



**DECLARATION OF CONDOMINIUM REGIME FOR
POND SPRINGS OFFICE CONDOMINIUM**

THE STATE OF TEXAS §
COUNTY OF WILLIAMSON §

LOTT BROTHERS CONSTRUCTION COMPANY, LTD., a Texas limited partnership ("Declarant"), is the owner of approximately 2.01 acres of real property located in Williamson County, Texas, as more particularly described on Exhibit "A", attached hereto and incorporated herein by reference (the "Land"), together with all improvements thereon and all easements, rights and appurtenances thereto (collectively, the "Improvements"). The Land and Improvements are hereby made subject to a condominium regime in accordance with the provisions of Chapter 82 of the Texas Property Code (the "Uniform Act") and the provisions of this Declaration of Condominium Regime for Pond Springs Office Condominium (the "Declaration").

BASIC PROVISIONS

- A. (i) NAME OF CONDOMINIUM: Pond Springs Office Condominium
- (ii) NAME OF ASSOCIATION: PSPP Owners Association, Inc., a
Texas non-profit corporation
- B. COUNTY IN WHICH CONDOMINIUM IS LOCATED: Williamson
- C. DESCRIPTION OF UNIT BOUNDARIES AND IDENTIFYING NUMBER:
See Section 1.23 and Exhibit "B-2", attached hereto and incorporated herein by reference.
- D. MAXIMUM NUMBER OF UNITS DECLARANT MAY CREATE: Twenty-three (23).
- E. REAL PROPERTY WHICH MAY BE LATER ALLOCATED AS A LIMITED COMMON ELEMENTS: The Board may, from time to time, designate portions of the Common Elements as Limited Common Elements, may designate portions of the Common Elements for use by non-owners for specified periods of time, or may limit the use of Common Elements to those persons paying fees or satisfying other reasonable conditions for use as may be established by the Board.
- F. INTEREST IN COMMON ELEMENTS ALLOCATED TO EACH UNIT:

Unit Designated by Identifying No.	Allocation of Interest In Common Areas
101	.0433952%
102	.0433952%
103	.0433952%
104	.0433952%
201	.0434957%
202	.0434957%
203	.0434957%
204	.0434957%

301	.0434957%
302	.0434957%
303	.0434957%
304	.0434957%
401	.0434957%
402	.0434957%
403	.0434957%
404	.0434957%
405	.0434957%
501	.0434957%
502	.0434957%
503	.0434957%
504	.0434957%
505	.0434957%
506	.0434957%

- G. RESTRICTIONS ON USE, OCCUPANCY OR ALIENATION OF UNITS: The regime is a commercial condominium. Restrictions on use, occupancy and alienation of units are set forth in Article Five of the Declaration.
- H. DESCRIPTION OF AND RECORDING DATA FOR RECORDED EASEMENTS, AND LICENSES APPURTENANT TO OR INCLUDED IN THE CONDOMINIUM OR TO WHICH ANY PORTION OF THE CONDOMINIUM IS OR MAY BECOME SUBJECT BY RESERVATION IN THIS DECLARATION: See Exhibit "B-4" attached hereto and incorporated herein for all purposes.
- I. METHODS FOR AMENDING THE DECLARATION: See Article Eight of the Declaration, and Uniform Act §82.061 and §82.062.
- J. PLAT AND PLAN: See: (i) Exhibit "B-1", which, inter alia, identifies certain Limited Common Elements and General Common Elements; (ii) Exhibit "B-2", which, inter alia, identifies the Units (subject to alteration pursuant to Section L(i)(e); and (iii) Exhibit "B-3", which, inter alia, identifies the Buildings (subject to alteration pursuant to Section L(i)(d)).
- K. ASSOCIATION'S OBLIGATIONS TO REBUILD OR REPAIR FOLLOWING A CASUALTY OR OTHER DISPOSITION OF CASUALTY INSURANCE PROCEEDS: See Article Seven of the Declaration and §82.111 of the Uniform Act.
- L. (i) SPECIAL RIGHTS RESERVED BY DECLARANT:
- (a) Signs. See Section 5.10 of the Declaration.
 - (b) Amendments. See Section 8.1 of the Declaration.
 - (c) Use of Easements and Rights of Entry. See Section 6.3 of the Declaration.
 - (d) Changes in Plans Initially Assigned to the Buildings. Exhibit "B-1" and Exhibit "B-3" include a vertical and horizontal description of the Buildings constructed or contemplated to be constructed upon the Land. Declarant reserves the right to change, modify, or amend the vertical and horizontal description assigned to the Building, so long as Declarant is the owner of all Units constructed or contemplated to be constructed within the Building, which change, modification, or amendment may affect the size, appearance and/or mechanical, structural, and other components of the Building to which such vertical and/or horizontal description relates. In the event Declarant elects to change the vertical and/or

horizontal description assigned to the Building pursuant to this Section L(i)(d), a Notice of Substantial Completion shall be filed in the Real Property Records of Williamson County, Texas, which Notice shall include a vertical and horizontal description of the Building actually constructed upon the Land, and shall automatically amend this Declaration for the purpose of defining the Building.

(e) Changes in the Plans Initially Assigned to Each Unit. Exhibit "B-2" includes a horizontal description of the floor plan of each Unit constructed or to be constructed within the Building. Declarant reserves the right to change, modify, or amend a floor plan assigned to a Unit, so long as Declarant, or any assignee of Declarant's rights reserved pursuant to this subsection (e), is the owner of the Unit, which change, modification, or amendment may affect the size, appearance, and/or mechanical, structural, and other components of the Unit to which such horizontal description relates. In the event Declarant elects to change the floor plan assigned to a Unit owned by Declarant, Declarant shall file, upon substantial completion of such Unit to which the floor plan relates, a Notice of Substantial Completion, in accordance with the provisions of Section 1.23, which describes the floor plan actually constructed within the Unit.

(f) Completion of Improvements Indicated on Plat and Plan. Declarant reserves the right to complete the Buildings, Units, and other improvements shown on Exhibit "B", as revised, modified, or amended pursuant to Basic Provision L(i)(d), L(i)(e), or any other applicable term or provisions of this Declaration, which right shall continue until such time as Declarant, or any assignee of Declarant's rights reserved pursuant to this subsection (f), no longer owns any Unit within the regime.

(g) Officer and Director Appointment and Removal Powers. Declarant reserves the right to appoint and remove, at any time and from time to time, with or without cause, the officers and directors of the Association. Notwithstanding any provision in this subsection (g) to the contrary, not later than the one hundred twentieth (120th) day after conveyance of fifty percent (50%) of the Units to Owners other than Declarant, one-third (1/3) of the members of the Board shall be elected by Unit Owners other than Declarant.

- (ii) **TRANSFER OF SPECIAL DECLARANT RIGHTS.** The rights reserved to Declarant under this Declaration may be transferred only as provided in §82.104 of the Uniform Act.
- (iii) **TIME LIMITS BY WHICH DECLARANT MUST EXERCISE RIGHTS:** Unless sooner terminated by instrument executed by Declarant and recorded in the Real Property Records of Williamson County, Texas, all rights reserved by the Declarant under this Declaration, other than the rights granted Declarant pursuant to Basic Provisions L(i)(a), (e), and (f), shall terminate one hundred twenty (120) days after seventy-five percent (75%) of the Units have been conveyed to owners other than the Declarant. The rights granted to Declarant pursuant to Basic Provision L(i)(a) and (f) shall terminate at such time as Declarant, or any assignee of Declarant to such rights, no longer owns any Units within the Regime. The rights granted to Declarant pursuant to Basic Provision L(i) and (e) shall terminate at such time as Declarant, or any assignee of Declarant's rights pursuant to subsection (e), no longer owns the Unit to which the rights reserved pursuant to subsection (e) relate. For the purpose of applying the termination provision of this Basic Provision L(iii), any unit(s) owned and actually occupied by Declarant as its place of business shall be presumed to be owned by a third party, under no circumstance or event shall Declarant be deemed to have occupied a unit at its place of business unless Declarant is physically conducting its business from such Unit.

ARTICLE 1 DEFINITIONS

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

1.2 "Assessment" or "Assessments" shall mean assessments, both regular and special, imposed by the Association pursuant to this Declaration.

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

1.4 "Buildings" shall mean the structures, described on Exhibit "B-3" (as amended or modified pursuant to Basic Provision L(i)(d)), now existing or hereafter placed on the land.

1.5 "By-Laws" shall mean the corporate bylaws of the Association.

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

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

1.8 "General Common Elements" shall mean and refer to those portions of the Land and Improvements as designated on Exhibit "B-1" attached hereto.

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

1.10 "Land" shall mean approximately 2.01 acres of real property located in Williamson County, Texas, as more particularly described on Exhibit "A", attached hereto and incorporated herein by reference

1.11 "Limited Common Elements" shall mean those portions of the Land and Improvements, if any, so designated on Exhibit "B-1" and Exhibit "B-2", and such other portions of the Land and Improvements reserved for the exclusive use of one or more Owners to the exclusion of other Owners.

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

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

1.14 "Mortgagee" shall mean the holder or holders of any Mortgage.

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

1.16 "Percentage Interest" is synonymous with "Allocated Interest" as defined in the Uniform Act and shall mean the undivided interest in and to the Common Elements and common expense liability allocated to each Unit. The Percentage Interest associated with each Unit is reflected in Paragraph F of the Basic Provisions, above.

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

1.18 "Plat" shall mean the plat attached hereto as Exhibit "B", as changed, modified or amended in accordance with Basic Provisions L(i)(d), (e), (f) or (h).

1.19 "Plan" shall mean the dimensional drawings attached hereto as Exhibit "B", which identifies or describes the Building, Units and General Common Elements unless otherwise described on the Plat, or changed, modified or amended in accordance with Basic Provision L(i)(d), (e), (f) or (h).

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

1.21 "Replacement Reserve Fund" shall mean the reserve fund established pursuant to Section 4.2 for maintenance, repairs, and replacements to Common Elements and other special purposes permitted by the provisions of this Declaration.

1.22 "Rules and Regulations" shall mean Ladera Professional Offices Rules adopted by the Association concerning the management and administration of the Regime for the use and enjoyment of the Owners. The Rules and Regulations may be amended from time to time by the Association (without amending this Declaration) pursuant to the procedures set forth in the By-Laws.

1.23 "Unit" shall mean the physical portion of the Building designated for separate ownership or occupancy as a Unit. The boundaries of the Units shall be the walls, floors and ceilings of each Unit. Notwithstanding any provision of this Declaration to the contrary, if construction of any Unit has not been substantially completed, then, until construction of the Unit is substantially completed and the Notice (as hereinafter defined) for such Unit has been filed, such Unit shall be defined as the physical portion of the Regime designated for separate ownership or occupancy, the boundaries of which are set forth in the plat and plans attached to the Declaration as Exhibit "B", as amended from time to time in accordance with the Declaration. Upon substantial completion of each Unit, Declarant, or an assignee of Declarant's rights reserved pursuant to Section L(e) and (f) (but only to the extent those rights pertain to such Unit) shall record a Notice of Substantial Completion (the "Notice") in the Real Property Records of Williamson County, Texas. The Notice shall include a vertical and/or horizontal description of the Unit actually constructed within the Building, and such Notice, upon recordation in the Real Property Records of Williamson County, Texas, shall automatically amend this Declaration for the purpose of defining the Unit to which the Notice relates.

ARTICLE 2 DIVISION AND CONVEYANCE OF UNITS

2.1 Separate Estates. The Land is hereby divided into fee simple estates consisting of separate Units, together with the exclusive rights to use the Limited Common Elements, if any, appurtenant thereto, the non-exclusive right to use the General Common Elements, the Percentage Interest in and to the Common Elements associated with and appurtenant to each Unit as set forth in Basic Provision F. The General Common Elements shall be owned in common by the Owners of the Units, in proportion to their Percentage Interests. Each Owner of a Unit having or hereafter acquiring a Limited Common Element assigned only

to such Unit on Exhibit "B-1", or Exhibit "B-3", or on a subsequent amendment to this Declaration, shall be entitled to exclusive ownership and possession of his Unit and exclusive use of the Limited Common Elements appurtenant thereto. In the event a Limited Common Element is assigned to more than one Unit, each Owner of such Unit shall be entitled to exclusive ownership and possession of their respective Units and shall be entitled in common with all other Units to which such Limited Common Elements are assigned, and exclusive of all other Units in the Regime, to use and possess such Limited Common Elements. Each Owner shall have an unrestricted right of ingress and egress to their Unit, which shall be perpetual and shall run with and be appurtenant to each Unit.

2.2 Description and Conveyance of Units. No Unit shall be conveyed to any other party unless the conveyance also includes the Common Elements appurtenant thereto. Any attempted conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of all or any portion of a Common Element, which does not include the Unit appurtenant thereto, shall be void. The description of a Unit in any deed, lease, Mortgage, deed of trust or other instrument shall include, at a minimum: (i) the name of the condominium; (ii) the recording data for this Declaration, including any amendments, plats, and plans; (iii) the county in which the condominium is located; and (iv) the identifying number of the Unit.

2.3 Percentage Interest. The Percentage Interests are assigned to each Unit in accordance with a ratio of the square footage of each Unit to the total square footage of all Units established by this Declaration.

2.4 Subdivision of Units. Units may not be subdivided unless subdivided by Declarant pursuant to Basic Provision L(i)(h).

ARTICLE 3 THE ASSOCIATION

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

3.2 Membership. Any Person upon becoming an Owner shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the ownership of the Unit which qualifies the Owner thereof for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged, or alienated except together with the title to the Unit. Williamson Counties, ~Texas. Such lien for payment of Assessments shall attach with the priority above set forth from the date that such payment becomes delinquent and may be enforced by the foreclosure on the defaulting Owner's Unit by the Association in like manner as a mortgage on real property subsequent to the recording of a notice of Assessment lien as provided above, or the Association may institute suit against the Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien judicially. NOTWITHSTANDING ANY PROVISION IN THIS SECTION 4.7 OR THE DECLARATION TO THE CONTRARY, THE ASSOCIATION SHALL NOT HAVE THE AUTHORITY TO FORECLOSE ON THE DEFAULTING OWNER'S UNIT FOR NON-PAYMENT OF ASSESSMENTS IF THE ASSESSMENTS CONSIST SOLELY OF FINES. In any foreclosure proceeding, whether judicial or non-judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorneys' fees incurred. The Association shall have the power to bid on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey, or otherwise deal with the same. Upon the written request of any Mortgagee, the Association shall report to said Mortgagee any unpaid Assessments remaining unpaid for longer than thirty (30) days after the same are due.

3.3 Voting Rights. The right to cast votes, and the number of votes which may be cast, for election of members to the Board and on all other matters to be voted on by the Members shall be calculated as one vote for each Unit owned.

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

ARTICLE 4 FUNDS AND ASSESSMENTS

- (a) The Association (acting by and through the Board) may from time to time levy regular assessments ("Assessments") against each Unit, but in any event, Assessments must be levied at least annually. The level of Assessments against each Unit shall be equivalent to the Percentage Interest attributable to such Unit multiplied by the total Assessments levied by the Board.
- (b) Where the obligation to pay an Assessment first arises after the commencement of the year or other period for which the Assessment was levied, the Assessment shall be prorated as of the date when said obligation first arose in proportion to the amount of the Assessment year or other period remaining after said date.
- (c) Each unpaid Assessment and late charges, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be the personal obligation of the Owner of the Unit against which the Assessment fell due, and shall become a vendor's lien against each such Unit. The Association may enforce payment of such Assessments in accordance with the provisions of this Article and §82.113 of the Uniform Act.

4.2 Working Capital. At such time as a Unit is conveyed to an Owner other than the Declarant, the Owner of such Unit shall contribute an amount equivalent to two (2) months of the Assessments attributable to such Unit (the "Working Capital Contribution"). The Working Capital Contribution shall be deposited by the Association in a Replacement Reserve Fund for contingencies and appropriate replacement reserves associated with the Common Elements. The Working Capital Contribution shall be in addition to any Assessment attributable to such Unit, and shall not be credited to any Assessments otherwise payable by the Owner of the Unit. All accumulated Working Capital Contributions received by Declarant shall be transferred to the Association at such time as control of the Association passes to the Owners other than Declarant. During the period in which the Declarant holds any portion of the Working Capital Contributions, Declarant shall not use any portion of the Working Capital Contribution to defray or offset expenses Declarant would otherwise be required to incur pursuant to §82.112(b) of the Uniform Act.

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

4.4 Regular Annual Assessments. Prior to the beginning of each fiscal year, the Board shall estimate the expenses to be incurred by the Association during such year in performing its functions, powers, and authority under the Declaration, including but not limited to the cost of all Common Element maintenance, repair, or replacement, the cost of enforcing the Declaration, and a reasonable provision for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein

provided, and the level of Assessments set by the Board shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any individual Assessment, the Board may at any time and from time to time levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole and absolute discretion.

4.5 Special Assessments. In addition to the regular annual Assessments provided for above, the Board may levy special Assessments whenever in the Board's opinion such special Assessments are necessary to enable the Board to carry out the mandatory functions of the Association under the Declaration. The amount of any special Assessments shall be at the reasonable discretion of the Board.

4.6 Late Charges. If any Assessment is not paid before it is delinquent, the Owner responsible for the payment thereof may be required by the Board to pay a late charge at such rate the Board may designate from time to time, and such late charge (and any reasonable handling costs) shall be a charge upon the Unit owned by the said Owner to which the Assessment relates, collectible in the same manner as herein provided for collection of Assessments, including foreclosure of the lien against such Unit; provided, however, such charge shall never exceed the maximum charge permitted under applicable law.

4.7 Owner's Personal Obligation for Payment of Assessments. All Assessments provided for herein shall be the personal and individual debt of the Owner of the Unit covered by such Assessments. No Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Unit shall be obligated to pay interest at the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof (or if there is no such highest rate, then at the rate of two percent (2%) per month), together with all costs and expenses of collection, including reasonable attorneys' fees.

4.8 Assessment Lien and Foreclosure. All sums assessed in the manner provided in this Article 4, but unpaid shall, together with interest as provided in Section 4.6 hereof and the cost of collection, including attorneys' fees as therein provided, thereupon become a continuing lien and charge on the Unit covered by such Assessment, which shall bind such Unit in the hands of the Owner, and such Owner's heirs, devisees, personal representatives, successors or assigns. The obligation to pay Assessments hereunder is part of the purchase price of each Unit when sold to an Owner. An express lien on each Unit is hereby granted and conveyed by Declarant to the Association to secure the payment thereof in each such instance, each such lien to be superior and paramount to any homestead or other exemption provided by law. The aforesaid lien shall be superior to all other liens and charges against the said Unit, except only for: (i) a lien for real property taxes and other governmental assessments or charges against the Unit unless otherwise provided by §32.05 of the Texas Tax Code; (ii) a lien or encumbrance recorded before the Declaration is recorded; or (iii) a first vendor's lien or first deed of trust lien recorded before the date on which the Assessment sought to be enforced becomes delinquent under the Declaration, Bylaws, or Rules and Regulations. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board and such subordination must be signed by a duly authorized officer of the Association. To evidence the aforesaid Assessment lien, the Association may prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Unit covered by such lien and a description of the Unit. Such notice shall be signed by one of the officers of the Association and shall be recorded in the office of the County Clerk of Williamson County, Texas. Such lien for payment of Assessments shall attach with the priority above set forth from the date that such payment becomes delinquent and may be enforced by the foreclosure on the defaulting Owner's Unit by the Association in like manner as a mortgage on real property subsequent to the recording of a notice of Assessment lien as provided above, or the Association may institute suit against the Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien judicially. NOTWITHSTANDING ANY PROVISION IN THIS SECTION 4.7 OR THE DECLARATION TO THE CONTRARY, THE ASSOCIATION SHALL NOT HAVE THE AUTHORITY TO FORECLOSE ON THE DEFAULTING OWNER'S UNIT FOR NON-PAYMENT OF ASSESSMENTS IF THE ASSESSMENTS

CONSIST SOLELY OF FINES. In any foreclosure proceeding, whether judicial or non-judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorneys' fees incurred. The Association shall have the power to bid on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey, or otherwise deal with the same. Upon the written request of any Mortgagee, the Association shall report to said Mortgagee any unpaid Assessments remaining unpaid for longer than thirty (30) days after the same are due.

ARTICLE 5 GENERAL RESTRICTIONS

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

5.1 Hazardous Activities. No activities shall be conducted within the Regime which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks shall be discharged within the Regime, no open fires shall be lighted or permitted on any portion of the Regime.

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

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

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

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

5.6 Animals. No kennels or other facilities for selling or boarding dogs or other animals for commercial purposes shall be allowed on any portion of the Regime. No animals, including dogs, cats, pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal may be kept, maintained, or cared for on the Regime.

5.7 Rubbish and Debris. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any portion of the Regime, and no odors shall be permitted to arise therefrom so as to render the Regime or any portion thereof unsanitary, unsightly, offensive, or detrimental to any other property or to its occupants. The Board shall determine what constitutes rubbish, debris, or odors and what conditions render any portion of the Regime unsanitary, unsightly, offensive or detrimental to any other property or to its occupants. Notwithstanding the foregoing, this paragraph shall not be construed to prevent the normal construction of Improvements upon any portion of the Regime.

5.8 Refuse Collection Areas. Refuse collection areas should be effectively designed to contain all refuse generated on-site and deposited between collections. Deposited refuse should not be visible from outside the refuse enclosure. Refuse collection enclosures shall be of a design, construction and location approved by the Board.

5.9 Antennas. No antenna for the transmission or reception of telephone, television, microwave or radio signals shall be placed on any building or other Improvement within the Regime without the written approval of the Board.

5.10 Signs. Any and all signs are subject to the prior written approval of the Board with respect to the location, design, style, size, and color of such signage, and no signs other than those expressly permitted herein shall be placed on the Regime, except with the prior written approval of the Board. The Board may permit signs which advertise a portion of the Regime, for sale or lease. All signs shall be designed to preserve the quality and atmosphere of the Regime. The Association shall have the right of entry onto any portion of the Regime to remove, at the Owner's expense, any sign erected without the written approval of the Board. Notwithstanding any provision of this Section 5.10 to the contrary, Declarant may erect signs on the Property which are part of Declarant's overall marketing plan for the Property without prior written approval of the Board. All signs permitted by this Section 5.10 must comply with all applicable governmental rules, regulations, and ordinances.

5.11 Alteration or Removal of Improvements and Temporary Structures. No tent, shack, or other temporary building, improvement, or structure shall be placed upon any portion of the Regime; provided, however, that temporary structures necessary for storage of tools and equipment, and for office space for architects, builders, and foremen during actual construction may be maintained with the prior approval of the Board, approval to include the nature, size, duration, and location of such structure. Any construction, other than normal maintenance, which in any way alters the exterior appearance of any Improvement, or the removal of any Improvement shall be performed only with the prior written approval of the Board. All temporary structures shall be removed from the Regime within thirty (30) days after the completion of Improvements. The Board will determine, in its sole discretion, the date of such completion.

5.12 Window Treatment. No aluminum foil, reflective film or similar treatment shall be placed on any Unit.

5.13 Unightly Articles: Vehicles. No article deemed to be unsightly by the Board shall be permitted to remain on any Unit so as to be visible from adjoining property or from public or private thoroughfares. Unless otherwise approved by the Board, no trailers, graders, trucks other than pick-ups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, or garden maintenance equipment shall be stored overnight within the Regime, unless stored in enclosed structures or screened from view from any adjacent property or roadway within the Regime, and no repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or other structures.

5.14 Mobile Homes, Travel Trailers and Recreational Vehicles. No mobile homes shall be parked or placed overnight on any portion of the Regime.

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

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

5.17 No Warranty of Enforceability. While Declarant has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this Article or elsewhere in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or

representation as to the present or future validity or enforceability of any such restrictive covenants, terms, or provisions. Any Owner acquiring a Unit in reliance on one or more of such restrictive covenants, terms, or provisions shall assume all risks of the validity and enforceability thereof and, by acquiring the Unit, agrees to hold Declarant harmless therefrom.

5.18 Commercial Use. All Units shall be improved and used solely for commercial purposes, inclusive of such Improvements as are necessary or customarily incident to commercial use. No Unit or any portion of the Regime shall be used for residential use. All uses must additionally comply with all restrictive covenants applicable to the Land and all applicable governmental rules, regulations, and ordinances, including but not limited to zoning regulations and requirements

5.19 Rentals. Nothing in this Declaration shall prevent the rental of any Unit by its Owner for commercial purposes; provided that all rentals must be for terms of at least one (1) year.

5.20 Boundaries of Units. The physical boundaries of the Units and the Common Elements shall be conclusively presumed to be the boundaries of such areas, and regardless of any variances which presently exist with respect to such boundaries. Additionally, there is hereby granted a valid and existing easement pursuant to §82.064 of the Uniform Act for any encroachments now existing or hereafter arising due to any such variances, settling, rising, or other movement, which easement shall exist for the duration of the Regime.

5.21 Separate Taxes. Taxes, assessments and other charges of the State, any political subdivision, any special improvement district, or other taxing or assessing authority, shall be assessed against and collected as provided in §82.005 of the Uniform Act.

5.22 Use of General Common Elements. Each Owner may use the General Common Elements in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners.

5.23 Storage and Loading Areas. Unless approved in writing by the Board, no materials, supplies or equipment, including trucks or other motor vehicles, shall be stored upon any portion of the Regime except inside a closed building or behind a visual barrier screening such materials, supplies or vehicles so as not to be visible from neighboring property and streets. Any storage areas screened by visual barriers shall be located upon the rear portions of any Owner's Property, unless otherwise approved in writing by the Board.

5.24 Fences. No fence shall be constructed on the Regime without the prior written consent of the Board. The Board may, in its sole discretion, prohibit or require the construction of any fence, or specify the construction materials, size or location of any fence.

ARTICLE 6 MAINTENANCE AND REPAIRS

6.1 Maintenance by The Association.

(a) The Association shall maintain the Common Elements.

(b) If the maintenance or repair of a Common Element is caused by the willful or negligent act of any Owner, his family, guests, invitees or contractors, the cost of such maintenance or repairs shall, to the extent not covered by the Association's insurance, be deemed a debt of such Owner to the Association, payable after demand in accordance with §82.102(d) of the Uniform Act, and payment hereof shall be secured in the same manner as Assessments as set forth in Section 4.7.

6.2 Maintenance by Owner.

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

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

(c) Each Owner shall have the right to modify, alter, repair, decorate, redecorate, or improve their Unit, provided that such action does not affect any other Unit or Common Element.

6.3 Easements and Rights of Entry. In addition to the rights of access granted in §82.066 and §82.107 (d) of the Uniform Act, an easement is hereby created over, through and across the Regime in favor of the Association for the purpose of providing access to each Unit and to abate any nuisance or any dangerous or unauthorized activity or condition being conducted or maintained within the Regime, to remedy any prohibited or unlawful activity which affects the welfare or health of other Owners, to enforce the provisions of this Declaration, the By-laws or the Rules and Regulations, or to make emergency repairs required to prevent damage to any portion of the Regime. Further, Declarant and the Association reserve the right, without the necessity or the joinder of any Owner or other Person to grant, dedicate, reserve or otherwise create, at any time or from time to time, rights-of-way and easements for public utility purposes (including without limitation, gas, water, electricity, telephone and drainage) in favor of any Person along the front, rear, or side boundary line of any roadway.

ARTICLE 7 INSURANCE AND CASUALTY AND REBUILDING

7.1 Insurance - Association. The Association shall obtain insurance for the Regime as required by §82.111 of the Uniform Act. The Board may also obtain such other insurance in such reasonable amounts as the Board may deem desirable, including without limitation such insurance as may from time to time be available to protect officers, directors and employees of the Association.

7.2 Insurance - Owner. Each Owner shall be responsible for insurance on their Unit and any Improvements located thereon. Each Owner shall also insure the Limited Common Elements appurtenant to their Unit, other than those Limited Common Elements which the Association elects to insure, against loss or damage by fire and other risks in an amount not less than the full insurable value thereof. As of the date of this Declaration, there are no Limited Common Elements assigned to any Unit.

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

ARTICLE 8 AMENDMENTS TO DECLARATION

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

8.2 Other Permitted Methods of Amendments. This Declaration may also be amended in

amend this Declaration in accordance with §82.058(b), §82.062, and §82.068(b) of the Uniform Act. No such amendment shall be effective until an original thereof is duly recorded in the Real Property Records of Williamson County, Texas.

8.3 Termination. This Declaration may be terminated in accordance with §82.068 of the Uniform Act.

ARTICLE 9 MISCELLANEOUS

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

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

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

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

EXECUTED to be effective this 11 day of May, 2005.

DECLARANT:

LOTT BROTHERS CONSTRUCTION COMPANY, LTD.,

a Texas limited partnership

By: David L. Lott

Printed Name: DAVID L. LOTT

Title: VICE PRESIDENT

LOTT BROTHERS CONSTRUCTION COMPANY, LTD.,
GENERAL PARTNER

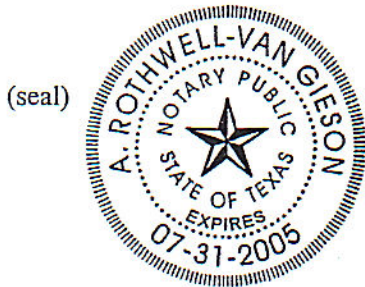
Ratified, Accepted and Agreed To:

George G. McCulley
George G. McCulley

THE STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on this 11 day of May, 2005, by DANIEL L. LOTT of LOTT BROTHERS GP, INC., general partner of Lott Brothers Construction Company, Ltd, a Texas limited partnership, on behalf of said corporation and partnership.

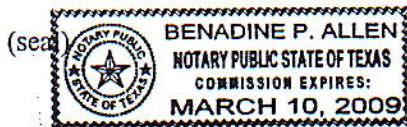


[Signature]
Notary Public Signature

THE STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on this 14th day of May, 2005, by George G. McCulley.



Benadine P. Allen
Notary Public Signature

AFTER RECORDING RETURN TO:

Wilson, Sterling & Russell, L.L.P.
9951 Anderson Mill Road – Suite 200
Austin, Texas 78750

①

Exhibit "A"

DESCRIPTION OF THE LAND

2.01 acres of land out of and a part of the Henry Rhodes Survey, Abstract No. 522, situated in Williamson County, Texas, said 2.01 acre tract being more particularly described as being all of that certain tract of land described as 2 acres in a deed from William Eugene Davis and wife Lohoma Davis, to Jack Friedman, dated February 15, 1983, of record in Volume 3907, Page 393 of the Deed Records of Williamson County, Texas, said 2.01 acre tract being more fully described by metes and bounds as follows:

BEGINNING at a ¼" iron pipe found in the south line of Pond Springs Road (Old U.S. Highway No. 183), at the northwest corner of said 2 acre tract for the northwest corner of the tract herein described, and from which point a 60d nail found in a fence post at the northwest corner of the Pond Springs Church of Christ tract bears N 47 degrees 54 minutes 05 seconds W 553.63 feet, said iron pipe also being the northeast corner of that certain tract of land conveyed to H. DeLangston by deed of record in Volume 704, Page 864 of the Deed Records of Williamson County, Texas;

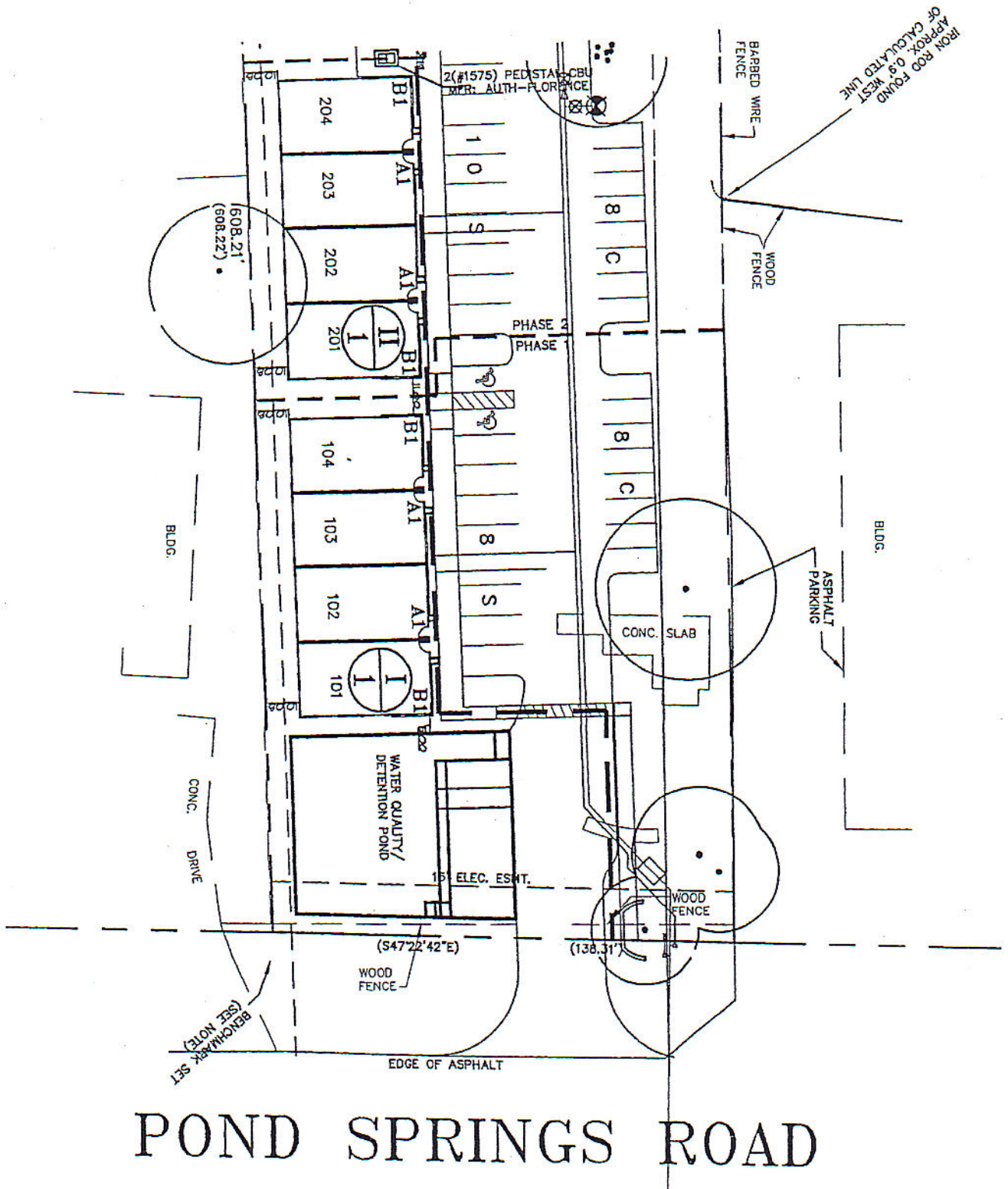
THENCE with the south line of said Pond Springs Road, same being the north line of this survey, S 47 degrees 22 minutes 42 seconds E 138.31 feet to a ½" steel pin found for the northeast corner of the tract herein described, said point also being the northwest corner of that certain 1.94 acre tract of land described in a deed of record in Volume 732, Page 719 of the Deed Records of Williamson County, Texas, and from which point a ½" steel pin found at the southwest corner of the Rhodes Cemetery, on the north side of said Pond Springs Road, bears N 83 degrees 22 minutes 15 seconds E 133.43 feet;

THENCE leaving said Pond Springs Road and with the east line of said 1.94 acre tract, S 39 degrees 57 minutes W (the bearing basis for this survey) 608.22 feet to a 1/2" iron pipe found at the southwest corner of said 1.94 acre tract for the southeast corner of the tract herein described;

THENCE with the south line of this survey N 48 degrees 26 minutes 15 seconds W 149.35 feet to a 2" iron pipe found for the southwest corner of the tract herein described:

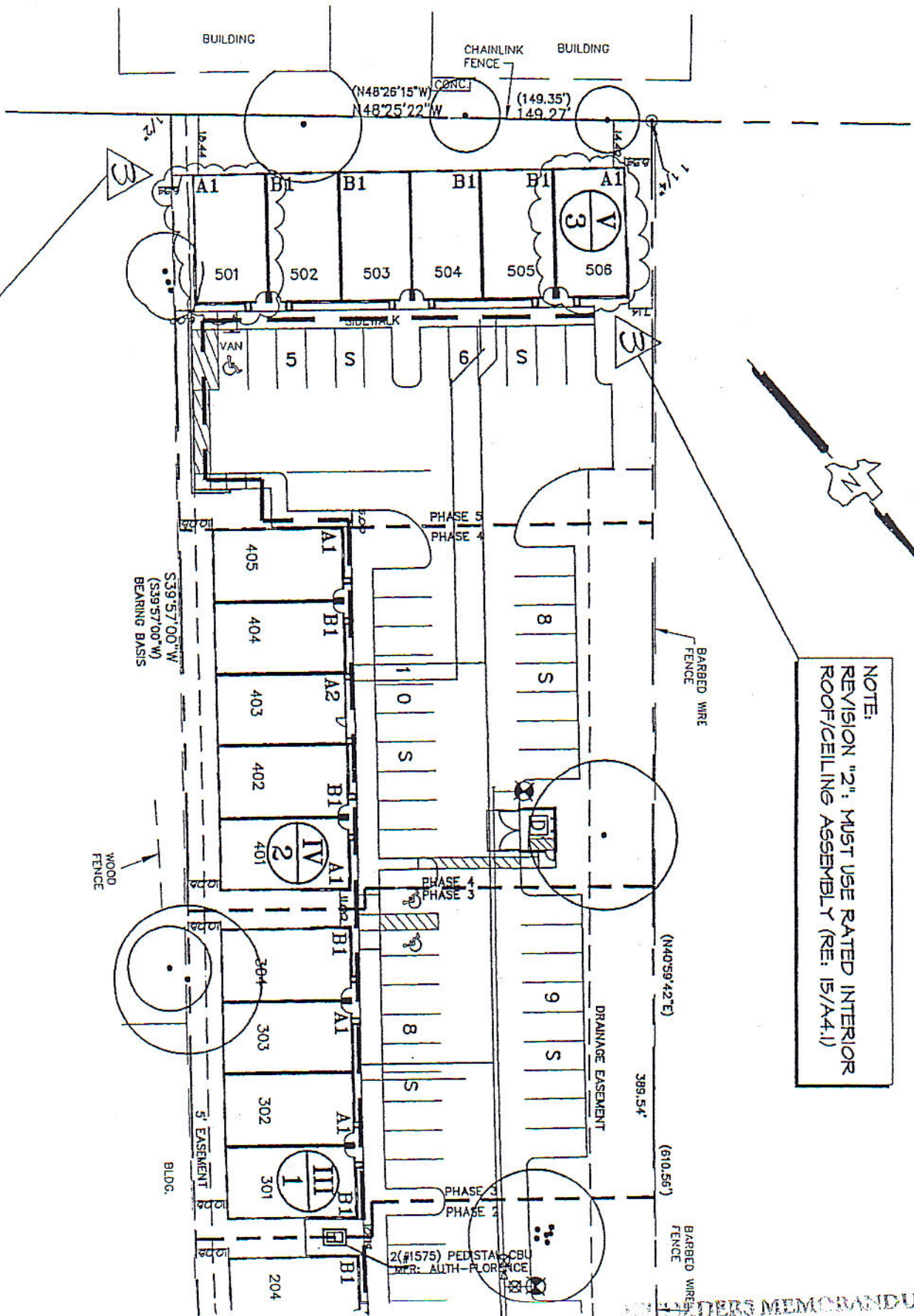
THENCE with the west line of this survey N 40 degrees 59 minutes 42 seconds E 610.56 feet to the place of **BEGINNING** containing 2.01 acres of land, or 87,555 square feet.

SITE PLAN



RECORDERS MEMORANDUM

All or parts of the text on this page was not clearly legible for satisfactory recordation.



NOTE:
REVISION "2": MUST USE RATED INTERIOR
ROOF/CEILING ASSEMBLY (RE: 15/A4.1)

NOTE:
REVISION "2": MUST USE RATED INTERIOR
ROOF/CEILING ASSEMBLY (RE: 15/A4.1)

SHEET 1 OF 1

89.80'

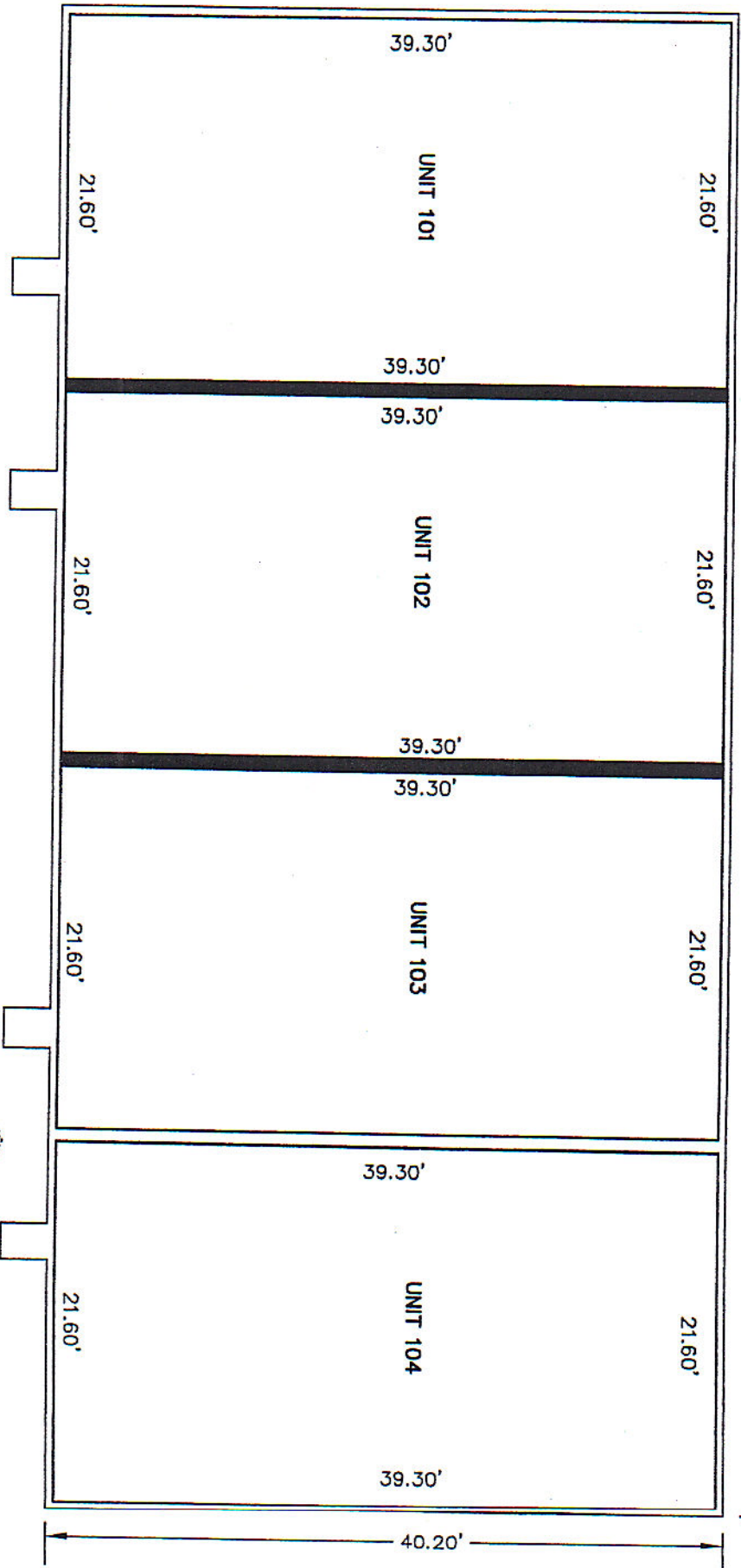
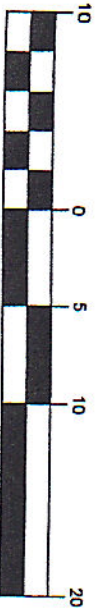


EXHIBIT B-2



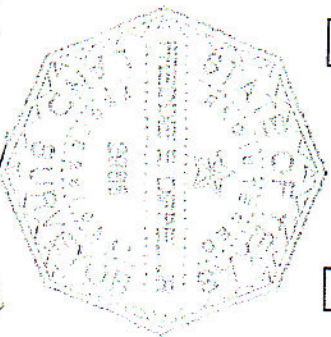
GRAPHIC SCALE

(IN FEET)

1 inch = 10 ft.

UNIT PARTITION

EXISTING WALL



Cunningham | Allen

Engineers • Surveyors

3103 Bee Cave Road, Suite 202

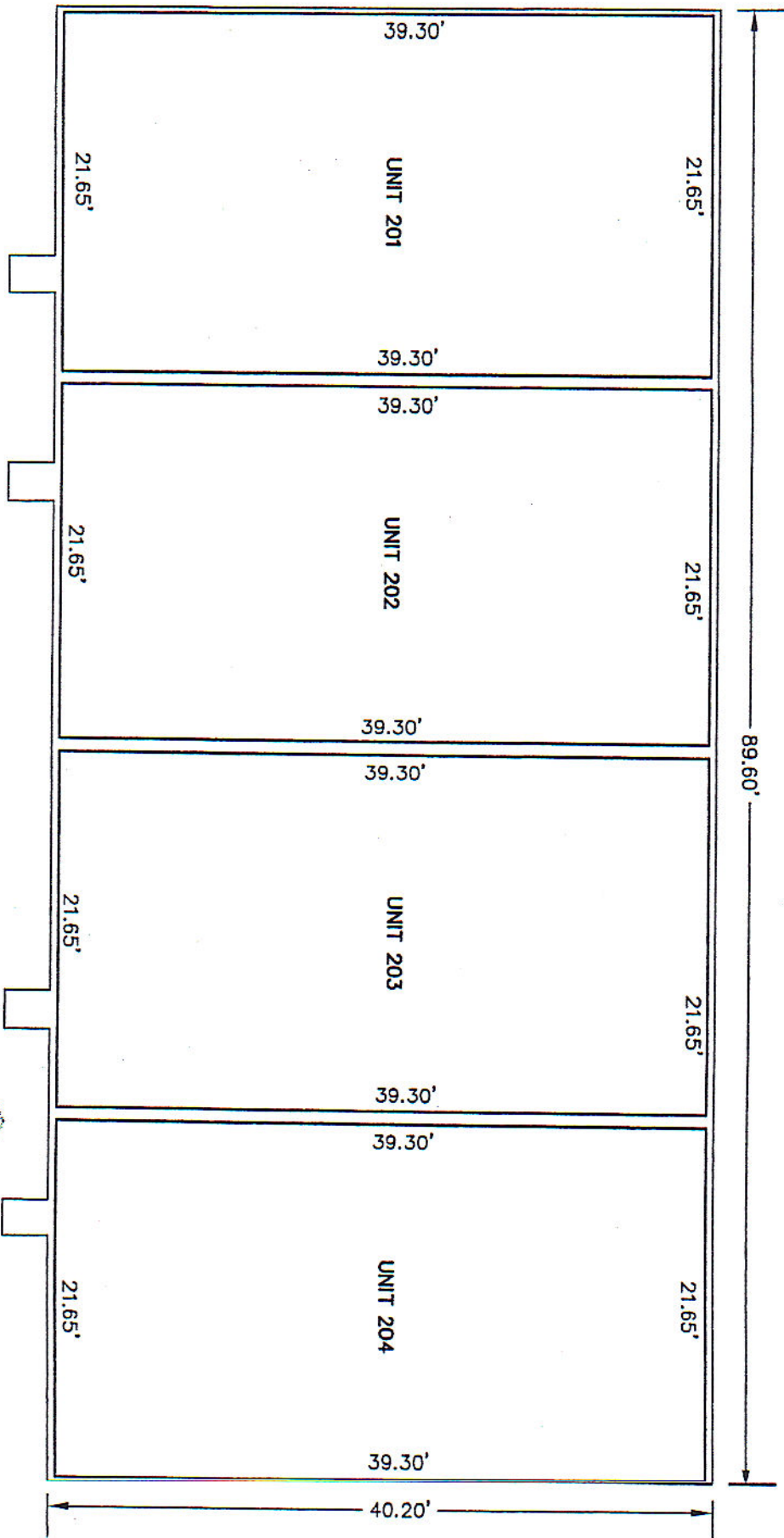
Austin, Texas 78746-6819

Tel.: (512) 327-2946

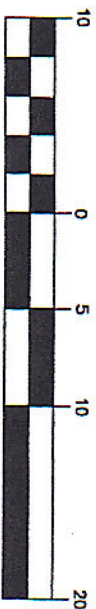
Fax: (512) 327-2973

POND SPRINGS OFFICE CONDOMINIUM BUILDING 2

SHEET 1 OF 1



GRAPHIC SCALE

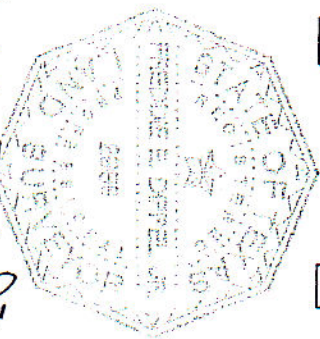


1 inch = 10 ft.

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SURVEYED BY:

Handwritten signature of David E. Dwyer



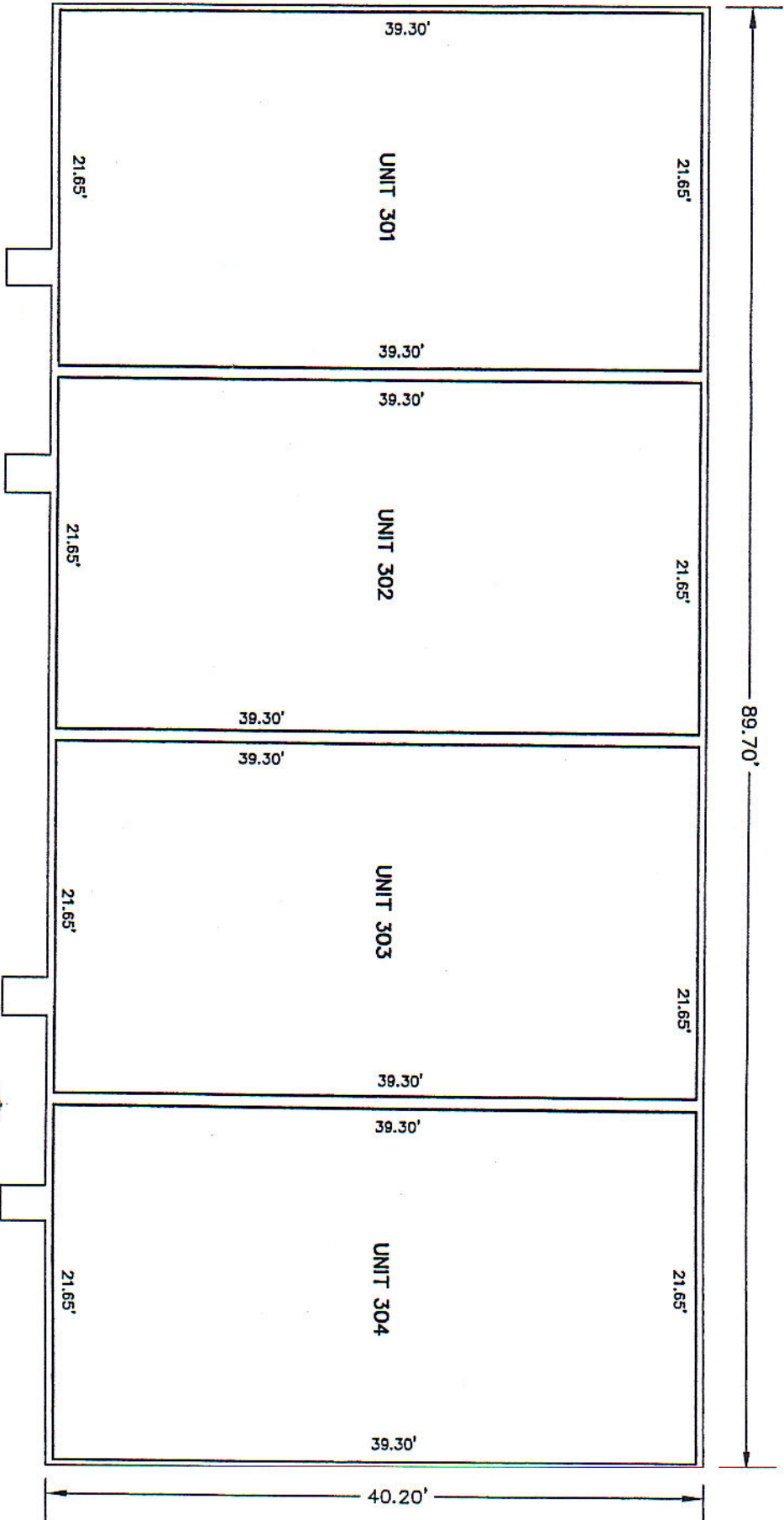
CA

Cunningham/Allen

Engineers • Surveyors

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Austin, Texas 78746-6819
Tel.: (512) 327-2946
Fax: (512) 327-2973

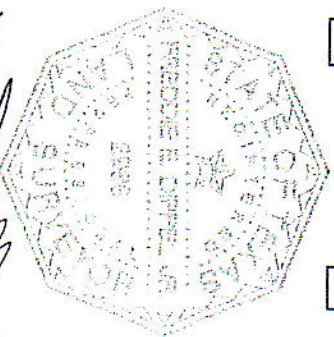
POND SPRINGS OFFICE CONDOMINIUM BUILDING 3 SHEET 1 OF 1



GRAPHIC SCALE



[Signature] 4-5-05



Cunningham Allen

Engineers • Surveyors

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Austin, Texas 78746-6819
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POND SPRINGS OFFICE CONDOMINIUM

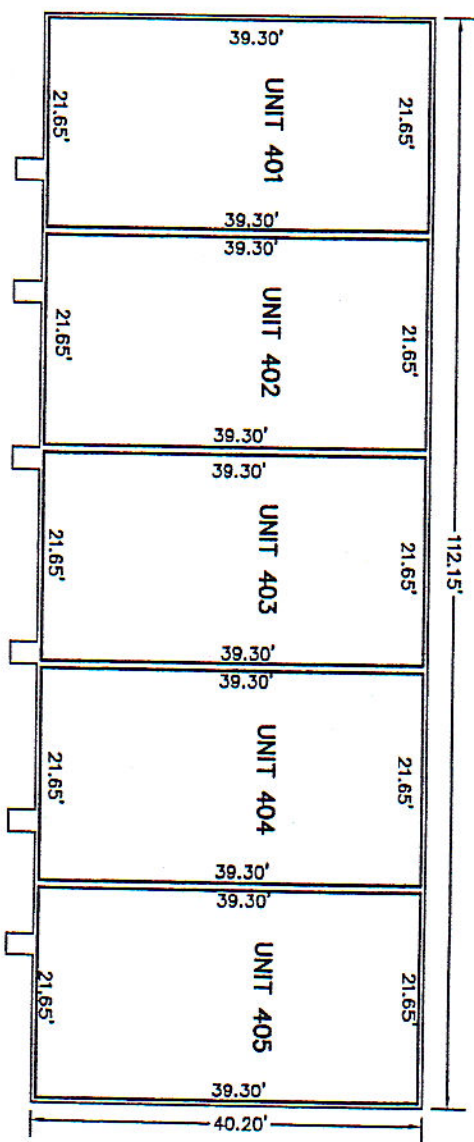
BUILDING 4

SHEET 1 OF 1

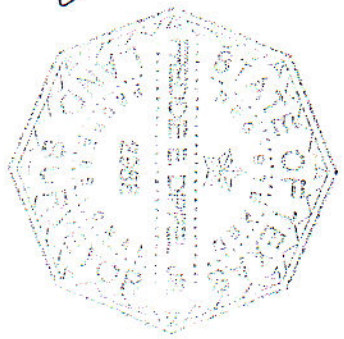
GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.



SURVEYED BY: *[Signature]*
L-S-85



Cunningham Allen

Engineers • Surveyors

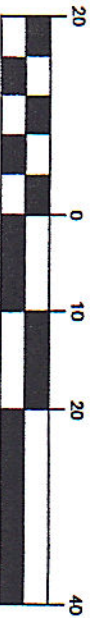
3103 Bee Cave Road, Suite 202
Austin, Texas 78746-6819
Tel.: (512) 327-2946
Fax: (512) 327-2973

POND SPRINGS OFFICE CONDOMINIUM

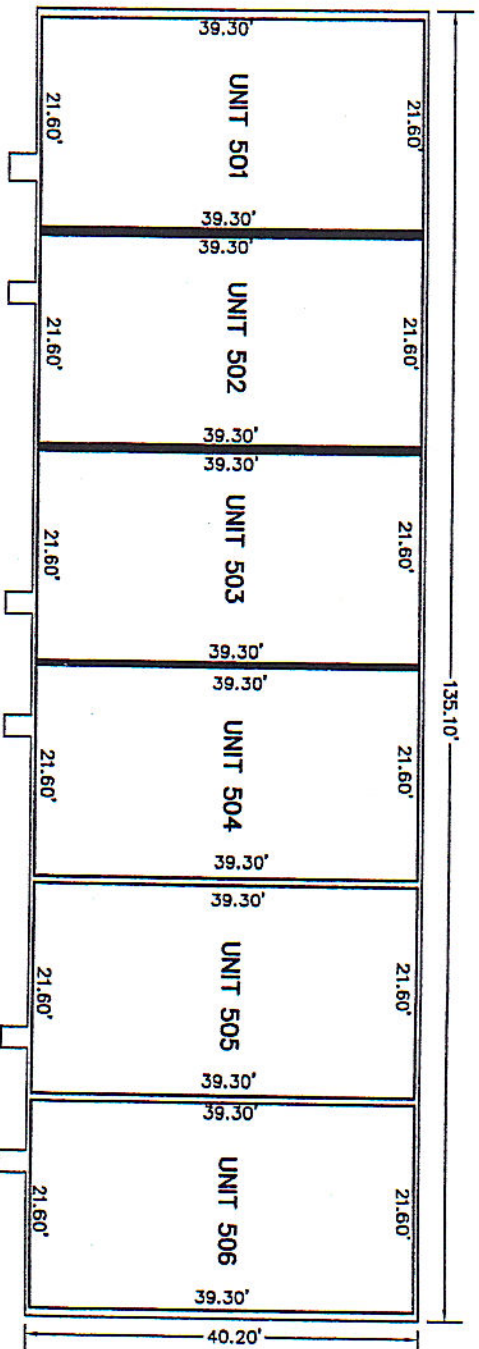
BUILDING 5

SHEET 1 OF 1

GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.



UNIT PARTITION
EXISTING WALL

CA

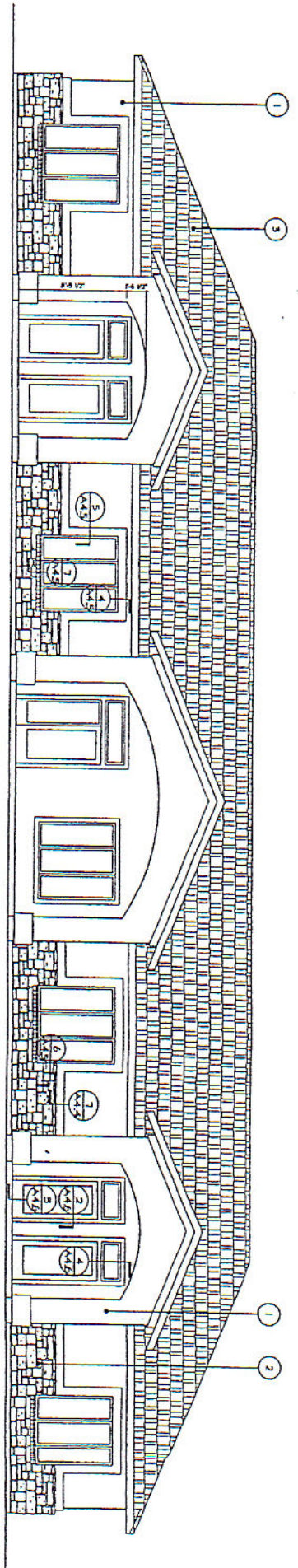
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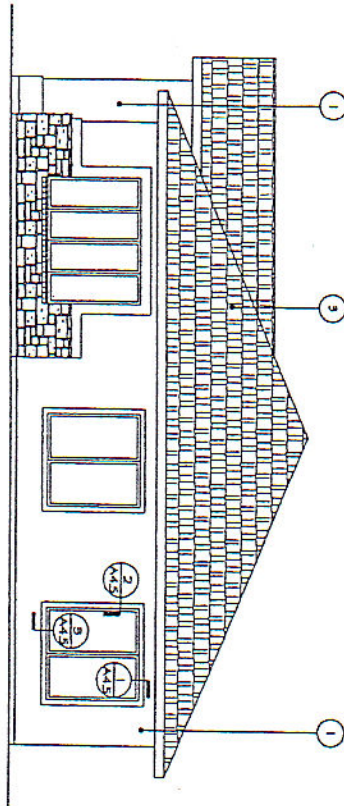
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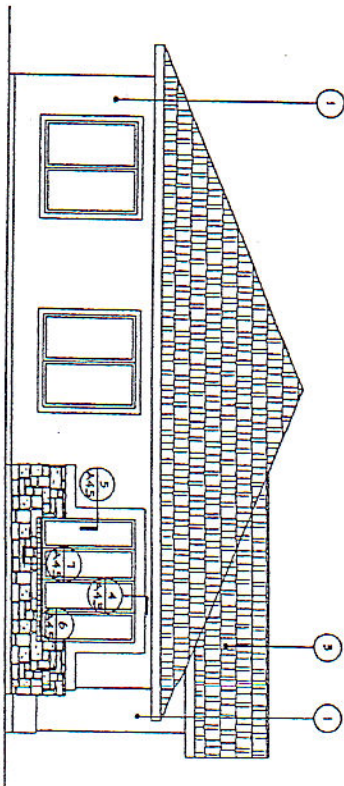


① FRONT ELEVATION - TYPE 2
BUILDING #IV
1/4"

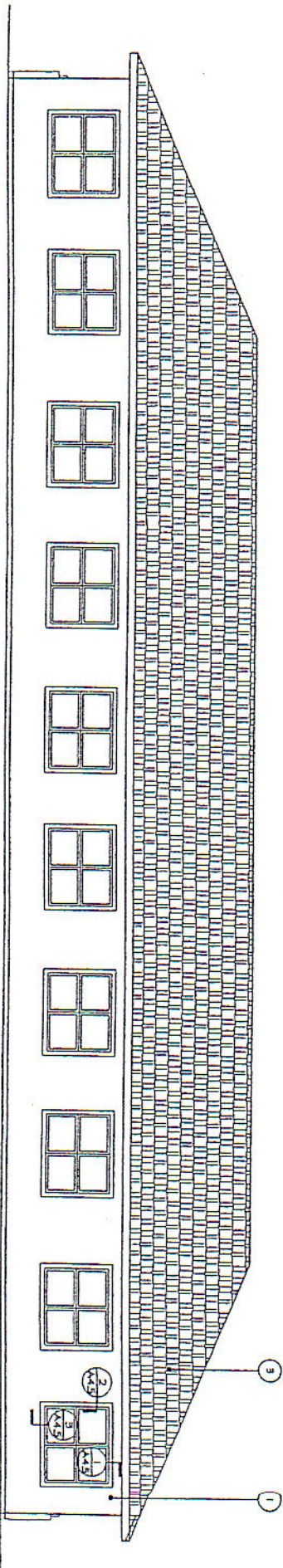


② RIGHT ELEVATION - TYPE 2
BUILDING #IV
1/4"

EXTERIOR FINISH SCHEDULE	
1.	Stucco
2.	Stone
3.	Composite Shingle Roof



③ LEFT ELEVATION - TYPE 2
BUILDING #IV
1/4"



④ REAR ELEVATION - TYPE 2
BUILDING #IV
1/4"

RECORDERS MEMORANDUM
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