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DECLARATION OF CONDOMINIUM

OF

THE BREAKERS

For the purpose of establishing a condominium regime subject to the provisions of Vernon's Annotated Civil Statutes of the State of Texas, Art. 1301a ("Condominium Act"), The Breakers Joint Venture, herein called "Developer", for itself, its grantees and assigns, hereby makes this Declaration of Condominium, and for such purpose, Developer does hereby make the declarations hereinafter set forth, and Developer hereby submits the following described land together with all buildings and improvements thereon erected, or to be erected and completed, to the condominium form of ownership in accordance with the provisions of this Declaration hereinafter set forth. The description of such land so submitted and dedicated is as follows:

TRACT I:

Lot 1, Block 18-R, BROOKLYN ADDITION, an addition to the City of Corpus Christi, Nueces County, Texas, as shown by replat recorded at Volume 43, Page 10, of the Map Records of Nueces County, Texas.

TRACT II:

Lots 1 through 12, both inclusive, Block 18, BROOKLYN, an addition to the City of Corpus Christi, Nueces County, Texas, as shown by the map or plat thereof recorded in Volume "A", Page 32, Map Records of Nueces County, Texas, and more particularly described by metes and bounds as follows, to-wit:

BEGINNING at the North corner of Lot 12 of said Block 18, Brooklyn Addition;

THENCE South 58° East a distance of 280 feet to the East corner of this tract;

THENCE South 32° West a distance of 300 feet to the South corner of this tract;

THENCE North 58° West a distance of 280 feet to the West corner of this tract;

THENCE North 32° East a distance of 300 feet to the North corner of this tract and the POINT OF BEGINNING,

SAVE AND EXCEPT from said Lots 1 through 12, Block 18, any portion thereof lying within Lot 1, Block 18-R, Brooklyn Addition as such Lot 1, Block 18-R is shown by replat at Volume 43, Page 10, Map Records of Nueces County, Texas.

- 1. Definitions and Description of Project
- 1.1 Name: The property shall have the name of "The Breakers".

1.2 Definitions:

Bylaws - All references to Bylaws herein shall be deemed to include Bylaws or other governing rules adopted by the Council as an unincorporated association, and the Articles of Incorporation and Bylaws of the Council as a nonprofit corporation.

Building - Shall mean the apartment building or buildings erected or to be erected upon the property described above.

Common Expenses - Means the expenses of the Project and operation thereof to be borne and shared in common by all of the apartment owners proportionately as set forth herein.

Land - Shall mean the property submitted to this Declaration of Condominium described above.

Common Fund - The common fund consists of all funds of all apartment owners collectively administered by the Council.

Apartment - Shall mean an enclosed space in the building consisting of one (1) room or a suite of rooms, and a balcony designed for independent use as a housing accommodation and designated on Exhibit "C" hereof as a separate apartment and provided to be owned individually and not owned in common with the other owners of the project.

Limited Common Elements - Shall be the 54 covered parking spaces as designated on Exhibit "B". One each of such parking spaces shall be assigned to each apartment owner for the sole and exclusive use of that apartment owner.

Common Elements - Shall mean all parts of the project, which are not owned separately, are not limited common

elements, and which are owned in common including, but note.

limited to, the items specifically designated as such in this Declaration, together with such other property as shall be designated as such from time to time by written instrument recorded in the Condominium Records of Nueces County, Texas, signed by the Council or by the owner of the property so designated.

Project shall mean all of the real property described above and all improvements constructed or to be constructed thereon.

Developer shall mean The Breakers Joint Venture which has made and executed this Condominium Declaration and is the owner of the property submitted to it.

Declaration means this instrument by which the property described herein is submitted to the provisions of the Condominium Act.

Council of Co-Owners (and Council) means the collective organization or association (whether incorporated as a membership corporation or unincorporated) of all the persons, firms, corporations, partnerships, associations, trusts and other legal entitles who own an apartment or apartments in The Breakers.

Board or Board of Directors refers to the board of directors of the Council of Co-Owners, which board shall manage the affairs of the Council.

General Terms - All terms defined in the Condominium

Act are used herein in the sense and meaning so defined

except as limited, substituted or amplified as set forth

herein.

- 1.3 <u>Development Plan</u>: The condominium is described and established as follows:
- (a) Survey and Plot Plan. A plot plan of the land showing the building placed thereon is attached as Exhibit "B".
- (b) Easement. Easements are reserved through the project as may be required for utility services in order to

adequately serve the project; provided, however, such easements through an apartment shall be only according to the plans and specifications for the Building containing the Apartment, or as the Building is constructed, unless otherwise approved in writing by the apartment owner.

- (c) <u>Improvements</u>. Improvements upon the land include the following:
- (1) Apartment Building. The Project shall consist of one building which is outlined upon Exhibit "B".
- (2) Other Improvements. The Project includes automobile parking areas, and other common improvements located substantially as shown upon said Exhibit "B" and which are part of common elements.
- 1.4 General Provisions: The following provisions shall apply to each apartment:
- (a) Boundary. Each Apartment shall consist of a residential unit, and a balcony and shall include that part of the Building which lies within the boundaries of the Apartment, excepting the common elements as follows:

The boundaries of the residential unit shall be the interior surfaces of the perimeter walls (including doors and windows), floors and ceilings, including the air space so encompassed and the boundaries of the balconies shall be as shown on the attached Exhibit "C". Each Apartment also includes all fixtures, appliances and the individual air conditioning and heating equipment serving such Apartment (whether within or without).

(b) General Common Elements. The General Common Elements consist of the entire property including all parts of the Buldings, other than the Apartments, and including, without limitation, the following:

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- (1) The Land.
- (2) The Foundations, bearing walls and columns, roofs, halls, the facilities for installation of, and the equipment for, central utility services such as power, light, water and all other like elements.
 - (3) The Common Fund.
- (4) All other parts of the Project, and all apparatus and installations existing in the Building or on the property, for the common use, or necessary or convenient to the existence, maintenance or safety of the property.

1.5 Building.

- (a) The Building is described upon Exhibit "B".
- (b) Apartments. The Apartments in the building are identified on Exhibit "C" and further described on the schedule attached as Exhibit "A". The dimensions, locations and boundaries of the Apartments are more particularly described upon the plans which are attached hereto as Exhibit "C".
- (c) Appurtenances to Apartments. The owner of each apartment shall own a share of certain interests in the Project which are appurtenant to his Apartment including, but not limited to, the following items which are appurtenant to the Apartments as indicated:
 - (1) General Common Elements. The undivided share in the Land and other General Common Elements of each Apartment is shown on the Schedule attached as Exhibit "A".
 - (2) <u>Council of Co-Owners</u>. The membership of each owner in the council and the interest of each apartment owner in the funds and assets held by the council.
 - (3) Easements. The easements in favor of each Apartment as set forth in this Declaration.

- 1.6. Pipes, Ducts, Cables, Conduits, Public Utility
 Lines and Air Conditioning Equipment.
- (a) Each apartment owner shall have an easement in all pipes, wires, ducts, cables, conduits, public utility lines and other General Common Elements located in whole or in part in any of the other Apartments or common elements areas but serve his Apartment. Each Apartment shall be subject to an easement in favor of the owners of all other Apartments to use the pipes, ducts, cables, wires, conduits, public utility lines and other General Common Elements serving such other Apartments but located in such Apartment.
- (b) Each apartment owner shall be responsible for the maintenance, repair and replacement of the air conditioning unit serving his Apartment.
- 1.7 Easements, Restrictions, Covenants and CConditions:
 The Project is subject to, and the purchase of ownership of
 each apartment and interest in the General Common Elements
 is subject to: (1) all provisions of this Declaration and
 the council Articles of Incorporation, if any, Bylaws, and
 Project Rules and Regulations, now or hereafter adopted; and
 (2) all restrictions, covenants, conditions and easements
 and outstanding oil, gas and mineral interests, if any,
 applicable to or affecting the Project recorded in Nueces
 County, Texas.
- 1.8 Encroachments: If any portion of the General Common Elements now encroaches upon any Apartment or if any Apartment now encroaches upon any other Apartment or upon any portion of the General Common Elements, as a result of the construction of a Building or if any such encroachment shall occur hereafter as a result of settling or shifting of a Building, a valid easement for the encroachment and for the maintenance of the same shall exist so long as such Building shall stand. In the event the improvements shall

be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and then rebuilt, the encroachment of part of the General Common Elements upon any Apartment or of any Apartment upon any other Apartment or upon any portion of the General Common Elements due to such rebuilding shall be permitted and valid easements for such encroachments and maintenance thereof shall exist so long as the Building shall stand.

- 1.9 Access: The Board shall have the right of access to each Apartment to inspect the same and to remove violations therefrom and to maintain, repair and replace the General Common Elements contained therein or elsewhere in the Building.
 - 2. Council of Co-Owners
- 2.1 Council: The Common Elements shall be administered and the Project shall be governed by a Council of Co-Owners which is hereby established as a membership association.

 The Council shall act for the benefit of all apartment owners to provide for the protection, preservation maintenance and repair of the General Common Elements, and the government, operation and administration of the Project property as hereby established and shall administer the Common Fund. Such Council and its affairs shall be administered and managed by a board of directors elected by the members of the Council.
- 2.2 Incorporation: The Council of Co-Owners shall be incorporated (under the name, "The Breakers Council of Co-Owners, Inc.", or such other name as the board shall select) as a membership corporation under the provisions of the Texas Nonprofit Corporation Act; but it shall subsequently be operated as an unincorporated membership association if the corporation shall at any time be dissolved in a manner provided by law. The affairs of the Council, whether or not

incorporated, shall be governed by the provisions of this declaration, the Articles of Incorporation (if incorporated) and the Bylaws adopted by the Board. The Project shall be subject to and governed by such instruments and by such rules and regulations as shall be adopted and published by the Board of Directors from time to time.

- 2.3 <u>Directors</u>: The Board of the Council shall consist of the number of directors specified in the Articles of Incorporation and Bylaws of the Council. The Board shall have the powers, duties, authority, and responsibility specified in the Bylaws of the Council.
- 2.4 <u>Initial Directors</u>: The initial directors of the Council of Co-Owners shall be the persons designated in the Articles of Incorporation of the Council.
- 2.5 Membership, Council of Co-Owners: Each owner of an Apartment, including Developer if, and so long as Developer owns an Apartment, shall automatically be a member of the Council. Each owner shall remain a member of the Council until such time as he ceases to own an apartment, at which time his membership shall automatically cease. Upon any transfer of ownership of any Apartment, the new apartment owner shall succeed to such membership in the Council.
- 2.6 Bylaws: The initial Articles of Incorporation and Bylaws, which are hereby adopted by the Developer as sole owner of the Project and sole member of the Council and which shall be used for the purpose of organizing the Council corporation are attached hereto as Exhibit "D" and made a part hereof. The Articles of Incorporation and Bylaws may be amended from time to time in the manner therein provided or as provided by law.
- 2.7 <u>Voting Rights</u>: The owner or owners of each Apartment or his legally authorized representative and proxy shall be entitled to cast one vote for each Apartment owned at all meetings of the Council.

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- 2.8 Council Voting Rights: Voting rights attributable to any Apartment which shall have been acquired by the Council shall, while owned by the Council, be entitled to be represented at meetings of the members of the Council for purposes of determining the existence of a quorum, and shall be exercised and voted as directed by the Board of Directors of the Council at such meeting. Apartments, if any, owned by the Council shall not be subject to assessment while owned by the Council, however.
- 2.9 Special Provisions to Control Council of Co-Owners:
- (a) The Council shall include in its budget an adequate reserve fund for the maintenance, repair and replacement of any Common Elements which must be replaced on a periodic basis.
- (b) The Council shall notify any lienholder or mortgagee (the existence of which is known to the Council) of any default of any owner of any Apartment in the performance of such owner's obligations under the terms of this Declaration, in the event such default has not been cured within thirty (30) days after the date of such default.
- (c) Any agreement for independent professional management of the project entered into by the Council shall provide that the management contract may be terminated by the Council with or without cause, and without payment of a termination fee, on thirty (30) days written notice. In addition, any contract for management shall not be for a term exceeding one (1) year.
- (d) The Council shall allocate use of specific unassigned parking spaces to the owners of specific Apartments, such allocation to be accomplished in some manner adopted by a majority vote of the members of the Council.

3. Duties of Council and Owners

3.1 Maintenance, Alteration and Improvement: Responsibility for the maintenance of the Project and restrictions upon the alteration and improvement thereof, shall be as follows:

(a) Apartments.

- (1) By the Council. The Council shall maintain, repair and replace at the expense of the apartment owners through the Common Fund:
 - i. All portions of an Apartment (except interior surfaces) contributing to the support of the Building, which portions shall include, but not be limited to, the outside walls of the Building and all fixtures on the exterior thereof, boundary walls of the Apartment, floor and ceiling slabs, load-bearing columns and load-bearing walls, patio fences, lattices and balconies.
 - ii. All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which are contained in the portions of an Apartment maintained by the Council; and all such facilities contained within an Apartment which service part or parts of the Project other than the Apartment within which contained.
 - iii. All incidental damage caused to an Apartment by such work.
- (2) By the Apartment Owner. The responsibility of the apartment owner shall be as follows:
 - i. To maintain, repair and replace all portions of his Apartment except the portions to be maintained, repaired and replaced by the Council. Such shall be done without disturbing

the rights of other apartment owners.

- ii. Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the Building.
- iii. Promptly to report to the Council any defect or need for repairs, the responsibility for the remedying of which is that of the Council.
- iv. To maintain, repair and replace the exterior doors, windows, and louvers, if any, of each Apartment.
- v. To maintain, repair and replace the fixtures, appliances and individual air conditioning and heating equipment located within an Apartment and intended for individual use.
- owner shall not make any alterations in the portions of an Apartment or Building which are to be maintained by the Council, or remove any portion thereof, or make any additions thereto, or do anything which would jeopardize the safety or soundness of the Building or impair any easement, without first obtaining the approval in writing of the Board of Directors of the Council. A copy of detailed plans for all such work shall also be filed with the Council prior to the start of the work.

(b) General Common Elements.

- (1) By the Council. The maintenance and operation of the General Common Elements shall be the responsibility of the Council at the expense of the Co-owners through the common fund.
- (2) By the Apartment Owner. The cost of all repairs to a General Common Element necessitated by the negligence, misuse or neglect of an apartment

owner shall be paid by such apartment owner.

- of Council is authorized to make alterations and improvements to the General Common Elements; provided, however, that if any alteration or improvement necessitates the expenditure of more than \$5,000, then such alteration or improvement shall require approval of the owners of Apartments owning at least 50.1 percent of the General Common Elements or such greater number as shall be specified in the Council Bylaws. The improvement or alteration of the General Common Elements or such restrictions and provisions, if any, as shall be set forth in the Bylaws.
- 3.2 <u>Utilities</u>: Each apartment owner shall be individually responsible for and shall pay for all telephone, electricity and all other utility services furnished to his Apartment which are separately metered or billed by the respective utility companies or other party furnishing same. Utilities which are not separately metered or billed to the individual Apartments shall be a part of the Common Expenses, and each apartment owner shall pay his pro rata part thereof as in the case of other Common Expenses.
- 3.3 Blanket Property Insurance: The Council shall have the authority and responsibility to obtain and continue in effect blanket property insurance to insure the Building, Apartments, and other insurable property comprising a part of the General Common Elements and the right, but not the obligation to insure other property located on the Project against risk of loss or damage by fire and other hazards as are covered under standard extended coverage provisions in such amount, and with such deductibles as the Board shall deem advisable, and insurance against other risks of whatever

character as the Board shall deem advisable, without prejudice to the right of each apartment owner to insure his Apartment and other property on his own account and for his own benefit. Such blanket insurance shall be written in the name of, and the proceeds may be payable to the Council, or to any person designated by the Council, as trustee for the owners of each Apartment in proportion to their respective interests in the General Common Elements or as individually specified per Apartment. Each Apartment owner, and his mortgagee, if any, shall be a beneficiary of such insurance in proportion to his ownership interest in the General Common Elements as established by this Declaration or as specified per Apartment, even though not expressly named in the policy of insurance as an insured or beneficiary. All costs, charges and premiums for such blanket insurance shall be a Common Expense and each owner shall pay his pro rata part thereof as in the case of other Common Expenses or, at the Council's option, the portion of the cost of the blanket insurance attributable to each individual owned Apartment shall be paid by each apartment owner in such manner as the Council may direct. The proceeds from all blanket property insurance shall be held by the Council or other beneficiary designated by the Council as a part of the Common Fund and shall be used and paid as hereinafter provided and in accordance with the Condominium Act. The Council shall furnish notice to the owner of each apartment of the policy limits of insurance coverage coverage carried.

3.4 <u>Individual Insurance</u>: Each apartment owner shall be responsible for providing, at his expense, for his own personal property insurance on the contents of his Apartment and any additions and improvements thereto, and all personal property therein and stored elsewhere on the Project. Each apartment owner shall be responsible for providing his own

personal liability insurance against risks not covered by the liability insurance policy obtained as a part of the Common Expenses provided for in Section 3.5.

- 3.5 Public Liability and Other Insurance: The Council shall have the authority to and shall obtain comprehensive public liability insurance and such other types of insurance in such limits as it shall deem desirable, insuring each apartment owner and the Council and its Board from and against liability in connection with the General Common Elements and its activities and functions. All costs, charges and premiums for all such insurance shall be a Common Expense. Each apartment owner shall pay his share for such insurance as in the case of other Common Expenses. The Council shall furnish notice to the owners of each Apartment of the policy limits and scope of coverage of such insurance policy.
- 3.6 Repair or Reconstruction After Fire or Other Casualty: In the event of damage to or destruction of a Building or Buildings, as a result of fire or other casualty (unless two-thirds [2/3] or more of the Building is destroyed or substantially damaged and all of the apartment owners do not resolve to proceed with repair or restoration as hereinafter provided), the Council shall arrange for the prompt repair and restoration of the Building (including any damage to Apartments, except wall, ceiling or floor decorations or goverings or other furniture, furnishings, fixtures or equipment installed by apartment owners individually) and the Council shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Council may assess all the apartment owners for such deficit as part of the Common Expense.

If two-thirds or more of the Building is destroyed or substantially damaged, and if all the owners of the Apartments do not voluntarily, within one hundred and eighty (180) days thereafter make provision for reconstruction and restoration to the original condition, the Council will forthwith record a notice setting forth such facts, and upon such recording of notice the Project shall be sold by the Council or its designated representative, as trustee, free and clear of the interests of the apartment owners and of the provisions contained in this Declaration, the plat and the bylaws. The insurance settlement proceeds, and the proceeds from sale of the Project shall thereupon be collected by such trustee and after payment of all expenses such proceeds shall be divided by Council as hereinafter set forth. The insurance settlement proceeds, less applicable expenses, shall be divided according to each apartment owner's interest (as such interests appear on the policy or policies), and such divided proceeds shall be paid into fifty-four (54) separate accounts, each such account representing one of the Apartments. Each such account shall be in the name of the Council and shall be further identified by the number of the Apartment and the name of the owner. There shall be added to each such account a proportionate amount of the Common Fund and the proceeds derived from the sale of the entire property, less applicable expenses, which apportionments shall be based upon each apartment owner's interest in the general common elements. From each separate account the trustee shall use and disburse the total amount of each account toward the full payment of the following for and on behalf of the apartment owner for whom each account is held, payments to be made in the following order of priority and until such amount is exhausted:

(1) the payment of any balance of any first mortgage lien on such owner's Apartment;

- (2) the payment of taxes and special assessment liens on such Apartment in favor of any taxing entity;
- (3) payment of such owner's share of unpaid Common Expenses and assessments of the Council;
- (4) the payment of junior liens on such Apartment in the order and extent of their priority;
- (5) the balance remaining, if any, to the apartment owner.

The determination of whether two-thirds or more of the Building shall have been destroyed or substantially damaged by any fire or other disaster or casualty shall be conclusively made by the Council.

3.7 Condemnation:

(a) If all or any part of the Project is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Council, as Attorney in fact, and each owner shall be entitled to participate in proceedings incident thereto at their respective expense. The Council shall give timely written notice of the existence of such proceedings to all owners and to all lienholders known to the Council to have an interest in any apartment. The expense of participation in such proceedings by the Council shall be borne by the Common Fund. The Council as Attorney in Fact, is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons, as the Council, in its discretion deems necessary or advisable, to aid or advise it in matters relating to such proceedings. All damages or awards for any such taking shall be deposited with the Council, and such damages or awards shall be applied as provided herein. In the event that an action in eminent domain is brought to condemn a portion of the Common Elements (together with or apart from any Apartment), the Council, as Attorney in fact,

in addition to the general powers set out herein, shall have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto; or to convey such property to the condemning authority in lieu of such condemnation proceeding.

- (b) With respect to any such taking, all damages and awards shall be determined for such taking as a whole and not for each owner's interest therein. After the damages or awards for such taking are determined, such damages or awards shall be paid to the account of each owner in proportion to his percentage or fractional ownership interest in the Common Elements, unless restoration takes place as herein provided. The Council, if it deems advisable, may call a meeting of the owners, at which meeting the owners, by majority vote, shall decide whether to replace or restore, as far as possible, the Common Elements so taken or damaged. In the event it is determined that such Common Elements should be replaced or restored by obtaining other land or building additional structures, this Declaration and the Map attached hereto shall be duly amended by instrument executed by the Council, as Attorney in fact, on behalf of the owners. In the event that such eminent domain proceeding results in the taking of or damage to one or more, but less than 66-2/3% of the total number of Apartments, then the damages and awards for such taking shall be determined for each Apartment and the following shall apply:
- (1) The Council shall determine which of the Apartments damaged by such taking may be made tenantable for the purposes set forth in this Declaration, taking into account the nature of this Project and the reduced size of each Apartment so damaged.
- (2) The Council shall determine whether it is reasonably practicable to operate the remaining Apartments of the Project, including those damaged units which may be

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made tenantable, as an Apartment in the manner provided in this Declaration, to the extent allowed by the Texas Condominium Act.

- (3) In the event that the Council determines that it is not reasonably practicable to operate the undamaged Apartments and the damaged Apartments which can be made tenantable, then the Project shall be deemed to be regrouped and merged into a single estate owned jointly in undivided interest by all owners, as tenants in common, in the proportionate ownership interest previously owned by each owner in the Common Elements, to the extent allowed by the Texas Condominium Act.
- (4) In the event the Council determines it will be reasonably practicable to operate the undamaged Apartments and the damaged Apartments which can be made tenatable as an Apartment, then the damages and awards made with respect to each Apartment which has been determined to be capable of being made tenantable shall be applied to repair and to reconstruct such Apartment so that it is made tenantable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against those Apartment Units which are tenatable. With respect to those Apartments which may not be tenatable, the award made shall be paid to the owner of such Apartment and any remaining portion of the untenantable Apartment shall become a part of the Common Elements. Upon the payment of such award for the account of such owner as provided herein, such Apartment shall no longer be a part of the Project, and the proportionate ownership interest in the Common Elements appurtenant to each remaining Apartment which shall continue as part of the Project shall be equitably adjusted to distribute the ownership of the undivided interest in the Common Elements among the reduced number of owners. If 66-2/3% or more of the Apartments are taken or damaged by such taking, all damages and awards shall be paid to the accounts of the owners of Apartments, as provided herein, in proportion to

their percentage or fractional ownership interests in the Common Elements; and this Condominium Regime shall terminate upon such payment. Upon such termination, the Apartments and Common Elements shall be deemed to be regrouped and merged into a single estate owned in undivided interest by all owners as tenants in common in the proportionate ownership interest previously owned by each owner in the Common Elements. Any damages or awards provided in this paragraph to be paid to or for the account of any owner by the Council shall be applied as set forth in the provisions for payment of insurance proceeds otherwise provided for in this Declaration, to the extent allowed by the Texas Condominium Act.

3.8 Other Council Functions: The Council may undertake any activity, function or service with respect to the Project for the benefit of or to further the interest of all, some or any Owners on a self-supporting special assessment or common assessment basis.

4. Assessments and Liens

4.1 Liability for Common Expenses: Each apartment owner shall be liable for a proportionate share of the Common Expenses, such share being the same as the undivided share in the Common Elements which is appurtenant to the Apartment as set forth in Exhibit "A" to the extent that the same shall be assessed against the owners from time to time by the Council. The Common Expenses shall include, but not be limited to, all expenses incurred by the Council in performing its duties, obligations and services as authorized or required hereby or by the members of the Council, administrative expenses of the Council, all expenses or expenditures incurred by the Council for repair, replacement, construction, acquisition, maintenance or operation of Common Elements, reserves for proper Council purposes, costs of enforcing this Declaration, applicable bylaws, rules and regulations or the rights of the Council or its members, professional fees, and utilities expenses and other authorized expenses.

The Council is authorized to collect from time to time as a part of the Common Expenses from the apartment owners an amount of money equal to the deductible amounts, if any, in the insurance policy or policies insuring the Building, Apartments and other property of the Project and the Council is authorized to enter into agreements with the mortgage companies who hold mortgages on individual apartments with respect to the depositing of this fund and the use of such fund in case of damage to the Project.

- 4.2 Assessments: The Council shall have the power to assess the owners of the Apartments for their respective shares of Common Expenses and otherwise as herein provided. The making and collection of assessments against apartment owners for common expenses shall be subject to the Bylaws and to the following provisions:
- (a) Share of Common Expense. Each apartment owner shall be liable for and shall pay a proportionate share of the Common Expenses to the extent that the same shall be assessed against the owners from time to time by the Council which share shall be the same as the undivided share in the General Common Elements which is appurtenant to the Apartments owned by him.
- (b) Interest; Application of Payments. Assessments and installments thereon paid on or before 10 days after the date when due shall not bear interest, but all sums not paid on or before 10 days after the date when due shall bear interest at the rate of ten percent per annum from the date when due until paid. All payments upon account shall be first applied to interst and then to the assessment payment first due.
- (c) Attorney's Fees. If the Council shall incur any legal expenses, including attorney's fees and court costs, to enforce any rights of the Council against an apartment owner, including but not limited to collection of

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delinquent assessments, such apartment owner shall be liable to the Council for such expenses and the Council may recover the same.

- 4.3 Lien for Assessments: The Council shall have a lien upon each Apartment and the interests in the General Common Elements and Common Fund appurtenant thereto to secure the payment by the owner of such Apartment of his proportionate share of all assessments required or permitted to be levied hereunder or by law, and any other sums which shall become due and owing from such owner to the Council and such lien shall also secure all other expenses including reasonable attorney's fees, incurred by the Council incident to the collection of such assessment or enforcement of such lien.
- 4.4 Foreclosure of Liens: All liens for assessments made by the Council shall be prior to other liens, except that such liens for assessments shall be subordinate, secondary and inferior, and the same are hereby expressly made subordinate, secondary and inferior to (1) all liens for taxes or special assessments levied by the city, county, and state governments or any political subdivision or special district thereof, and (2) liens securing amounts due or to become due under any mortgage, vendor's lien or deed of trust filed for record prior to the date payment of such assessment for Common Expenses becomes due. The claim of the Council for assessments and the lien securing such claims shall be freely assignable. Such lien for assessments herein provided for may be foreclosed, without prejudice and subject to the aforesaid prior liens, by the holder thereof in the same manner as either a vendor's lien, or as is provided for foreclosure of a contractual deed of trust lien on real property under Vernon's Annotated Civil Statutes of Texas, Art. 3810, or by judicial foreclosure. In the event of foreclosure under such Article 3810 the Council shall be

entitled to designate a Trustee by instrument recorded in the office of the County Clerk of Nueces County, Texas, and upon such recording, such Trustee shall, at request of the Council, give notice of sale as required by such Article 3810 and sell such Apartment to the highest bidder for cash at the courthouse door of Nueces County, Texas, at public vendue and at the time as provided in said statute, it being understood that recitations contained in the Trustee's deed shall be conclusively presumed true and correct. No such foreclosure shall affect or impair any such prior liens. The Council shall have power to bid on the Apartment foreclosed on at any foreclosure sale, and to acquire, hold, lease, mortgage and convey the same on behalf of the Council.

- 4.5 Status After Foreclosure: Upon the sale or conveyance of an Apartment, including sales at foreclosure, all unpaid assessments against the selling owner for his prorata share of the Common Expenses and charges due the Council shall be first paid out of the sale price or by the purchase in preference over any other assessments or charges of whatever nature except the following:
- (a) Assessments, liens and charges in favor of the state and any political subdivision thereof for taxes due and unpaid on the apartment; and
- (b) Amounts due under mortgage instruments duly recorded.

With respect to a purchaser who acquires title to an Apartment at a foreclosure sale of an approved mortgage, as defined in Section 5.4 of this Declaration, such purchaser shall not be liable for the share of the unpaid Common. Expenses or assessments by the Council chargeable to such apartment which became due prior to acquisition of such title at such foreclosure sale.

- 4.6 Certificate of Assessment: Any prospective purchaser or encumbrancer of an Apartment, upon written request being made, shall be entitled to a certificate from the Board as to the amount of unpaid Common Expenses, if any, of the subject Apartment, and such Apartment shall not be liable or subject to any lien for any unpaid assessment in excess of the amount set forth in said certificate for the period of time specified therein. If such request for a certificate is not complied with within twenty (20) days of such request, the prospective purchaser or encumbrancer shall not be liable for, nor shall the subject Apartment thereafter be subject to a lien for, any unpaid common expenses or assessments due prior to the date of such request.
- 4.7 Common Fund: All funds collected by reason of assessments of the apartment owners or otherwise received from the apartment owners proportionately, and all funds received for the use and benefit of, or the account of, the apartment owners shall constitute the Common Fund and shall be held, administered and accounted for by the Council as Trustee for the benefit of all of the owners of apartments in the project as set forth herein. The Common Fund is the property of the apartment owner proportionately and constitutes a part of the General Common Elements appurtenant to the apartments of the Project. The Common Fund shall be administered and disbursed by the Council according to the terms of this Declaration and as determined by the apartment owners from time to time. In addition to other uses authorized herein or by the members of the Council, the Common Fund may be expended in payment of the Common Expenses and in reimbursement of the expense of the Council. The Council shall have the power to delegate the collection of all or a part of the charges for Common Expenses to parties who shall hold such funds as a part of the Common Fund. The funds collected by the Council constituting a part of the Common Fund shall be

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held in a separate account or accounts in one or more depositories selected by the Council under the style, "The Breakers",
or such other name as the Council shall select. If the
condominium regime for the Project shall be terminated, and
if the Council shall at such time own any assets in its own
right (as distinguished from funds or property of the apartment
owners administered by the Council) in excess of its liabilities,
then any such excess of assets shall be added to the Common
Fund and administered as such.

5. Restrictions

- 5.1 (a) General Common Elements. The General Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the Apartments.
- upon the Project, nor any use or practice which is the source of annoyance to occupants or which interferes with the peaceful possession and proper use of the property by its occupants. All parts of the Project shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No apartment owner shall permit any use of his Apartment or make any use of the General Common Elements which will constitute a nuisance or annoyance to the occupants of other Apartments. There will be no parking or storage of boats on any part of the driveway and parking areas which are a part of the General Common Elements.
- (c) Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Project nor any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the Project shall be the same as the responsibility

for the maintenance and repair of the property concerned.

- (d) <u>Regulations</u>. Reasonable regulations concerning the use of the Project may be made and amended from time to time by the Board of Directors of the Council.
- (e) <u>Proviso</u>. Notwithstanding other provisions hereof, until Developer has completed and sold all of the Apartments, neither the apartment owners nor the Council nor the use of the Project shall interfere with the completion of the contemplated improvements and the sale of the Apartments. Developer may make such use of the unsold Apartment and Common Elements as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, the showing of the property and the dispay of signs.
- 5.2 Rental: Each apartment owner shall have an absolute right to lease or rent his apartment upon such terms as he shall approve, subject to all provisions and restrictions applicable to the Project.
- 5.3 Use: Each Apartment shall be used and occupied only as a single family residence.
- 5.4 Mortgage of Apartments: No apartment owner shall, without approval of the Council, mortgage his apartment except by a first mortgage or deed of trust made to or for the benefit of a bank, trust company, insurance company, savings and loan association, pension fund, real estate investment trust, or other institutional lender or by a purchase money mortgage or deed of trust to or for the benefit of the selling owner of the Apartment.
- 5.5. Non-partition: The General Common Elements shall remain undivided and shall not be the object of an action for partition or division of the co-ownership so long as suitable for a condominium regime unless the owners of all Apartments and all mortgagees of Apartments shall otherwise consent in writing, to the extent allowed by the Texas Condominium Act.

6. Transfers

- 6.1 No Severance of Ownership: The appurtenant interests, including interests in the General Common Elements, shall not be severable from the ownership of the Apartment to which appurtenant, and no attempted or purported severance of such ownership shall be effective. No apartment owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his Apartment without including therein the appurtenant interests, it being the intention hereof to prevent any severance of such combined ownership.
- 6.2 Purchase of Apartments by Council: Upon the written consent of the owners of 100% of the General Common Elements other than the owner of the interests in the General Common Elements appurtenant to the Apartment proposed to be purchased, acquisition of Apartments by the Council may be made from the assets, if any, or on the credit of, the Council, as such, or from the common fund (if on behalf of the co-owners as such) or if such funds are insufficient, the Board may levy an assessment against each apartment owner in proportion to his ownership in the General Common Elements, as a common charge, which assessment shall be enforceable in the same manner as provided herein. The Board, in its discretion, may cause the Council to borrow money to finance the acquisition of such Apartment; provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Apartment being acquired by the Council. The Council shall not levy any assessment for funds to be used to acquire or to amortize indebtedness on any Apartment without the prior written approval of the owners of apartments owning 100% of the General Common Elements (other than the owners of the interest in the General Common Elements appurtenant to the apartment proposed to be purchased) and the written approval of the mortgagees and lienholders holding mortgages or liens upon

the apartments which own 100% of the General Common Elements other than the owner of the interest in the General Common Elements appurtenant to the apartment proposed to be purchased.

7. Miscellaneous

- 7.1 Amendments: This Declaration may be changed or amended only with the written consent of the owners of apartments owning 100% of the General Common Elements and with the written consent of all mortgagees of apartments.
- 7.2 Notices: Notices provided for in this Declaration or the Bylaws shall be in writing and shall be addressed to the Board at the address of the Board as such address may be established from time to time and of which each apartment owner shall be notified. Notices to the apartment owners shall be mailed or delivered to the mailing address of their respective apartments or to such other address which any apartment owner may designate by notice thereof in writing to the Board.
- 7.3 Construction: In the event of the omission herefrom of any declaration, stipulation or provision which shall be vital, necessary or expedient for the accomplishment of the purposes and intents of this Declaration, this Declaration shall not thereby fail, in whole or in part, but any and all omitted matter shall be supplied herein by inference and/or by reference to the provisions of the Texas Condominium Act under which this Condominium Regime is established, and such provisions of such Act are hereby made a part hereof by reference thereto.
- 7.4 <u>Covenant</u>: The provisions of the Declaration shall constitute a covenant and easement running with the land described above and shall bind Developer, its successors and assigns.
- 7.5 Examination of Books and Records: The owner of each apartment as well as any person or entity holding a

mortgage on any apartment may, upon reasonable notice and at reasonable times, examine the books and records of the Council of Co-Owners. Each owner shall provide to the Council of Co-Owners the name and address of each person or entity holding a mortgage on such unit.

EXECUTED this 16 th day of January, 198/

THE BREAKERS JOINT VENTURE

Jack Rice Turner Managing Joint Venturer

APPROVED BY THE FOLLOWING LIENHOLDERS:

GILL SAVINGS ASSOCIATION (formerly MEDINA SAVINGS ASSOCIATION)

C. Jack Schleuning

Senior Vice-President

COASTCON CORPORATION

James Barnette President

THE STATE OF TEXAS

COUNTY OF NUCLES

BEFORE ME, the undersigned authority, on this day personally appeared JACK RICE TURNER, the Managing Joint Venturer of THE BREAKERS JOINT VENTURE, 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 consideration therein expressed, in the capacity therein stated, and as the act and deed of said Joint Venture.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 16 16

Notary Public

State of Texas

GLORIA KOPILIGUEZ

My Commission EXPIRES 2.28.61

-28-

THE STATE OF TEXAS

COUNTY OF BEXAR

BEFORE ME, the undersigned authority, on this day personally appeared <u>C. Jack Schleuning</u>, <u>Senior Vice-President</u> GILL SAVINGS ASSOCIATION (formerly MEDINA SAVINGS ASSOCIATION), a corporation, 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 consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 26th day of January , 1981 .

Notary Public, Bexar County State of Texas

My Commission Expires 3-6-81

TAYNEG. WIEDING

THE STATE OF TEXAS

COUNTY OF NUECES

BEFORE ME, the undersigned authority, on this day personally appeared JAMES BARNETTE, President of COASTCON CORPORATION, a corporation, 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 consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

of January, 19 / .

Notary Public State of Texas

Barbara A. Lunsford

Commission Expiros 11-28-84

EXHIBIT "A"

INTEREST IN GENERAL COMMON ELEMENTS,

COMMON EXPENSES & SURPLUS

BUILDING	APARTMENT NUMBER	FLOOR LOCATION	FRACTIONAL INTEREST IN THE GENERAL COMMON ELEMENTS, COMMON EXPENSES AND COMMON FUND
4	201	2	1/54
1	202	2 .	1/54
4	203	2	1/54
4	204	2	1/54
4	205	2	1/54
4	206	2	1/54
4	301	3	1/54
4 .	302	3	1/54
4	303	3	1/54
4	304	. 3	1/54
4	305	3	1/54
4	306	3	1/54
4	401	4	1/54
٩ .	402	4	1/54
A	403	4	1/54
Α .	404	4	1/54
A	405	4	1/54
A	406	4	1/54
A	501	5	1/54
A	502	5	1/54
A	503	5	1/54
A	5 0 4	5	1/54
А	505	5	1/54
A	506	5	1/54
A	601	6	1/54
Α	602	6	1/54
Α .]	603	6 •	1/54
Α	604	6	1/54
A	605	6 .	1/54
A	606	6	1/54
Α .	701	7	1/54
A	702	7	1/54
Α	703	7	1/54
A	704	7	• 1/54
A	705	7	1/54
Α .	706	7 .	1/54

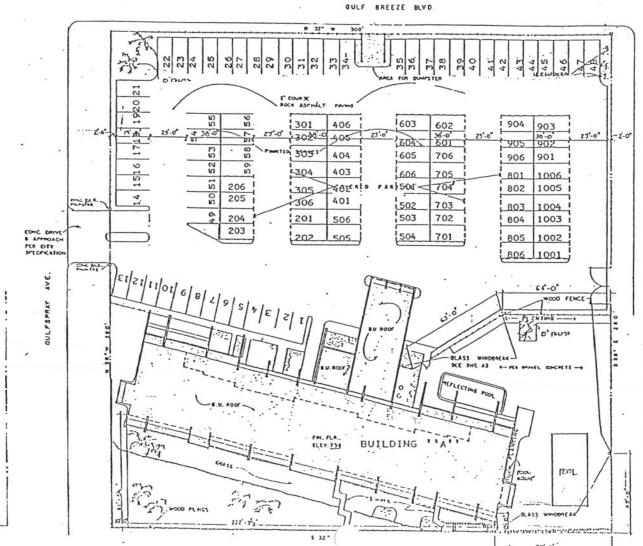
EXHIBIT ''A''

INTEREST IN GENERAL COMMON ELEMENTS COMMON EXPENSES & SURPLUS (CONT'D)

LLDING	ARPARTMENT NUMBER	FLOOR LOCATION	FRACTIONAL INTEREST IN THE GENERAL COMMON ELEMENTS, COMMON EXPENSES AND COMMON FUND
	801	8 .	1/54
	802	8	1/54
	803	8	1/54
	804	8	1/54
	805	8	1/54
	806	8	1/54
	901	9	1/54
	902	9	1/54
	903	و ،	1/54
	904	9	1/54
	905	9	1/54
	906	9	1/54
	1001	10	1/54
	1002	10	1/54
	1003	10	1/54
	1004	10	1/54
	1005	10	1/54
	1006	10	1/54
	Electronic confi	105,70000-400	

THE BREAKERS CONDOMINIUM

CORPUS CHRISTI. TEXAS



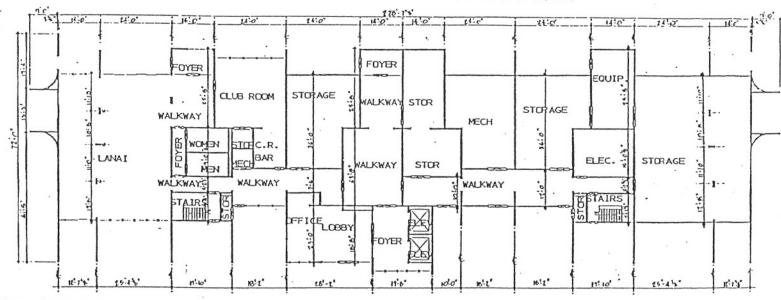
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SITE DESCRIPTION

TRACT I: LOT 1, BLOCK 18-R, BROOKLYN ADDITION, AN ADDITION TO THE CITY OF CORPUS CHRISTI, NUECES COUNTY, TEXAS, AS SHOWN BY REPLAT RECORDED AT VOLUME 43, PAGE 10, OF THE MAP . RECORDS OF NUECES COUNTY, TEXAS.

TRACT II: LOTS 1 THROUGH 12, BOTH INCLUSIVE, BLOCK 18, BROOKLYN. AN ADDITION TO THE CITY OF CORPUS CHRISTI, NUECES COUNTY, TEXAS, AS SHOWN BY THE MAP OR PLAT THEREOF RECORDED IN VOLUME "'A", PAGE 32, MAP RECORDS OF NUECES COUNTY, TEXAS.

BREAKERS CONDOMINIUM CONPUS CHRISTIL TEXAS THE



Ground Floor Plan

0 5 10 5 70 TO GRAPHIC SCALE

CENTERL NOTES

L DIMENSIONS TO PARTY WALLS ARE
CENTERLINES TO CENTERLINES.

2 APEREVIATIONS:

STHROUS:

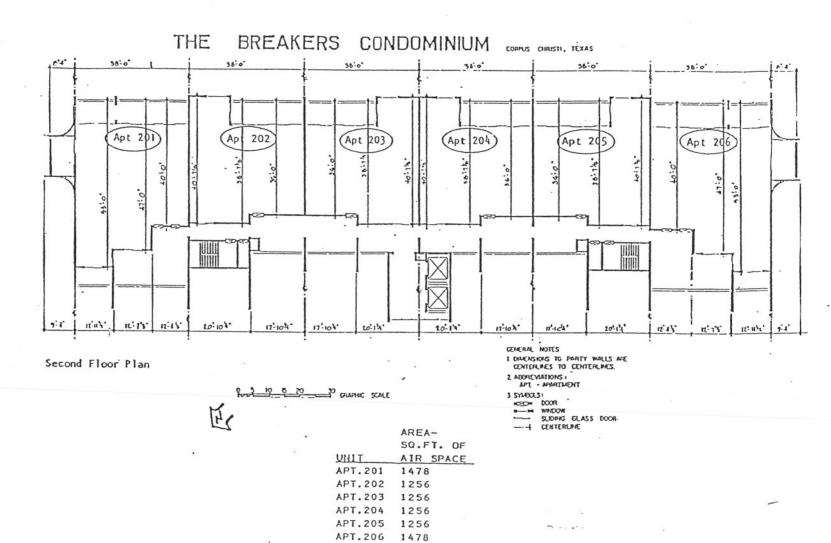
SON DOOR

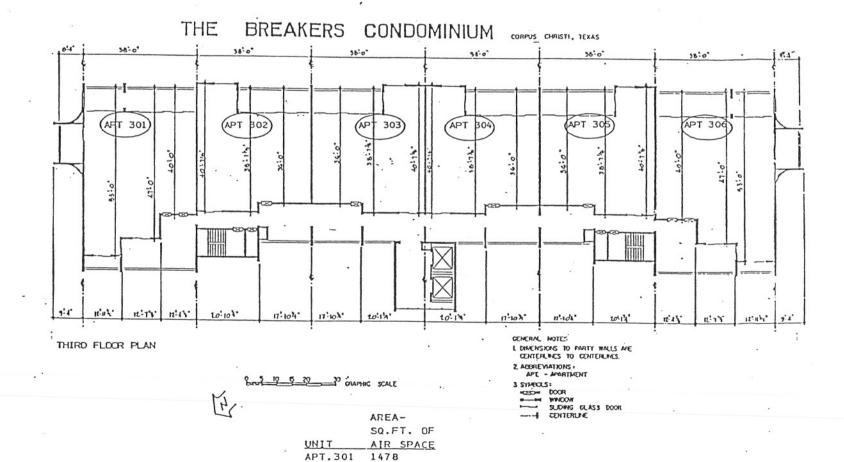
WHOOW

SUDING GLASS DOOR

CENTERUNE

Fuhihi i





APT.302

APT.305

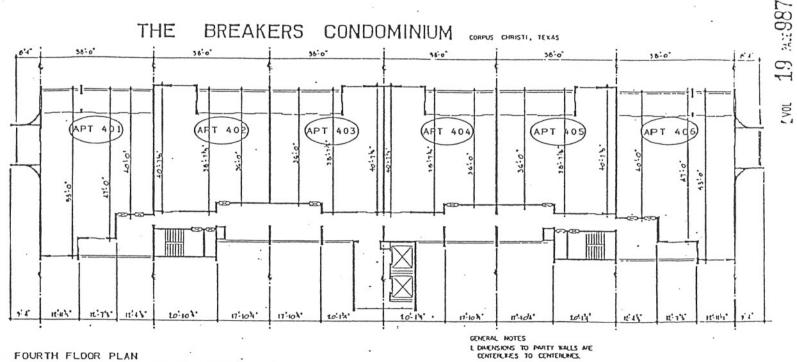
APT.303 · 1256 APT.304

APT.306 1478

1256

1256

1256



FOURTH FLOOR PLAN

DRAPHIC SCALE

AREA-SQ.FT. OF TIMU AIR SPACE APT.401 1478 APT.402 1256 APT.403 1256 APT.404 1256 APT.405 1256 APT.406 1478

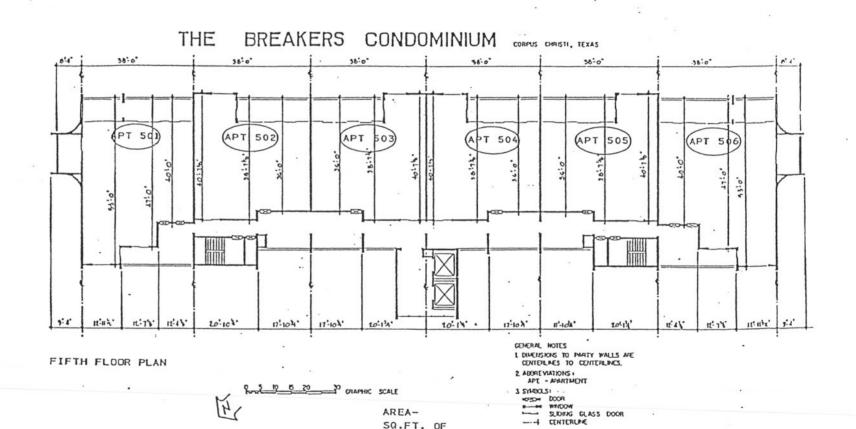
- Z ABBREVIATIONS: APT APARTMENT
- 3 SYMDOLS:

- DOOR

 WHOOM

 SLIDING GLASS DOOR

 CENTERUNE



AREA-SQ.FT. OF

1478

1256

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1478

AIR SPACE

TINU :

APT.501

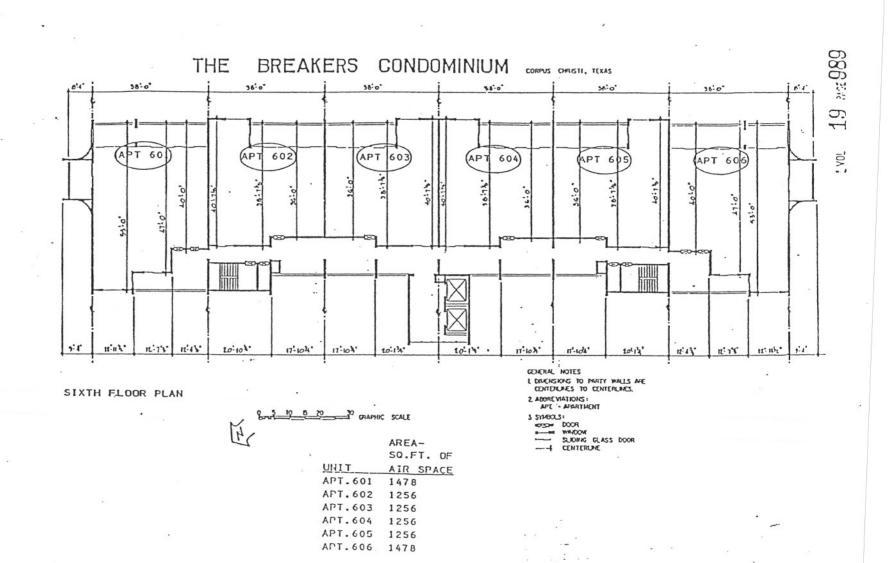
APT.502

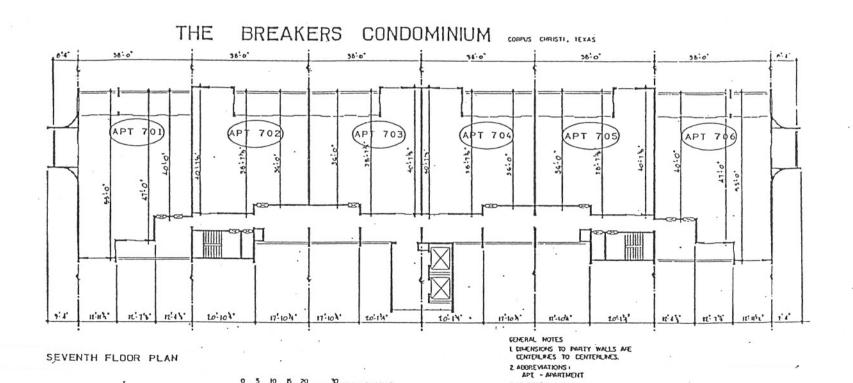
APT.503

APT.504

APT.505

APT.506





GRAPHIC SCALE

TIMU

APT.701

APT.702

E07.79A

APT.704

APT.705

APT.706 . 1478

AREA-SO.FT. OF

1478

1256

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AIR STACE

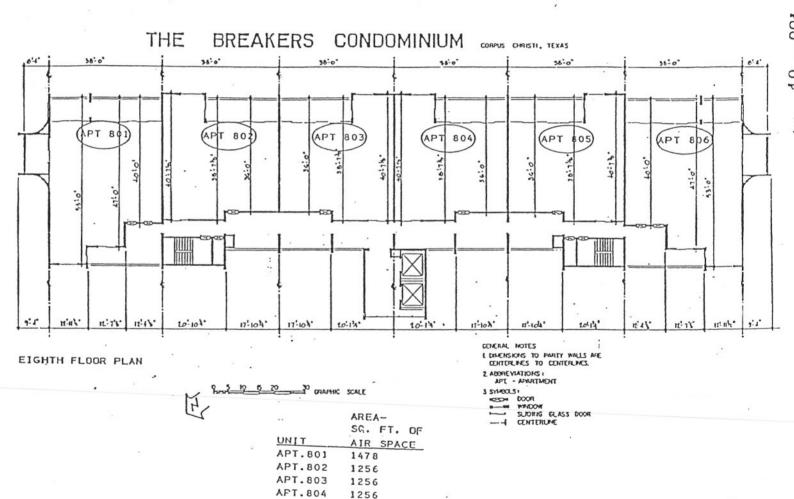
STHEOLS:

OCCUP DOOR

WINDOW

SHORING GLASS DOOR

CENTERUME

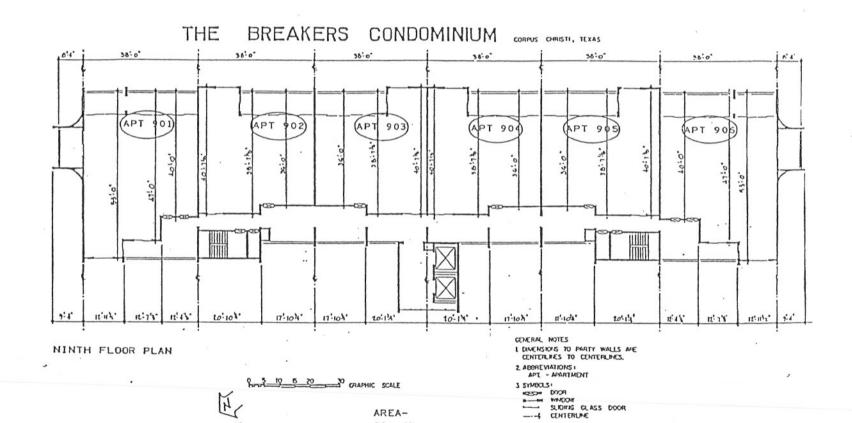


APT.805

AFT.806

1256

1478



AREA-SQ. FT. OF

1478

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AIR SPACE

UNIT

APT.901

APT.902

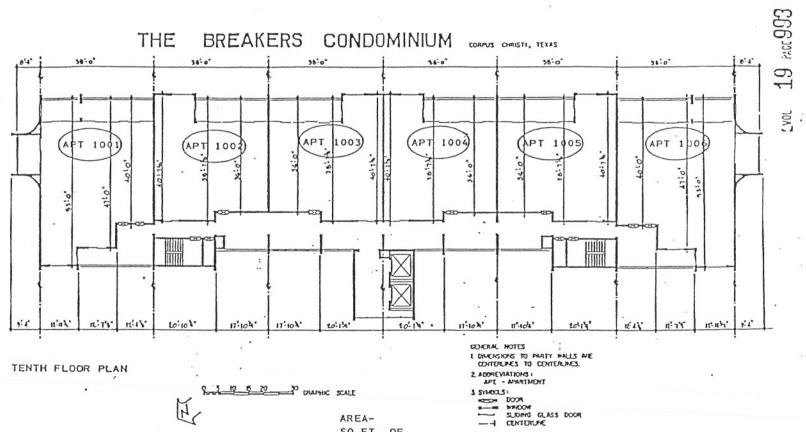
AFT.903

APT.904

AFT.905

APT. 906

FXHIBIT C



TO GRAPHIC SCALE

AREA-SQ.FT. OF LUIL AIR SPACE APT.1001 1478 APT.1002 1256 APT.1003 1256 APT.1004 1256 APT.1005 1256 APT.1006 1478



THE STATE OF TEXAS COUNTY OF NUECES

CONDOMINIUM MANAGEMENT CERTIFICATE

THE BREAKERS CONDOMINIUM CITY OF CORPUS CHRISTI, NUECES COUNTY, TEXAS

THE BREAKERS CONDOMINIUM
THE BREAKERS CONDOMINIUM COUNCIL OF CO-OWNERS. INC.
4242 GULFBREEZE
CORPUS CHRISTI, TX 78402

DECLARATION OF CONDOMINIUM OF THE BREAKERS

RECORDED JANUARY 16TH, 1981

MAILING ADDRESS: 4242 GULFBREEEZE

CORPUS CHRISTI, TX 78402

Telephone: 361-883-7433 Fax: 361-883-5443

Manager: Nancy Strauss, PCAM

Residential condominium. No daily or weekly rentals allowed.

DATE:

The Breakers Council of Co-Owners, Inc., A Texas condominium association

By: The Chice President
Association Officer & Title

Notary Acknowledgments

State of Texas County of Nueces

This instrument was acknowledged before me on November 17, 2008 by

Notary signature Mancy

My commission expires

3-13-2012

NANCY JUANITA STRAUSS
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES:
03-13-2012