regarding any other matters as to which the Association has an obligation to maintain pursuant to this Declaration, or if any governmental authority requires any repair, reconstruction or replacement as to same, the Association must perform all repairs, reconstruction or replacement necessitated thereby (the "Casualty Work"). The Casualty Work must be such as will substantially restore the Common Area to its condition prior to the casualty or as required by the governmental authority.

(b) **Board Administration as to Restoration.** The Board is hereby irrevocably appointed the agent for each Owner, each Owner's mortgagee, other named insureds and their beneficiaries and for any other holder of a lien or other interest in any Lot, Townhouse or the Common Area to adjust and settle all claims arising under any insurance policy purchased by the Association, to execute and deliver releases upon payment of claims, and to do all other acts and execute and deliver such other instruments as the Board deems reasonably necessary to submit, adjust, administer and settle any claims, including without limitation all matters regarding appointment of an insurance trustee. If the entire project is not repaired, replaced or reconstructed, any insurance proceeds attributable to Common Area or other improvements owned by the Association must be used to restore same to a condition compatible with the remainder of the project. If the entire project is not repaired, replaced or reconstructed, any insurance proceeds attributable to each Townhouse or part thereof, which is not restored, shall be distributed to the Owner thereof or the Owner's mortgagees, as their interests may appear. Any surplus in insurance proceeds shall be retained by the Association to replenish any reserve or for use in connection with any other purposes of this Section. NO OWNER IS EXEMPTED FROM PAYMENT OF ANY ASSESSMENTS, DURING ANY PERIOD OF REPAIR, REPLACEMENT OR RECONSTRUCTION.

(c) Specific Assessment of Excess Costs for Casualty Losses. Subject to subsection (d) below, all costs of repair, replacement, reconstruction in excess of insurance proceeds (including any deficit due to applicable deductibles) and available reserves shall be levied as a special assessment under this subsection (c) to all Owners, pro rata, equally per Townhouse. THE BOARD SHALL DETERMINE THE AMOUNT OF ANY SUCH SPECIAL ASSESSMENT AND THE TERMS FOR PAYMENT OF SAME, AND ANY LIMITATIONS SET FORTH IN ARTICLE IV OF THIS DECLARATION SHALL NOT APPLY TO ANY SUCH SPECIAL ASSESSMENT.

(d) Owners' Decision Not to Repair. Except for Casualty Work, which is required by any governmental authority, the Owners may agree not to perform any Casualty Work. Any decision not to perform Casualty Work must be submitted to the Owners at a special meeting of Members called for that purpose, and must be approved by vote of the Owners of not less than ninety percent (90%) of the Townhouses.

(e) Restoration by Owner. Whether or not insured, all damage or destruction by fire or other casualty to all or any portion of a Townhouse for which an Owner is responsible for maintenance, repair or replacement must be repaired, rebuilt or replaced by the Owner thereof within forty-five days after such damage or destruction; or, where repairs or replacements cannot be completed within forty-five (45) days, they must be commenced within such period and completed within a reasonable time thereafter as determined by the Board. For good cause shown, the Board may extend the foregoing periods. Any such repair or replacement, which affects the exterior appearance of a Townhouse, is subject to applicable provisions of Article V of this Declaration regarding Architectural Control.

(f) Maintenance Fund. In the event of damage or destruction by fire or other casualty to any property covered by insurance written in the name of the Association, the Board of Directors shall, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the property to as good condition as formerly. Each Owner irrevocably designates the Association, as Attorney-in-Fact, to administer and distribute the proceeds from insurance coverage or insurance proceeds as is provided for in this Declaration, except for Owners individual liability and personal property insurance. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a Federal governmental agency, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature of at least two (2) members of the Board of Directors, or by an agent duly authorized by the Board of Directors.

(g) Deductibles; Claims. The Board shall determine appropriate deductibles for all insurance policies, including policies carried by the Association and those required by the Association to be carried by Owners. The Board may in its sole discretion determine whether or not any particular claim is to be made if the claim is less than the then applicable deductible taking into account (without limitation) such factors as adverse effects of claims made as to future coverage or costs thereof. Each Owner shall as a condition to the validity of any claim provides all information and documentation, which is reasonably necessary to fully evaluate

each claim. Determinations by the Board as to the validity of any claim as to amount or otherwise, and as to any other matters pertaining to this Section are final and conclusive.

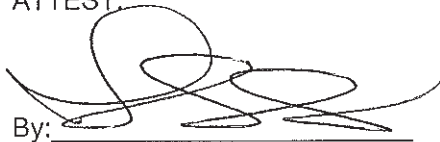
(h) Unavailable Coverage; Additional Rules and Regulations. The Association is not liable for failure to obtain any insurance coverage or to otherwise comply with any other provisions of this Article XII regarding same if such failure is due to unavailability or excessive costs as determined in the sole good faith opinion of the Board, or for any other reason beyond the reasonable control of the Board. The Board is specifically authorized from time to time to adopt and amend policies, procedures, rules and regulations to more fully effectuate the purposes and intent of the provisions of this Article XII.

The amendment of the Declaration set forth above shall be deemed to be a part of and shall be interpreted in accordance with the Declaration. All provisions of the Declaration not amended hereby are hereby ratified and confirmed in each and every particular, and shall continue in full force and effect pursuant to the terms of the Declaration.

IN WITNESS WHEREOF, the President of the Association hereby executes this Amendment evidencing i) the Association's approval of the Amendment, and ii) that Consents attached hereto as Exhibit "A" and incorporated herein represent the approval of this modification to the Declaration by not less than seventy-five percent (75%) of the total votes of the membership of the Association to be effective upon its filing of record in the Official Public Records of Real Property of Galveston County, Texas.

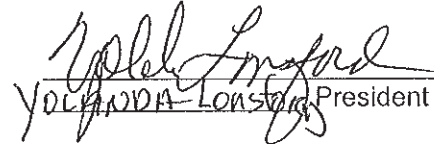
DATED this 17 day of June, 2010.

ATTEST:



By: Ivonne Dominguez, Secretary

KARANKAWA TOWNHOUSE  
OWNERS ASSOCIATION, INC.

By:   
YOLANDA LONSFORD, President

STATE OF TEXAS           §  
                                          §  
COUNTY OF Harris     §

Before me, a notary public, on this day personally appeared YOLANDA Lonstford, President of Karankawa Townhouse Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and, being by me first duly sworn and declared that she executed same in the capacity and consideration therein expressed. Given under my hand and seal of office this 17 day of June, 2010.



Kathleen Gregory  
NOTARY PUBLIC - STATE OF TEXAS



**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

Brian Fox, Manager  
Signature

Paradise Dale Investments, LLC  
Printed Name of Owner

4/26/2010  
Date

Nancy Foye  
Signature

Paradise Dale Investments, LLC  
Printed Name of Owner

4/26/2010  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot 15 in Karankawa Subdivision, Section 2  
Legal Description

17601 San Luis Pass Rd, Galveston, TX  
Street Address (For identification purposes only)

**EXHIBIT "A"**

176356

**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

*Russ Joyce, Manager*  
Signature

*Paradise Isle Investments, LLC*  
Printed Name of Owner

*4/26/2016*  
Date

*Nancy Joyce, Manager*  
Signature

*Paradise Isle Investments, LLC*  
Printed Name of Owner

*4/26/2016*  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot *14* in Karankawa Subdivision, Section 2  
Legal Description

*17603 San Luis Pass Rd, Galveston TX*  
Street Address (For identification purposes only)


**EXHIBIT "A"**

176356

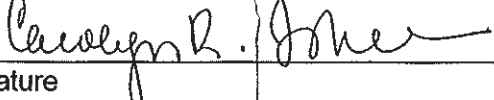
**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

  
Signature  
Jimmy H. Ishee  
Printed Name of Owner

5/2/10  
Date

  
Signature  
Carolyn R. Ishee  
Printed Name of Owner

29 April 10  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot \_\_\_\_\_ in Karankawa Subdivision, Section 2  
Legal Description

17605 San Luis Pass Rd, Galveston, TX  
Street Address (For identification purposes only)

**EXHIBIT "A"**

176356

**CONSENT FORM**


By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

  
\_\_\_\_\_  
Signature

DANIEL DIBOS  
\_\_\_\_\_  
Printed Name of Owner

5/24/2010  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Signature

RYAN HURBS  
\_\_\_\_\_  
Printed Name of Owner

5-28-2010  
\_\_\_\_\_  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot \_\_\_\_\_ in Karankawa Subdivision, Section 2  
Legal Description

17609 San Luis Pass Road  
\_\_\_\_\_  
Street Address (For identification purposes only)

**EXHIBIT "A"**

176356

**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

*Volanda Loustford*  
Signature

YOLANDA LOUSTFORD  
Printed Name of Owner

6/6/10  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Owner

\_\_\_\_\_  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot \_\_\_\_\_ in Karankawa Subdivision, Section 2  
Legal Description

17611 San Luis Pass Rd  
Street Address (For identification purposes only)

**EXHIBIT "A"**

176356

**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

*Yolanda Longford*  
Signature

YOLANDA LONGFORD  
Printed Name of Owner

6/6/10  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Owner

\_\_\_\_\_  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot \_\_\_\_\_ in Karankawa Subdivision, Section 2  
Legal Description

17613 SAN LUIS PASS Rd.  
Street Address (For identification purposes only)

**EXHIBIT "A"**

176356

**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

M. Marie Gage  
Signature

M MARIE GAGE  
Printed Name of Owner

4-29-10  
Date

Bill Gage  
Signature

BILL GAGE  
Printed Name of Owner

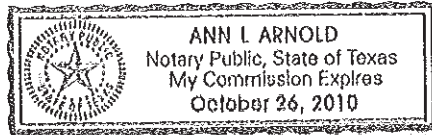
4-29-10  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot 15 in Karankawa Subdivision, Section 2  
Legal Description

17615 San Luis Pass Road  
Street Address (For identification purposes only)

State of Texas  
County of Harris



This instrument was acknowledged before me  
on 29th day of April, 2010 by Bill Gage  
and M. Marie Gage  
Notary Public's Signature Ann L. Arnold  
My commission expires \_\_\_\_\_

**EXHIBIT "A"**

178358

**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

*Linda W Petersen*

Signature

Linda W Petersen

Printed Name of Owner

6/19/10

Date

~~Signature~~

Signature

Printed Name of Owner

\_\_\_\_\_

Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot \_\_\_\_\_ in Karankawa Subdivision, Section 2

Legal Description

17617 San Luis Pass Rd

Street Address (For identification purposes only)

**EXHIBIT "A"**

176356



**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

Mary Ann Ezell  
Signature

Mary Ann Ezell  
Printed Name of Owner

June 18, 2010  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Owner

\_\_\_\_\_  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot 6 in Karankawa Subdivision, Section 2  
Legal Description

17619 San Luis Pass Rd.  
Street Address (For identification purposes only)

**EXHIBIT "A"**

176356

**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

Andre de Kormi  
Signature

Andre de KORVIN  
Printed Name of Owner

4/28/10  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Owner

\_\_\_\_\_  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot \_\_\_\_\_ in Karankawa Subdivision, Section 2  
Legal Description

17621 SAN LUIS PASS ROAD  
Street Address (For identification purposes only)

\_\_\_\_\_

\_\_\_\_\_

**EXHIBIT "A"**

176356

**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**



Signature

Darrell ScheLwick

Printed Name of Owner

4-27-10

Date

Signature

Printed Name of Owner

Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot \_\_\_\_\_ in Karankawa Subdivision, Section 2  
Legal Description

17623 SAN LUIS PASS Road

Street Address (For identification purposes only)

**EXHIBIT "A"**

176356

**CONSENT FORM**

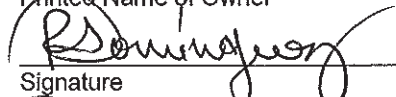
By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

  
Signature

Ivonne Dominguez  
Printed Name of Owner

6/15/10  
Date

  
Signature

Robert J. Dominguez  
Printed Name of Owner

6/15/10  
Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot 3 in Karankawa Subdivision, Section 2  
Legal Description

17625 SAN LUIS PASS ROAD  
Street Address (For identification purposes only)

**EXHIBIT "A"**

136675

**CONSENT FORM**

By my/our signature(s), as representatives of all of the owners of the property listed below, I/we do hereby approve the "First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses" to which this Consent is attached.

**OWNER(S) OF PROPERTY:**

Signature

Printed Name of Owner

Date

Signature

Printed Name of Owner

Date

**OWNERS' PROPERTY  
IN KARANKAWA, SECTION  
2:**

Lot \_\_\_\_\_ in Karankawa Subdivision, Section 2  
Legal Description

Street Address (For identification purposes only)

**EXHIBIT "A"**

176356

**OPEN RECORDS POLICY**  
*for*  
**KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.**

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THE STATE OF TEXAS     §  
                                          §  
COUNTY OF GALVESTON §

I, Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc. (the "Association"), do hereby certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 22 day of December, 2011, with at least a quorum of the board members being present and remaining throughout, and being duly authorized to transact business, the following Open Records Policy was duly approved by a majority vote of the members of the Board:

**RECITALS:**

1. Chapter 209 of the Texas Property Code was amended to amend Section 209.005 to set forth open records procedures and to require property owners' associations to adopt and record open records policies consistent with the procedures set forth in the statute.
2. The new law relating to open records becomes effective on January 1, 2012.
3. The Board of Directors of the Association desires to adopt an open records policy consistent with the provisions of Section 209.005 of the Texas Property Code.

**POLICY:**

It is the policy of the Association to make the books and records of the Association, including financial records, open to and reasonably available for examination by an Owner, or a person designated in a writing signed by the Owner as the Owner's agent, attorney, or certified public accountant (the "Owner's Representative") in accordance with the following provisions:

1. **Request.** An Owner or the Owner's Representative must submit a written request for access or information. The written request must:
  - a. be sent by certified mail to the mailing address of the Association or to the authorized representative of the Association as reflected on the most current Management Certificate of the Association filed of record in accordance with Section 209.004 of the Texas Property Code;
  - b. describe with sufficient detail the books and records of the Association that are requested; and
  - c. state whether the Owner or the Owner's Representative elects to inspect the requested books and records before obtaining copies or have the Association forward copies of the requested books and records.
2. **Election to Inspect.** If an inspection is requested, the Association shall send written notice to the Owner or the Owner's Representative of dates during normal business hours that the Owner or the Owner's Representative may inspect the requested books and records. Such written notice shall be sent on or before the tenth (10<sup>th</sup>) business day after the date the

Association receives the request, unless the Association sends a notice to the Owner or Owner's Representative in accordance with Section 4 below.

3. **Election to Obtain Copies.** If copies of the identified books and records are requested, the Association shall produce copies of the requested books and records on or before the tenth (10<sup>th</sup>) business day after the date the Association receives the request, unless the Association sends a notice to the Owner or Owner's Representative in accordance with Section 4.

4. **Inability to Produce Records Within 10 Days.** If the Association is unable to produce requested books and records on or before the tenth (10<sup>th</sup>) business day after the date the Association receives the request, the Association shall provide written notice to the Owner or the Owner's Representative that:

- a. informs the Owner or the Owner's Representative that the Association is unable to produce the requested books and records on or before the tenth (10<sup>th</sup>) business day after the date the Association received the request; and
- b. states a date by which the requested books and records will be sent or made available for inspection, which date shall not be later than the fifteenth (15<sup>th</sup>) business day after the date such notice is given.

5. **Extent of Books and Records.** The Association shall produce books and records requested by an Owner or an Owner's Representative to the extent those books and records are in the possession, custody or control of the Association.

6. **Time of Inspection; Copies.** If an inspection of books and records is requested or required, the inspection shall take place at a mutually agreed upon time during normal business hours. At the inspection, the Owner or the Owner's Representative shall identify the books and records to be copied and forwarded. The Association shall thereafter make copies of such books and records at the cost of the Owner and forward them to the Owner or the Owner's Representative.

7. **Format.** The Association may produce books and records requested by an Owner or an Owner's Representative in hard copy, electronic or other format reasonably available to the Association.

8. **Costs.** The Association may charge an Owner for the compilation, production or reproduction of books and records requested by the Owner or the Owner's Representative, which costs may include all reasonable costs of materials, labor, and overhead. Costs will be billed at the rates established by Title 1 of the Texas Administrative Code, Section 70.3 ("Section 70.3"), as same may be amended from time-to-time. As of the date of this Policy, the rates set forth below are established by Section 70.3. Should the rates set forth in Section 70.3 ever be different than in this policy (either through amendment or error by this policy) the then current rates set forth in Section 70.3 shall control.

Labor for locating, compiling and reproducing records*	\$15.00 per hour
Copies (8½ x 11 and 8½ x 14)	\$0.10 per page

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\* No labor will be charged if there are 50 or fewer pages unless the documents are in 2 or more separate buildings not physically connected to each other or in a remote storage facility.

Oversize paper copies (11 x 17, greenbar and bluebar)	\$0.50 per page
Specialty papers (blue print and maps)	actual cost
Diskette	\$1.00
Magnetic tape or data or tape cartridge	actual cost
CD	\$1.00
DVD	\$3.00
VHS video cassette	\$2.50
Audio cassette	\$1.00
Other	At the rate provided for in Section 70.3

9. **Advance Payment of Estimated Costs.** The Association shall estimate the costs of compiling, producing and reproducing books and records requested by an Owner or an Owner's Representative on the basis of the rates set forth in Section 8 above. The Association may require advance payment of the estimated costs of compiling, producing and reproducing the requested books and records.

10. **Actual Costs.**

- 10.1. If the actual costs of compiling, producing and reproducing requested books and records are less than or greater than the estimated costs, the Association shall submit a final invoice to the Owner on or before the thirtieth (30<sup>th</sup>) business day after the date the requested books and records are delivered.
- 10.2. If the final invoice includes additional amounts due from the Owner, the Owner shall be required to pay the additional amount to the Association before the thirtieth (30<sup>th</sup>) business day after the date the invoice is sent to the Owner.
- 10.3. If the final invoice indicates that the actual costs are less than the estimated costs, the Association shall refund the excess amount paid by the Owner not later than the thirtieth (30<sup>th</sup>) business day after the date the invoice is sent to the Owner.
- 10.4. If the Owner fails to pay to the Association the additional amounts shown in the final invoice in accordance with Subsection 10.1 above, the Association may add the additional amount to the Owner's assessment account as an assessment.

11. **Books and Records Not Required to be Produced.**

- 11.1. Unless an Owner whose records are the subject of a request provides express written approval to the Association or unless a court order is issued directing either the release of books and records or that books and records be made available for inspection, the Association is not required to release or allow inspection of books and records that:
  - a. identify the history of violations of dedicatory instruments of an individual Owner;



- b. disclose an Owner's personal financial information, including records of payment or nonpayment of amounts due the Association;
- c. disclose an Owner's contact information, other than the Owner's address; or
- d. disclose information related to an employee of the Association, including personnel files.

11.2. The Association is also not required to release or allow inspection of ballots cast in an election or removal of Directors, except as required by a recount procedure in accordance with Section 209.0057 of the Texas Property Code.

11.3. In addition, information may be released in an aggregate or summary manner that will not identify an individual property Owner.

12. **Business Day.** As used in this policy, "business day" means a day other than a Saturday, Sunday or state or federal holiday.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Open Records Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Galveston County, Texas.

TO CERTIFY which witness my hand this the 23 day of December, 2011.

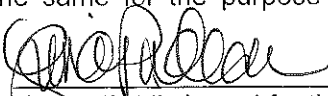
KARANKAWA TOWNHOUSE OWNERS  
ASSOCIATION, INC.

By:   
Ivonne Dominguez, Secretary

THE STATE OF TEXAS           §  
                                                  §  
COUNTY OF Harris           §

BEFORE ME, the undersigned notary public, on this 23 day of December, 2011 personally appeared Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.



  
Notary Public in and for the State of Texas

Return to:  
Butler | Hailey  
8901 Gaylord, Suite 100  
Houston, Texas 77024

207029

**PAYMENT PLAN POLICY**  
*for*  
**KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.**

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THE STATE OF TEXAS     §  
                                          §  
COUNTY OF GALVESTON §

I, Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc. (the "Association"), do hereby certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 22 day of December, 2011, with at least a quorum of the board members being present and remaining throughout, and being duly authorized to transact business, the following Payment Plan Policy was duly approved by a majority vote of the members of the Board:

**RECITALS:**

1. Chapter 209 of the Texas Property Code was amended to add Section 209.0062 to require property owners' associations to adopt reasonable guidelines to establish an alternative payment schedule by which an Owner may make partial payments for delinquent regular or special assessments or any other amount owed to the Association without accruing additional monetary penalties.
2. The new law relating to alternative payment schedules (i.e., payment plans) becomes effective on January 1, 2012.
3. The Board of Directors of the Association desires to adopt a payment plan policy consistent with the provisions of Section 209.0062 of the Texas Property Code.

**POLICY:**

It is the policy of the Association to provide an alternative payment schedule by which an Owner may make payments to the Association for delinquent regular or special assessments or other amounts owed to the Association without accruing additional monetary penalties, as follows:

1. **Applicability.** This policy only applies to delinquent regular assessments, special assessments or other amounts owed the Association prior to the debt being turned over to a "collection agent" as that term is defined by Section 209.0064 of the Texas Property Code.
2. **Term.** The term for a payment plan offered by the Association shall be as follows:
  - Total balance due to the Association, up to two (2) times the current annual assessment = a minimum of three (3) months up to a maximum of six (6) months. The Owner shall determine whether the term shall be for the maximum or a shorter term.

- Total balance due to the Association, up to three (3) times the current annual assessment = a minimum of three (3) months up to a maximum of twelve (12) months. The Owner shall determine whether the term shall be for the maximum or a shorter term.
- Total balance due to the Association, greater than three (3) times the current annual assessment = a minimum of three (3) months up to a maximum of eighteen (18) months. The Owner shall determine whether the term shall be for the maximum or a shorter term.

3. **Payment Plan Agreement.** The Owner shall be obligated to execute a payment plan agreement ("Payment Plan Agreement") which sets forth the total amount to be paid, the term of the payment plan, the due date for and amount of each payment, and the address to which payments are to be mailed or delivered. A payment plan shall not be effective until the Owner executes the required Payment Plan Agreement.

4. **Sums Included in Plan.** The payment plan shall include all delinquent regular and/or special assessments and other sums owed to the Association as of the effective date of the Payment Plan Agreement. The payment plan shall not include any assessments which have not become due and payable to the Association as of the effective date of the Payment Plan Agreement. The Payment Plan Agreement shall provide that any assessments or other valid charges that become due and payable to the Association per the dedicatory instruments of the Association during the term of the payment plan must be paid in a timely manner.

5. **Grace Period.** There will be a grace period of three (3) business days from the due date for a payment. If a payment is not received at the address set forth in the Payment Plan Agreement by the close of business on the third (3<sup>rd</sup>) business day following the date on which the payment is due, the Owner shall be deemed to be in default of the Payment Plan Agreement.

6. **Administrative Costs and Interest.** The Association shall add to the delinquent assessments and other amounts owed to the Association to be paid in accordance with the Payment Plan Agreement reasonable costs for administering the payment plan. During the term of the payment plan, interest at the rate provided in the Declaration or by law shall continue to accrue on delinquent assessments.

7. **Monthly Penalties.** During the term of the payment plan, the Association shall not impose any monetary penalties with respect to the delinquent assessments and other charges included in the payment plan, except as provided in Section 6. Monetary penalties include late charges and fees otherwise charged by the management company and/or Association and added to the Owner's account as a result of the account being delinquent, if any.

8. **Default.** If an Owner fails to make a payment to the Association by the end of the grace period applicable to the due date for that payment, the Owner shall be in default of the Payment Plan Agreement, at which point the Payment Plan Agreement shall automatically become void. The Association may notify the Owner that the Payment Plan Agreement is void as a result of the Owner's default, but notice to the Owner shall not be a prerequisite for the Payment Plan Agreement to become void. If the Association receives a payment after the expiration of the grace period and before the Association notifies the Owner that the Payment Plan Agreement is void, the Association may accept the payment and apply it to the Owner's


account. The acceptance of a payment made by an Owner after the Payment Plan Agreement has become void shall not reinstate the Payment Plan Agreement.

9. Owners Not Eligible for a Payment Plan. The Association is not required to enter into a payment plan with an Owner who failed to honor the terms of a previous payment plan during the two (2) years following the Owner's default under the previous payment plan.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Payment Plan Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Galveston County, Texas.

TO CERTIFY which witness my hand this the 23 day of December, 2011.

KARANKAWA TOWNHOUSE OWNERS  
ASSOCIATION, INC.

By:   
Ivonne Dominguez, Secretary

THE STATE OF TEXAS           §  
                                                  §  
COUNTY OF HARRIS           §

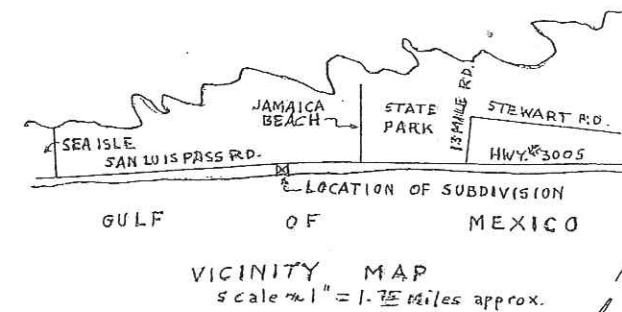
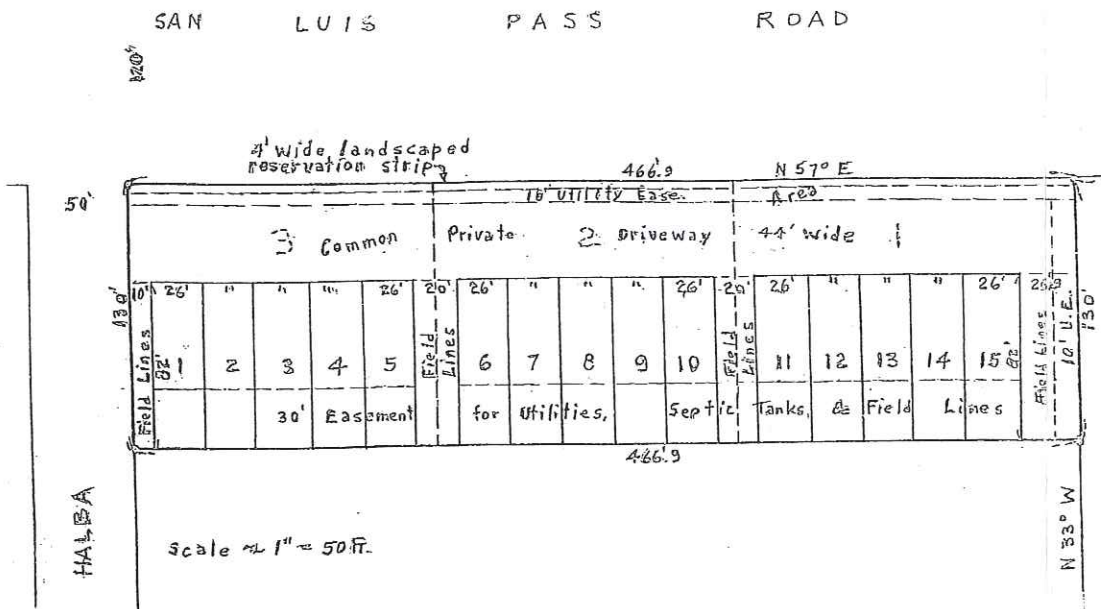
BEFORE ME, the undersigned notary public, on this 23 day of December, 2011 personally appeared Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.



  
Notary Public in and for the State of Texas

Return to:  
Butler | Hailey  
8901 Gaylord, Suite 100  
Houston, Texas 77024  
207027

17625



**KARANKAWA SUBDIVISION, SECTION #2**

Being a re-subdivision of Lots 1, 2, & 3 of Karankawa subdivision, as located in Division #1 of section 10 of Halt & Jones Survey, Galveston County, Texas.

THE STATE OF TEXAS  
COUNTY OF GALVESTON

Know all men by these presents, that William Sanders, being the owner of that certain tract or parcel of land lying and being situated in Galveston County, Texas, subdivided in the accompanying map of KARANKAWA SUBDIVISION, SECTION 2, does hereby make subdivision of said property according to the lines, lots, and easements as hereon shown, and does hereby dedicate to the public use, as such, the said easements as shown, and designates said subdivision KARANKAWA SUBDIVISION, SECTION #2. The private roadway, as shown hereon, may not be closed or abandoned without the unanimous consent of all Lot owners.

OWNER  
WILLIAM SANDERS  
Peter Reilly  
By Attorney-In-fact

April 19, 1982  
DATE

THE STATE OF TEXAS  
COUNTY OF GALVESTON

Before me, the undersigned, on this day personally appeared Peter Reilly, Attorney in Fact known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

Given under my hand and seal of office this the 19th day of April, 1982.

Bonnie B. Spawforth  
NOTARY PUBLIC IN AND FOR GALVESTON COUNTY, TEXAS.

The subdivision, in the CITY and COUNTY OF GALVESTON, TEXAS, as set forth in this plat, has been approved by the GALVESTON PLANNING COMMISSION this 20th day of April, 1982.

Carson H. Davis  
CHAIRMAN  
GALVESTON PLANNING COMMISSION

Paul H. ...  
SECRETARY  
GALVESTON PLANNING COMMISSION

"For Flood Insurance purposes, the Federal Insurance Administrator has determined that the minimum first floor elevation for residential structures in this subdivision must be 13 feet above Mean Sea Level."

Filed for Record on May 20, 1982 at 10:16 A.M. o'clock 16/46  
Recorded on May 20, 1982 at 10:30 A.M. o'clock  
Mary Jane Christensen, County Clerk  
By: Vincente ... for ...

THE STATE OF TEXAS  
COUNTY OF GALVESTON  
I, Van A. Barnett, Registered Public Surveyor in the STATE OF TEXAS, hereby certify that this plat was prepared by me from an actual on the ground survey of the property and is believed to be correct. Property markers and monuments were placed on the ground by me.  
Van A. Barnett  
Van A. Barnett, Registered Public Surveyor #1320 c.



**RECORDS RETENTION POLICY**  
*for*  
**KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.**

THE STATE OF TEXAS           §  
                                           §  
 COUNTY OF GALVESTON       §

I, Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc. (the "Association"), do hereby certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 22 day of December, 2011, with at least a quorum of the board members being present and remaining throughout, and being duly authorized to transact business, the following Records Retention Policy was duly approved by a majority vote of the members of the Board:

**RECITALS:**

1. Chapter 209 of the Texas Property Code was amended to add Section 209.005(m) requiring property owners' associations to adopt a records retention policy and to set forth minimum retention periods for particular types of documents.
2. The new law becomes effective on January 1, 2012.
3. The Board of Directors of the Association desires to adopt a records retention policy consistent with the new law.

**POLICY:**

It is the policy of the Association to retain the records of the Association listed below for the periods of time set forth below. Provided, however, at the option of the Board of Directors, documents may be retained for a longer period of time. The Association is not required to retain any other records. As used herein, "records" means documents originated or obtained by the Association in connection with its operations, whether a paper document or a document in electronic form. To the extent that the Association does not currently have copies of Association records for the time periods described in this policy, this policy shall only be applicable to Association records created after the date this policy is adopted.

1. Retention Periods.

Record Description	Record Retention Period
a) Financial records (including budgets, financial reports, bank records, and paid invoices)	Seven (7) years
b) Account records (including records relating to assessments and other sums owed and paid to the Association and records relating to violations of any dedicatory instrument of the Association)	Five (5) years

of current owners	
c) Account records (including records relating to assessments and other sums owed and paid to the Association and records relating to violations of any dedicatory instrument of the Association) of former owners	One (1) year after the former owner ceases to own a lot in the subdivision
d) Contracts	Four (4) years after expiration or termination of the contract
e) Minutes of meetings of the Board of Directors	Seven (7) years
f) Minutes of meetings of the members	Seven (7) years
g) Federal tax returns	Seven (7) years
h) State tax returns, if any	Seven (7) years
i) Audit reports	Seven (7) years
j) Certificate of Formation and Bylaws of the Association and all amendments; Declaration of Covenants, Conditions and Restrictions for each section within the subdivision and all amendments and supplements to each Declaration; annexation documents; and deeds conveying real property to the Association	Permanently
k) Other dedicatory instruments of the Association not listed in (j), above, including, without limitation, Architectural Guidelines, Rules and Regulations and Policies	One (1) year after the date the document is rescinded or superseded by another document
l) Minutes and reports of committees	Seven (7) years
m) Insurance policies	Four (4) years after expiration or termination of the policy
n) Insurance claims and related documents	Four (4) years after the claim is resolved
o) Personnel records, excluding payroll records	Permanently
p) Payroll records	Five (5) years after the date of termination of employment
q) Reserve study	For the period of time covered by the study, plus two (2) years
r) Legal opinions issued by counsel for the Association	Permanently

s) Suit files	Seven (7) years after the date the suit is resolved
---------------	-----------------------------------------------------

**2. Destruction of Documents.**

The documents listed in Section 1 above, will be destroyed as soon as practicable when the applicable retention period expires. Other documents of the Association not listed in Section 1 above, will be destroyed when deemed appropriate by the Board of Directors of the Association. Destruction of paper documents shall be by shredding, bagging and trash pick-up, unless another method of destroying the documents is approved by the Board of Directors of the Association. Destruction of electronic documents shall be by deletion from hard disks and reformatting of removable disks.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Records Retention Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Galveston County, Texas.

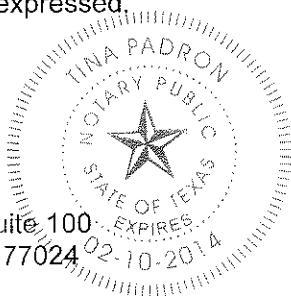
TO CERTIFY which witness my hand this the 23 day of December, 2011.

KARANKAWA TOWNHOUSE OWNERS  
ASSOCIATION, INC.

By:   
Ivonne Dominguez, Secretary

THE STATE OF TEXAS           §  
                                                  §  
COUNTY OF Harris           §

BEFORE ME, the undersigned notary public, on this 23 day of December, 2011 personally appeared Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.



  
Notary Public in and for the State of Texas

Return to:  
Butler | Hailey  
8901 Gaylord, Suite 100  
Houston, Texas 77024  
207028



**GUIDELINES RELATING TO RAIN BARRELS AND RAIN HARVESTING SYSTEMS,  
SOLAR ENERGY DEVICES, STORM AND ENERGY EFFICIENT SHINGLES,  
FLAGS, AND RELIGIOUS ITEMS**

*for*  
**KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.**

---

THE STATE OF TEXAS       §  
                                          §  
COUNTY OF GALVESTON   §

I, Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc. (the "Association"), do hereby certify that at a meeting of the Board of Directors of the Association (the "Board"), duly called and held on the 22 day of December, 2011, with at least a quorum of the Board being present and remaining throughout, and being duly authorized to transact business, the following "Guidelines Relating to Rain Barrels and Rain Harvesting Systems, Solar Energy Devices, Storm and Energy Efficient Shingles, Flags, and Religious Items" was duly approved by a majority vote of the members of the Board in attendance:

**RECITALS:**

1. Chapter 202 of the Texas Property Code was amended to add sections relating to rain barrels and rain harvesting systems, solar energy devices, storm and energy efficient shingles, flags, and religious items.
2. The amendments relating to solar energy devices, storm and energy efficient shingles, flags and religious items became effective on June 17, 2011 and the amendments relating to rain barrels and rain harvesting systems became effective on September 1, 2011.
3. The Board of Directors of the Association desires to adopt guidelines relating to rain barrels and rain harvesting systems, solar energy devices, storm and energy efficient shingles, flags, and religious items consistent with the applicable provisions in Chapter 202 of the Texas Property Code.

**GUIDELINES:**

Section 1. Definitions. Capitalized terms used in these Guidelines have the following meanings:

- 1.1. **Board** - The Board of Directors of Karankawa Townhouse Owners Association, Inc.
- 1.2. **Declaration** – shall mean the following:
  - Documents:
    - (1) Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses.
    - (2) First Amendment to Declaration of Amended and Restated Covenants, Conditions and Restrictions for Karankawa Townhouses.

Any subsequent amendments and supplements thereof.

- Recording Information:
  - (1) Galveston County Clerk's File No. 2007053496.
  - (2) Galveston County Clerk's File No. 2010032565.

- 1.3. **Dedictory Instrument (or dedicatory instrument)** - Each document governing the establishment, maintenance or operation of the properties within Karankawa, as more particularly defined in Section 202.001 of the Texas Property Code.
- 1.4. **Guidelines** - These Guidelines Relating to Rain Barrels and Rain Harvesting Systems, Solar Energy Devices, Storm and Energy Efficient Shingles, Flags, and Religious Items for Karankawa Townhouse Owners Association, Inc.
- 1.5. **Karankawa** – Karankawa Subdivision, Section 2, a subdivision in Galveston County, Texas, according to the map or plat thereof, recorded in Volume 16, Page 46 of the Map records of Galveston County, Texas and all amendments to or replats of said maps or plats, if any.

Other capitalized terms used herein have the same meanings as that ascribed to them in the Declaration.

**Section 2. Rain Barrels and Rain Harvesting Systems.** Section 202.007 of the Texas Property Code provides that a property owners' association may not enforce a provision in a dedicatory instrument that prohibits or restricts a property Owner from installing rain barrels or a rain harvesting system on the property Owner's Lot. However, Section 202.007 of the Texas Property Code further provides that a property owners' association is not required to permit a rain barrel or rainwater harvesting system to be installed on a Lot in particular circumstances or restricted from regulating rain barrels and rain harvesting devices in specified manners.

The following Guidelines shall be applicable to rain barrels and rain harvesting systems in Karankawa:

- 2.1. **Board Approval.** In order to confirm the proposed rain barrel or rain harvesting device is in compliance with these Guidelines, Owners are encouraged to apply to the Board for prior approval. If a downspout is proposed to be utilized with a rain barrel it must first be approved in writing by the Board. The Association may require an Owner to remove a rain barrel or rain harvesting device that does not comply with requirements of these Guidelines.
- 2.2. **Location.** A rain barrel or rain harvesting system must be located on an Owner's Lot and is not permitted on a Lot between the front of the Townhouse and an adjacent street.
- 2.3. **Color and Display.** A rain barrel or rain harvesting system is not permitted:
  - a. unless the color of the rain barrel or rain harvesting system is consistent with the color scheme of the Townhouse on the Owner's Lot; or

- b. if the rain barrel or rain harvesting system displays any language or other content that is not typically displayed by the rain barrel or rain harvesting system as it is manufactured.

**2.4. Regulations if Visible.** If a rain barrel or rain harvesting system is located on the side of the Townhouse on the Lot or at any other location on the Lot that is visible from a street, another Lot, or a common area, the rain barrel or rain harvesting system must comply with the following regulations:

a. Rain Barrel:

- (i) Size: A maximum height of forty-two (42) inches and a maximum capacity of fifty (50) gallons.
- (ii) Type: A rain barrel that has the appearance of an authentic barrel and is either entirely round or has a flat back to fit flush against a wall. A rain barrel must have a manufactured top or cap to prevent or deter the breeding of mosquitoes.
- (iii) Materials: Wood, metal, polyethylene or plastic resin designed to look like an authentic barrel in brown or other earthtone color.
- (iv) Screening: The rain barrel must be screened with evergreen landscaping or other screening approved by the Board to minimize its visibility from a street, another Lot, and common area, unless otherwise approved in writing by the Board.
- (v) Downspout: If a downspout is to be utilized it must be approved by the Board and if approved be the same color and material as the gutters on the Townhouse, if any.

- b. Rain Harvesting System: A rain harvesting system must collect and store the water underground. The portion of a rain harvesting system that is above-ground must appear to be a landscape or water feature. The above-ground portion of the rain harvesting system shall not extend above the surface of the ground by more than thirty-six (36) inches. The above-ground portion of the rain harvesting system must be screened with evergreen landscaping (or other improvement approved by the Board) to minimize visibility from a street, another Lot, and common area, unless otherwise approved in writing by the Board.

Provided that, the regulations in this Section 2.4 shall be applicable only to the extent that they do not prohibit the economic installation of the rain barrel or rain harvesting system on the Lot and there is a reasonably sufficient area on the Lot in which to install the rain barrel or rain harvesting system.

**Section 3. Solar Energy Devices.** Section 202.010 of the Texas Property Code provides that a property owners' association may not enforce a provision in a dedicatory instrument that prohibits or restricts a property Owner from installing a solar energy device except as otherwise provided therein. As used in Section 202.010 of the Texas Property Code, "solar energy device" has the meaning assigned by Section 171.107 of the Tax Code, which defines the term as "a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated power". The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

However, Section 202.010 of the Texas Property Code further provides that a property owner's association may (i) enforce a provision in a dedicatory instrument that prohibits a solar energy device that is located on property owned or maintained by the property owner's association, and (ii) requires a solar energy device to be located in a fenced yard or patio owned and maintained by the Owner.

The Declaration obligates the Association to maintain, repair and replace the roofs of all Townhouses within Karankawa and further there are no fenced yards or patios the Owner maintains. **Accordingly, Owners and occupants of Townhouses CANNOT install solar energy devices in Karankawa.**

**Section 4. Storm and Energy Efficient Shingles.** Section 202.011 of the Texas Property Code provides that a property owners' association may not enforce a provision in a dedicatory instrument that prohibits or restricts a property Owner who is otherwise authorized to install shingles on the roof of the Owner's property from installing shingles that:

- a. are designed to:
  - (i) be wind and hail resistant;
  - (ii) provide heating and cooling efficiencies greater than those provided by customary composition shingles; or
  - (iii) provide solar generation capabilities; and
- b. when installed:
  - (i) resemble the shingles used or otherwise authorized for use on property in the subdivision;
  - (ii) are more durable than and are of equal or superior quality to the shingles described below; and
  - (iii) match the aesthetics of the property surrounding the Owner's property.

The Declaration obligates the Association to maintain, repair and replace the roofs of all buildings within Karankawa. **Accordingly, Owners and occupants of Townhouses CANNOT install storm or energy efficient shingles on the roofs of the Townhouses.**

**Section 5. Flags.** Section 202.011 of the Texas Property Code provides that a property owners' association may not enforce a provision in a dedicatory instrument that prohibits, restricts, or has the effect of prohibiting or restricting a flag of the United States of America, the flag of the State of Texas, or an official or replica flag of any branch of the United States armed forces, except as otherwise provided therein. Section 202.011 of the Texas Property Code further provides that a property owners' association may prohibit an owner from locating a flag or flagpole on property owned or maintained by a property owners' association.

The following Guidelines shall be applicable to flagpoles and the three (3) types of flags listed in Section 202.011 of the Texas Property Code:

- 5.1. **Board Approval.** The Declaration obligates the Association to maintain and repair all exterior building surfaces and the Association maintains other exterior areas of land on an Owner's Lot. **Accordingly, a flagpole may not be attached or**

mounted on an exterior wall of a Townhouse or elsewhere on a Lot without the prior written approval of the Board.

- 5.2. **Flag of the United States.** The flag of the United States must be displayed in accordance with applicable provisions of 4 U.S.C. Sections 5-10, which address, among other things, the time and occasions for display, the position and manner of display, and respect for the flag.
- 5.3. **Flag of the State of Texas.** The flag of the State of Texas must be displayed in accordance with applicable provisions of Chapter 3100 of the Texas Government Code, which address, among other things, the orientation of the flag on a flagpole or flagstaff, the display of the flag with the flag of the United States, and the display of the flag outdoors.
- 5.4. **Flagpoles.**
  - a. Not more than two (2) flagpoles attached to the Townhouse (on a permanent or temporary basis) are permitted on a Lot, which may not exceed two inches (2") in diameter and six feet (6') in length.
- 5.5. **Flags.**
  - a. Only the three (3) types of flags addressed in this Section shall be displayed on a flagpole. Other types of flags may be displayed on a wall-mounted flagpole as otherwise provided in architectural guidelines adopted by the Association or as otherwise permitted by the Board.
  - b. Not more than two (2) of the permitted types of flags shall be displayed on a flagpole at any given time.
  - c. The maximum dimensions of a displayed flag on a flagpole attached to the Townhouse shall be three (3) feet by five (5) feet.
  - d. A displayed flag must be maintained in good condition; a deteriorated flag must be replaced or removed.
  - e. A flag must be displayed on a flagpole. A flag shall not be attached to the wall of the Townhouse or other structure on a Lot or a fence, or be displayed in a window of the Townhouse or other structure on a Lot.
- 5.6. **Illumination.** Illumination of a flag is permitted but the lighting must be approved by the Board. High intensity lighting such as mercury vapor, high pressure sodium, or metal halide is not permitted. The lighting is required to be compatible with exterior lighting within the subdivision and appropriate for a residential neighborhood. Lighting used to illuminate a flag shall be positioned in a manner so that the lighting is not directed toward an adjacent Lot or a street adjacent to the Lot and does not otherwise unreasonably affect an adjacent Lot.
- 5.7. **Noise.** An external halyard on a flagpole is required to be securely affixed to the flagpole so that it is not moved by the wind and thereby permitted to clang against the flagpole.

**Section 6. Religious Items.** Section 202.018 of the Texas Property Code provides that a property owners' association may not enforce or adopt a restrictive covenant that prohibits a property Owner or resident from displaying or affixing on the entry to the Owner's or resident's dwelling one or more religious items, the display of which is motivated by the Owner's or resident's sincere religious belief, except as otherwise provided therein. Section 202.001(4) of the Texas Property Code defines "restrictive covenant" to mean any covenant, condition, or restriction contained in a dedicatory instrument.


The following Guidelines shall be applicable to the display of religious items in Karankawa:

- 6.1. **Board Approval.** As authorized by the Declaration and, therefore, allowed by Section 202.018(c) of the Texas Property Code, any alteration to the entry door or door frame must first be approved by the Board.
- 6.2. **Location.** Except as otherwise provided in this Section, a religious item is not permitted anywhere on a Lot except on the entry door or door frame of the Townhouse. A religious item shall not extend past the outer edge of the door frame.
- 6.3. **Size.** The religious item(s), individually or in combination with each other religious item displayed or affixed on the entry door or door frame, shall not have a total size of greater than twenty-five (25) square inches.
- 6.4. **Content.** A religious item shall not contain language, graphics, or any display that is patently offensive to persons of ordinary sensibilities.
- 6.5. **Limitation.** A religious item shall not be displayed or affixed on an entry door or door frame if it threatens the public health or safety or violates a law.
- 6.6. **Color of Entry Door and Door Frame.** An Owner or resident is not permitted to use a color for an entry door or door frame of the Owner's or resident's Townhouse or change the color of an entry door or door frame that is not authorized by the Board.
- 6.7. **Other.** Notwithstanding the above provisions these Guidelines shall not prohibit or apply to temporary seasonal decorations related to religious holidays.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Guidelines Relating to Rain Barrels and Rain Harvesting Systems, Solar Energy Devices, Storm and Energy Efficient Shingles, Flags, and Religious Items was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Galveston County, Texas.

TO CERTIFY which witness my hand this the 23 day of December, 2011.

KARANKAWA TOWNHOUSE OWNERS  
ASSOCIATION, INC.

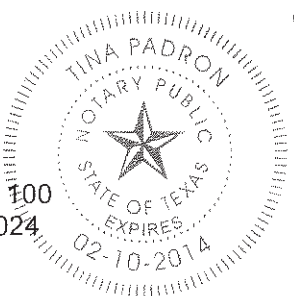
By:   
Ivonne Dominguez, Secretary

THE STATE OF TEXAS     §  
                                          §  
COUNTY OF Harris     §

BEFORE ME, the undersigned notary public, on this 23 day of December, 2011 personally appeared Ivonne Dominguez, Secretary of Karankawa Townhouse Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.

  
Notary Public in and for the State of Texas

Return to:  
Butler | Hailey  
8901 Gaylord, Suite 100  
Houston, Texas 77024  
207030



## **KTOA At – A - Glance Rules**

The following are the Rules for Karankawa Townhouse Owners Association. Homeowners who rent their units are responsible for conveying the Association's rules to the rental company of their choice and to renters.

- ▶ External additions or changes - modifications or additions to the structure of the building including but not limited to flag poles, exterior antennae, and landscaping require approval by the Architectural Control Committee.
- ▶ Contractors – prove of insurance (commercial liability and workers compensation) needs to be directed to the Board of KTOA by any contractor performing work on part of the property for which the Association would be responsible or for any work performed on the exterior of the property. The homeowner is responsible for ensuring that this happens BEFORE any work begins.
- ▶ Trash – pick-up is Monday mornings. All regular trash must be placed in dumpster. HEAVY TRASH: must be hauled away at owner or contractor's expense.
- ▶ Bar-B- Q Usage – the City of Galveston's regulations prohibit use of charcoal bar-b-q on all decks and at least 10 feet from stairs and storage room areas. Owners must abide by this regulation.
- ▶ Pets – animal droppings are expected to be immediately cleaned up and sanitarily disposed. All pets shall be lashed when outside.
- ▶ **Parking** – parking is limited to each homeowners driveways and NOT on common driveway or common ground or where marked by designated signs.
- ▶ Noise Disturbances – report any disturbances to the Galveston Police department

### **Homeowner's Maintenance Responsibilities**

- ▶ Window frames and doors – periodic inspections for heavy flashing rust damage around the windows and doors. Any replacement of windows must meet the state requirements for Windstorm and Hail Insurance coverage and a certificate of inspection is due upon completion of job..
- ▶ Fireplace Inspections - fireplaces that are or can be in use require an annual inspection. Certificate of inspection must be provided to the board of KTOA.
- ▶ Septic Tanks – disposal of non-biodegradable items such as hair, shrimp peel, egg shells, facial tissue, coffee grinds, and cigarette butts will cause damage to the septic tank. These are not to be disposed of through plumbing.