

005-75-1099

The schedule of assigned weeks shall automatically repeat at the end of each schedule. All of the weeks above shall start at five o'clock (5:00) P.M. on the Friday noted and shall end at eleven o'clock (11:00) A.M. on the following Friday. In each year where there is a fifty-third (53rd) Friday, the fifty-third (53rd) week shall become a part of the fifty-second (52nd) week and shall be considered a part of Week 52 which shall start at five o'clock (5:00) P.M. on the fifty-third (53rd) Friday and end at five o'clock (5:00) P.M. on the following Friday (which shall be the beginning of week number one (1) for that year).

(b) Intervening Maintenance Periods: The intervening Maintenance Periods shall begin at eleven o'clock (11:00) A.M. on Friday and end at five o'clock (5:00) P.M. on Friday. There shall not be an intervening Maintenance Period whenever the Use Periods both before and after such intervening Maintenance Period are owned by the same owner. In that event, the intervening Maintenance Period shall be treated as a part of the preceding Use Period.

(c) Extended Maintenance Periods: Two annual extended Maintenance Periods, the first of which shall begin on the first (1st) Friday in each year at eleven (11:00) A.M. and shall end at five o'clock (5:00) P.M. on the Friday of the following week, and the second of which shall begin the second (2nd) Friday in each year at five o'clock (5:00) P.M. and shall end at five o'clock (5:00) P.M. on the Friday of the following week. Necessarily, as these weeks rotate pursuant to the provisions set forth above, the Owner's occupancy rights for these specific weeks will be deemed waived in favor of the Declarant or Manager for purposes of the extended maintenance.

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

FILED FOR RECORD

MAR 17 2 50 PM '00

Jessie B. Kirkendall
COUNTY CLERK
GALVESTON COUNTY TX.

MAR 17 1900



Jessie B. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS

Exhibit "E"
page 2 of 2

STB

8837345

SUPPLEMENTAL
DECLARATION OF CO-OWNERSHIP
FOR
SAN LUIS CONDOMINIUMS

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

This Supplemental Declaration of Co-Ownership for San Luis Condominiums, is made and executed on this 13th day of October, 1988, ("Supplemental Declaration") by The Woodlands Corporation a Delaware corporation whose principal place of business is 2201 Timberloch Place, The Woodlands, Texas 77380 ("Declarant").

W I T N E S S E T H

WHEREAS, that certain Declaration of Co-Ownership for San Luis Condominiums was filed for record under County Clerk File No. 8458524 of the Real Property Records of Galveston County, Texas ("Declaration") whereby certain units in the San Luis Condominiums were submitted to a Timeshare Regime. (All capitalized terms used herein shall have the same meaning ascribed to them in the Declaration unless otherwise stated);

WHEREAS, Declarant is the owner of the following described real property and all appurtenances thereto situated in County of Galveston, State of Texas and being known as San Luis Condominiums, to wit:

Unit 737, Unit 1038, Unit 1039 and Unit 1535 and the space encompassed by the boundaries thereof, together with an undivided interest in and to the common elements of the San Luis Condominium, a condominium project located in the City of Galveston, Galveston County, Texas, according to and as described by the Declaration of Condominium for The San Luis Condominium and exhibits recorded under County Clerk's File No. 8502838, Real Property Records of Galveston County, Texas (collectively referred to as "Units")

WHEREAS, Unit 1038/1039 was previously submitted to the Timeshare Regime as a two (2) bedroom, two and one-half (2½) bath condominium, and the Declarant has subsequently reconstructed said unit to create Unit 1038, which is a one (1) bedroom, one (1) bath condominium and Unit 1039 which is a one (1) bedroom and one (1) and one-half (1½) bath Unit; and

WHEREAS, Declarant now desires to annex Unit 737 and Unit 1535 and all rights and privileges belonging or in any wise pertaining thereto, to the Timeshare Regime pursuant to Texas Condominium Code, §201. et. seq. (Vernon Supp. 1987) and to Article VII of the Declaration.

NOW, THEREFORE, Declarant, as the owner of the real property hereinabove described for itself, its successors, grantees and assigns, does hereby submit the Unit 737 and Unit 1535 to the Timeshare Regime does amend the Declaration, and does declare that the Units shall be held, sold, conveyed, and encumbered, rented, occupied and used subject to the covenants, conditions, reservations, restrictions and limitations contained herein and in the Declaration. All such covenants, conditions, reservations, restrictions, and limitations shall run with the land and be binding upon and inure to the benefit of Declarant, all Owners, and any other persons or entities having or acquiring any right, title, or interest therein.

In consideration of receiving and by acceptance of a deed or of any other instrument of transfer, whether from Declarant, its successors or assigns, or from any Owner, each Owner for himself, his heirs, legal representatives, successors, assigns, or any other person or persons holding or occupying by, through, or under such Owner, and whether or not expressly stated therein, covenants, consents, and agrees to be bound by, observe, comply with, and perform the covenants, conditions, reservations, restrictions and limitations contained in the Declaration and in the Articles of Incorporation and Bylaws of San Luis Condominium Council, as each of the aforesaid documents may lawfully be amended and/or supplemented from time to time.

ARTICLE I
ANNEXATION

1.1. The Units are hereby annexed to the Timeshare Regime.

1.2. The Units are being annexed in accordance with the provisions of Article VII of the Declaration and the Units being annexed shall be developed, held, used, sold and conveyed in accordance with and subject to the provisions of the Declaration.

1.3. The provisions of the Declaration shall apply to the Units being annexed with the same force and effect as if said Units were originally included in said Declaration.

1.4. The Units being annexed are submitted to the jurisdiction of the Council with the same force and effect as if said Units were originally included in the Declaration.

006-12-1583

**ARTICLE II
AMENDMENTS TO THE DECLARATION**

2.1. Section 3.1 of the Declaration is hereby amended to add Unit 737 and Unit 1038.

2.2. Section 3.2 of the Declaration is hereby amended to add Unit 1535.

2.3. Section 3.3 of the Declaration is hereby amended to add Unit 1039.

2.4. Section 5.2 of the Declaration is hereby amended by deleting the phrase ".581% or 1/172 of the entire Timeshare Regime" where it appears therein and substituting the phrase ".543% or 1/184 of the entire Timeshare Regime".

2.5. Exhibit C to the Declaration shall be deleted in its entirety and Exhibit C attached hereto shall be substituted in place thereof.

Except as herein amended, all the provisions of the Declaration shall remain in full force and effect as originally written and recorded.

IN WITNESS WHEREOF, Declarant has duly executed this Supplemental Declaration this 18th day of October, 1988.

THE WOODLANDS CORPORATION

By: [Signature]
Name: Timothy J. Welbes
Title: Vice President *akw*

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on October 18, 1988, by Timothy J. Welbes, Vice President of The Woodlands Corporation, a Delaware corporation, on behalf of said corporation.



Marie J. Wheeler
Printed Name: _____
Notary Public, State of Texas
My Commission Expires: _____

006-12-1584

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
336337 A	0.6802%
336337 B	0.6802%
336337 C	0.6802%
336337 D	0.6802%
435 A	0.4537%
435 B	0.4537%
435 C	0.4537%
435 D	0.4537%
438439 A	0.7606%
438439 B	0.7606%
438439 C	0.7606%
438439 D	0.7606%
531 A	0.2265%
531 B	0.2265%
531 C	0.2265%
531 D	0.2265%
532533 A	0.6802%
532533 B	0.6802%
532533 C	0.6802%
532533 D	0.6802%
537 A	0.2265%
537 B	0.2265%
537 C	0.2265%
537 D	0.2265%
538539 A	0.7606%
538539 B	0.7606%
538539 C	0.7606%
538539 D	0.7606%
636637 A	0.6802%
636637 B	0.6802%
636637 C	0.6802%
636637 D	0.6802%
732 A	0.2265%
732 B	0.2265%
732 C	0.2265%
732 D	0.2265%
733 A	0.4537%
733 B	0.4537%
733 C	0.4537%
733 D	0.4537%
734 A	0.4537%
734 B	0.4537%
734 C	0.4537%
734 D	0.4537%
737 A	0.2265%
737 B	0.2265%
737 C	0.2265%
737 D	0.2265%
738739 A	0.7606%

EXHIBIT "C"
(Page 1 of 4)

006-12-1585

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
738739 B	0.7606%
738739 C	0.7606%
738739 D	0.7606%
835 A	0.4537%
835 B	0.4537%
835 C	0.4537%
835 D	0.4537%
837 A	0.2265%
837 B	0.2265%
837 C	0.2265%
837 D	0.2265%
838839 A	0.7606%
838839 B	0.7606%
838839 C	0.7606%
838839 D	0.7606%
934 A	0.4537%
934 B	0.4537%
934 C	0.4537%
934 D	0.4537%
936937 A	0.6802%
936937 B	0.6802%
936937 C	0.6802%
936937 D	0.6802%
938939 A	0.7606%
938939 B	0.7606%
938939 C	0.7606%
938939 D	0.7606%
1031 A	0.2265%
1031 B	0.2265%
1031 C	0.2265%
1031 D	0.2265%
1035 A	0.4537%
1035 B	0.4537%
1035 C	0.4537%
1035 D	0.4537%
10361037 A	0.6802%
10361037 B	0.6802%
10361037 C	0.6802%
10361037 D	0.6802%
1038 A	0.2265%
1038 B	0.2265%
1038 C	0.2265%
1038 D	0.2265%
1039 A	0.5340%
1039 B	0.5340%
1039 C	0.5340%
1039 D	0.5340%
1130 A	0.5340%
1130 B	0.5340%

EXHIBIT "C"
(Page 2 of 4)

006-12-1586

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
1130 C	0.5340%
1130 D	0.5340%
11321133 A	0.6802%
11321133 B	0.6802%
11321133 C	0.6802%
11321133 D	0.6802%
1134 A	0.4537%
1134 B	0.4537%
1134 C	0.4537%
1134 D	0.4537%
1135 A	0.4537%
1135 B	0.4537%
1135 C	0.4537%
1135 D	0.4537%
11361137 A	0.6802%
11361137 B	0.6802%
11361137 C	0.6802%
11361137 D	0.6802%
11381139 A	0.7606%
11381139 B	0.7606%
11381139 C	0.7606%
11381139 D	0.7606%
1233 A	0.4537%
1233 B	0.4537%
1233 C	0.4537%
1233 D	0.4537%
1234 A	0.4537%
1234 B	0.4537%
1234 C	0.4537%
1234 D	0.4537%
1235 A	0.4537%
1235 B	0.4537%
1235 C	0.4537%
1235 D	0.4537%
12361237 A	0.6802%
12361237 B	0.6802%
12361237 C	0.6802%
12361237 D	0.6802%
12381239 A	0.7606%
12381239 B	0.7606%
12381239 C	0.7606%
12381239 D	0.7606%
14321433 A	0.6802%
14321433 B	0.6802%
14321433 C	0.6802%
14321433 D	0.6802%
1434 A	0.4537%
1434 B	0.4537%
1434 C	0.4537%

EXHIBIT "C"
(Page 3 of 4)

006-12-1587

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
1434 D	0.4537%
1435 A	0.4537%
1435 B	0.4537%
1435 C	0.4537%
1435 D	0.4537%
14361437 A	0.6802%
14361437 B	0.6802%
14361437 C	0.6802%
14361437 D	0.6802%
14381439 A	0.7606%
14381439 B	0.7606%
14381439 C	0.7606%
14381439 D	0.7606%
1530 A	0.5332%
1530 B	0.5332%
1530 C	0.5332%
1530 D	0.5332%
15321533 A	0.6802%
15321533 B	0.6802%
15321533 C	0.6802%
15321533 D	0.6802%
1534 A	0.4537%
1534 B	0.4537%
1534 C	0.4537%
1534 D	0.4537%
1535 A	0.4537%
1535 B	0.4537%
1535 C	0.4537%
1535 D	0.4537%
15361537 A	0.6802%
15361537 B	0.6802%
15361537 C	0.6802%
15361537 D	0.6802%
15381539 A	0.7606%
15381539 B	0.7606%
15381539 C	0.7606%
15381539 D	0.7606%
TOTAL	184 100.0000%

EXHIBIT "C"
(Page 4 of 4)

006-12-1588

FILED FOR RECORD

88 OCT 20 PM 3:28

CLERK OF COUNTY CLERK
GALVESTON COUNTY TEXAS

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

OCT 20 1988



Jessie B. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS

Stewart's

*Mary Rose
The Woodlands Corp.
2201 Timberlake Place
The Woodlands, TX 77380*

8817339

Prepared by the State Bar of Texas for use by lawyers only. Revised 1-1-76.
Revised as to interest and to include grantor's address (art. 6626, RCS) 1-1-82.
Revised as to sale on default (§ 51.002, Prop. Code) 10-83.

DEED OF TRUST 005-85-2017.

THE STATE OF TEXAS
COUNTY OF GALVESTON

} KNOW ALL MEN BY THESE PRESENTS:

That **EDGAR F. JONES, III, M.D.**

of Galveston County, Texas, hereinafter called Grantors (whether one or more) for the purpose of securing the indebtedness hereinafter described, and in consideration of the sum of TEN DOLLARS (\$10.00) to us in hand paid by the Trustee hereinafter named, the receipt of which is hereby acknowledged, and for the further consideration of the uses, purposes and trusts hereinafter set forth, have granted, sold and conveyed, and by these presents do grant, sell and convey unto Robert B. Smither, Jr., Trustee, of Galveston County, Texas, and his substitutes or successors, all of the following described property situated in Galveston County, Texas, to-wit:

Lot 12 and the West 10 feet 8-1/2 inches of Lot 11 in the Southwest Block of Outlot 159, in the City and County of Galveston, Texas.

TO HAVE AND TO HOLD the above described property, together with the rights, privileges and appurtenances thereto belonging unto the said Trustee, and to his substitutes or successors forever. And Grantors do hereby bind themselves, their heirs, executors, administrators and assigns to warrant and forever defend the said premises unto the said Trustee, his substitutes or successors and assigns forever, against the claim, or claims, of all persons claiming or to claim the same or any part thereof.

This conveyance, however, is made in TRUST to secure payment of one promissory note _____ of even date herewith in the principal sum of FIFTY SEVEN THOUSAND THREE HUNDRED FOUR AND 66/100----- Dollars (\$57,304.66)

executed by Grantors, payable to the order of UNIVERSITY NATIONAL BANK OF GALVESTON

in the City of Galveston, Galveston County, Texas, as follow, to-wit: Principal and interest are payable as therein provided and all principal and interest not sooner paid are due and payable one hundred eighty (180) days from the date thereof.

bearing interest as therein stipulated, providing for acceleration of maturity and for Attorney's fees;

Should Grantors do and perform all of the covenants and agreements herein contained, and make prompt payment of said indebtedness as the same shall become due and payable, then this conveyance shall become null and void and of no further force and effect, and shall be released at the expense of Grantors, by the holder thereof, hereinafter called Beneficiary (whether one or more).

Grantors covenant and agree as follows:

That they are lawfully seized of said property, and have the right to convey the same; that said property is free from all liens and encumbrances, except as herein provided.

To protect the title and possession of said property and to pay when due all taxes and assessments now existing or hereafter levied or assessed upon said property, or the interest therein created by this Deed of Trust, and to preserve and maintain the lien hereby created as a first and prior lien on said property including any improvements hereafter made a part of the realty.

To keep the improvements on said property in good repair and condition, and not to permit or commit any waste thereof; to keep said buildings occupied so as not to impair the insurance carried thereon.

To insure and keep insured all improvements now or hereafter created upon said property against loss or damage by fire and wind-storm, and any other hazard or hazards as may be reasonably required from time to time by Beneficiary during the term of the indebtedness hereby secured, to the extent of the original amount of the indebtedness hereby secured, or to the extent of the full insurable value of said improvements, whichever is the lesser, in such form and with such Insurance Company or Companies as may be approved by Beneficiary, and to deliver to Beneficiary the policies of such insurance having attached to said policies such mortgage indemnity clause as Beneficiary shall direct; to deliver renewals of such policies to Beneficiary at least ten (10) days before any such insurance policies shall expire; any proceeds which Beneficiary may receive under any such policy, or policies, may be applied by Beneficiary, at his option, to reduce the indebtedness hereby secured, whether then matured or to mature in the future, and in such manner as Beneficiary may elect, or Beneficiary may permit Grantors to use said proceeds to repair or replace all improvements damaged or destroyed and covered by said policy.

That in the event Grantors shall fail to keep the improvements on the property hereby conveyed in good repair and condition, or to pay promptly when due all taxes and assessments, as aforesaid, or to preserve the prior lien of this Deed of Trust on said property, or to keep the buildings and improvements insured, as aforesaid, or to deliver the policy, or policies, of insurance or the renewal thereof to Beneficiary, as aforesaid, then Beneficiary may, at his option, but without being required to do so, make such repairs, pay such taxes and assessments, purchase any tax title thereon, remove any prior liens, and prosecute or defend any suits in relation to the preservation of the prior lien of this Deed of Trust on said property, or insure and keep insured the improvements thereon in an amount not to exceed that above stipulated; that any sums which may be so paid out by Beneficiary and all sums paid for insurance premiums, as aforesaid, including the costs, expenses and Attorney's fees paid in any suit affecting said property when necessary to protect the lien hereof shall bear interest from the dates of such payments at the rate stated in said note and shall be paid by Grantors to Beneficiary upon demand, at the same place at which said note is payable, and shall be deemed a part of the debt hereby secured and recoverable as such in all respects.

That in the event of default in the payment of any installment, principal or interest, of the note hereby secured, in accordance with the terms thereof, or of a breach of any of the covenants herein contained to be performed by Grantors, then and in any of such events Beneficiary may elect, Grantors hereby expressly waiving presentment and demand for payment, to declare the entire principal indebtedness hereby secured with all interest accrued thereon and all other sums hereby secured immediately due and payable, and in the event of default in the payment of said indebtedness when due or declared due, it shall thereupon, or at any time thereafter, be the duty of the Trustee, or his successor or substitute as hereinafter provided, at the request of Beneficiary (which request is hereby conclusively presumed), to enforce this trust; and after advertising the time, place and terms of the sale of the above described and conveyed property, then subject to the lien hereof, and mailing and filing notices as required by section 51.002, Texas Property Code, as then amended (successor to article 3810, Texas Revised Civil Statutes), and otherwise complying with that statute, the Trustee shall sell the above described property, then subject to the lien hereof, at public auction in accordance with such notices on the first Tuesday in any month between the hours of ten o'clock A.M. and four o'clock P.M., to the highest bidder for cash, selling all of the property as an entirety or in such parcels as the Trustee acting may elect, and make due conveyance to the Purchaser or Purchasers, with general warranty binding Grantors, their heirs and assigns; and out of the money arising from such sale, the Trustee acting shall pay first, all the expenses of advertising the sale and making the conveyance, including a commission of five percent (5%) to himself, which commission shall be due and owing in addition to the Attorney's fees provided for in said note, and then to Beneficiary the full amount of principal, interest, Attorney's fees and other charges due and unpaid on said note and all other indebtedness secured hereby, rendering the balance of the sales price, if any, to Grantors, their heirs or assigns; and the records in the conveyance to the Purchaser or Purchasers shall be full and conclusive evidence of the truth of the matters therein stated, and all prerequisites to said sale shall be presumed to have been performed, and such sale and conveyance shall be conclusive against Grantors, their heirs and assigns.

It is agreed that in the event a foreclosure hereunder should be commenced by the Trustee, or his substitute or successor, Beneficiary may at any time before the sale of said property direct the said Trustee to abandon the sale, and may then institute suit for the collection of said note, and for the foreclosure of this Deed of Trust lien; it is further agreed that if Beneficiary should institute a suit for the collection thereof, and for a foreclosure of this Deed of Trust lien, that he may at any time before the entry of a final judgment in said suit dismiss the same, and require the Trustee, his substitute or successor to sell the property in accordance with the provisions of this Deed of Trust.

Beneficiary, if he is the highest bidder, shall have the right to purchase at any sale of the property, and to have the amount for which such property is sold credited on the debt then owing.

Beneficiary in any event is hereby authorized to appoint a substitute trustee, or a successor trustee, to act instead of the Trustee named herein without other formality than the designation in writing of a substitute or successor trustee; and the authority hereby conferred shall extend to the appointment of other successor and substitute trustees successively until the indebtedness hereby secured has been paid in full, or until said property is sold hereunder, and each substitute and successor trustee shall succeed to all of the rights and powers of the original trustee named herein.

In the event any sale is made of the above described property, or any portion thereof, under the terms of this Deed of Trust, Grantors, their heirs and assigns, shall forthwith upon the making of such sale surrender and deliver possession of the property so sold to the Purchaser at such sale, and in the event of their failure to do so they shall thereupon from and after the making of such sale be and continue as tenants at will of such Purchaser, and in the event of their failure to surrender possession of said property upon demand, the Purchaser, his heirs or assigns, shall be entitled to institute and maintain an action for forcible detainer of said property in the Justice of the Peace Court in the Justice Precinct in which such property, or any part thereof, is situated.

It is agreed that the lien hereby created shall take precedence over and be a prior lien to any other lien of any character whether vendor's, materialmen's or mechanic's lien hereafter created on the above described property, and in the event the proceeds of the indebtedness secured hereby as set forth herein are used to pay off and satisfy any liens heretofore existing on said property, then Beneficiary is, and shall be, subrogated to all of the rights, liens and remedies of the holders of the indebtedness so paid.

It is further agreed that if Grantors, their heirs or assigns, while the owner of the hereinabove described property, should commit an act of bankruptcy, or authorize the filing of a voluntary petition in bankruptcy, or should an act of bankruptcy be committed and involuntary proceedings instituted or threatened, or should the property hereinabove described be taken over by a Receiver for Grantors, their heirs or assigns, the note hereinabove described shall, at the option of Beneficiary, immediately become due and payable, and the acting Trustee may then proceed to sell the same under the provisions of this Deed of Trust.

005-85-2019

As further security for the payment of the hereinabove described indebtedness, Grantors hereby transfer, assign, and convey unto Beneficiary all rents issuing or to hereafter issue from said real property, and in the event of any default in the payment of said note or hereunder, Beneficiary, his agent or representative, is hereby authorized, at his option, to collect said rents, or if such property is vacant to rent the same and collect the rents, and apply the same, less the reasonable costs and expenses of collection thereof, to the payment of said indebtedness, whether then matured or to mature in the future, and in such manner as Beneficiary may elect. The collection of said rents by Beneficiary shall not constitute a waiver of his right to accelerate the maturity of said indebtedness nor of his right to proceed with the enforcement of this Deed of Trust.

It is agreed that an extension, or extensions, may be made of the time of payment of all, or any part, of the indebtedness secured hereby, and that any part of the above described real property may be released from this lien without altering or affecting the priority of the lien created by this Deed of Trust in favor of any junior encumbrancer, mortgagee or purchaser, or any person acquiring an interest in the property hereby conveyed, or any part thereof; it being the intention of the parties hereto to preserve this lien on the property herein described and all improvements thereon, and that may be hereafter constructed thereon, first and superior to any liens that may be placed thereon, or that may be fixed, given or imposed by law thereon after the execution of this instrument notwithstanding any such extension of the time of payment, or the release of a portion of said property from this lien.

In the event any portion of the indebtedness hereinabove described cannot be lawfully secured by this Deed of Trust lien on said real property, it is agreed that the first payments made on said indebtedness shall be applied to the discharge of that portion of said indebtedness.

Beneficiary shall be entitled to receive any and all sums which may become payable to Grantors for the condemnation of the hereinabove described real property, or any part thereof, for public or quasi-public use, or by virtue of private sale in lieu thereof, and any sums which may be awarded or become payable to Grantors for damages caused by public works or construction on or near the said property. All such sums are hereby assigned to Beneficiary, who may, after deducting therefrom all expenses actually incurred, including attorney's fees, release same to Grantors or apply the same to the reduction of the indebtedness hereby secured, whether then matured or to mature in the future, or on any money obligation hereunder, as and in such manner as Beneficiary may elect. Beneficiary shall not be, in any event or circumstances, liable or responsible for failure to collect, or exercise diligence in the collection of, any such sums.

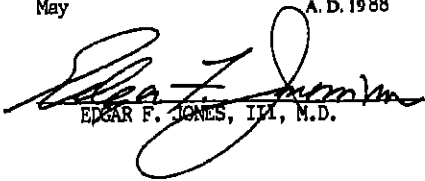
Nothing herein or in said note contained shall ever entitle Beneficiary, upon the arising of any contingency whatsoever, to receive or collect interest in excess of the highest rate allowed by the laws of the State of Texas on the principal indebtedness hereby secured or on any money obligation hereunder and in no event shall Grantors be obligated to pay interest thereon in excess of such rate.

If this Deed of Trust is executed by only one person or by a corporation the plural reference to Grantors shall be held to include the singular, and all of the covenants and agreements herein undertaken to be performed by and the rights conferred upon the respective Grantors named herein, shall be binding upon and inure to the benefit of not only said parties respectively but also their respective heirs, executors, administrators, grantees, successors and assigns.

Grantors expressly represent that this Deed of Trust and the Note hereby secured are given for the following purpose, to-wit:

SEE SCHEDULE A ATTACHED, WHICH IS INCORPORATED
HEREIN BY REFERENCE FOR ALL PURPOSES.

EXECUTED this 17th day of May A. D. 1988


EDGAR F. JONES, III, M.D.

005-85-2020

Mailing address of trustee:

Name: Mr. Robert B. Smither, Jr.
Address: University National Bank
P.O. Box 1900
Galveston, TX 77553

Mailing address of each beneficiary:

Name: University National Bank
Address: P.O. Box 1900
Galveston, TX 77553

Name:
Address:

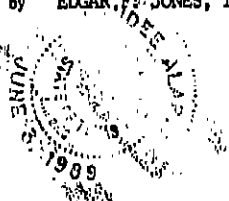
(Acknowledgment)

STATE OF TEXAS }
COUNTY OF GALVESTON

This instrument was acknowledged before me on the
by EDGAR F. JONES, III, M.D.

17th day of May, 1988

Javace Alarid
Notary Public, State of Texas
Notary's name (printed):
JAVACE ALARID
Notary's commission expires:
6-3-89



(Acknowledgment)

STATE OF TEXAS }
COUNTY OF

This instrument was acknowledged before me on the
by

day of , 19

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

(Corporate Acknowledgment)

STATE OF TEXAS }
COUNTY OF

This instrument was acknowledged before me on the
by
of
a corporation, on behalf of said corporation.

day of , 19

Notary Public, State of Texas
Notary's name (printed):
Notary's commission expires:

AFTER RECORDING RETURN TO:
Mr. Robert B. Smither, Jr.
University National Bank
P.O. Box 1900
Galveston, TX 77553

PAID

PREPARED IN THE LAW OFFICE OF:
Mr. Roland L. Bassett
Mills, Shirley, Eckel & Bassett
P.O. Box 1943
Galveston, TX 77553

005-85-2021.

SCHEDULE A

If, without Beneficiary's prior written consent, all or any part of the herein described property, or an interest therein, is sold or transferred by Grantors (or if a beneficial interest in any Grantor is sold or transferred and such Grantor is not a natural person but is a corporation, partnership, trust or other legal entity), Beneficiary may, at Beneficiary's option, declare all indebtedness secured by this Deed of Trust to be immediately due and payable and Beneficiary may invoke all remedies permitted by law or by this Deed of Trust.

Grantors represent and warrant to Beneficiary, and to Beneficiary's successors and assigns, that the proceeds of the Note secured hereby are to be used exclusively for business, commercial, investment or other similar purposes, and that no portion of such proceeds will be used for personal, family, household or agricultural use.

This deed of trust shall secure, in addition to the Fifty Seven Thousand Three Hundred Four and 88/100 Dollars (\$57,304.88) note hereby secured all funds hereafter advanced by Beneficiary to or for the benefit of Grantors, as contemplated by any covenant or provision herein contained or for any other purpose, and all other indebtedness, of whatever kind or character, owing or which may hereafter become owing by Grantors to Beneficiary, whether such indebtedness is direct or indirect, primary or secondary, fixed or contingent, or arises out of or is evidenced by a promissory note, deed of trust, open account, overdraft, endorsement, surety agreement, guaranty, or otherwise, it being specifically contemplated by Grantors and Beneficiary that Grantors may and probably will become indebted to Beneficiary for additional amounts.

It is expressly agreed by Grantors that default in the payment of any other indebtedness owing by Grantors to Beneficiary or default by Grantors in any other agreement, covenant or obligation to Beneficiary shall constitute a default hereunder and shall, at the option of Beneficiary, cause all indebtedness secured hereby to become immediately due and payable and entitle Beneficiary to exercise all remedies provided hereunder or by law.

The note hereby secured is given in renewal and extension of the unpaid balance owing on that one certain promissory note in the original principal sum of Sixty Four Thousand Three Hundred Fifty and No/100 Dollars (\$64,350.00), dated May 4, 1984, executed by Edgar F. Jones, III, M.D. and payable to the order of InterFirst Bank Galveston, N.A. (now known as First RepublicBank Galveston, N.A.), such note being secured by a deed of trust dated May 4, 1984, and recorded on Microfilm Code No. 003-04-0014 in the Official Real Property Records of Galveston County, Texas, and by a vendor's lien retained in deed dated May 4, 1984, from Curtis J. Myers to Edgar F. Jones, III, M.D., such note and the liens securing such note, having been transferred to University National Bank of Galveston, by Transfer of even date herewith such note and the liens being hereby renewed and extended to secure the payment of the note hereby secured.

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

MAY 19 1988



Jessie G. Kirkham
COUNTY CLERK
GALVESTON CO., TEXAS

FILED FOR RECORD
MAY 19 9 45 AM '88
Jessie G. Kirkham
COUNTY CLERK
GALVESTON COUNTY TX.

8924924

006-55-1308

THIRD
SUPPLEMENTAL
DECLARATION OF CO-OWNERSHIP
FOR
SAN LUIS CONDOMINIUMS

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

This Third Supplemental Declaration of Co-Ownership for San Luis Condominiums, is made and executed on this 2nd day of August, 1989, ("Third Supplemental Declaration") by The Woodlands Corporation a Delaware corporation whose principal place of business is 2201 Timberloch Place, The Woodlands, Texas 77380 ("Declarant").

W I T N E S S E T H

WHEREAS, that certain Declaration of Co-Ownership for San Luis Condominiums ("Declaration") filed for record under County Clerk File No. 8809478, that certain Supplemental Declaration of Co-Ownership for San Luis Condominium ("Supplemental Declaration") filed for record under County Clerk File No. 8837345 and that certain Second Supplemental Declaration of Co-Ownership for San Luis Condominium ("Second Supplemental Declaration") filed for record under County Clerk's File No. 8917339, all of the Real Property Records of Galveston County, Texas were filed whereby certain units in the San Luis Condominiums were submitted to a Timeshare Regime. (All capitalized terms used herein shall have the same meaning ascribed to them in the Declaration and Supplemental Declaration unless otherwise stated);

WHEREAS, Declarant is the owner of the following described real property and all appurtenances thereto situated in County of Galveston, State of Texas and being known as San Luis Condominiums, to wit:

Unit 838/839 and Unit 1538/1539 and the space encompassed by the boundaries thereof, together with an undivided interest in and to the common elements of the San Luis Condominium, a condominium project located in the City of Galveston, Galveston County, Texas, according to and as described by the Declaration of Condominium for The San Luis Condominium and exhibits recorded under County Clerk's File No. 8502838, Real Property Records of Galveston County, Texas

006-55-1309

WHEREAS, Declarant now desires to deannex Unit 838/839 and Unit 1538/1539 from the Timeshare Regime pursuant to Act and to Article VIII of the Declaration;

NOW, THEREFORE, Declarant, as the owner of the real property hereinabove described for itself, its successors, grantees and assigns, does hereby:

1. Deannex Unit 838/839 and Unit 1538/1539 from the Timeshare Regime and declare that Unit 838/839 and Unit 1538/1539 are no longer bound by the covenants, conditions, reservations, restrictions and limitations contained in the Declaration; and
2. Amend the Declaration as provided in Article II below.

ARTICLE I
DEANNEXTATION

1.1. Unit 838/839 and Unit 1538/1539 are hereby deannexed from the Timeshare Regime in accordance with the provision of Article VIII of the Declaration.

1.2. The provisions of the Declaration shall no longer apply to Unit 838/839 and Unit 1538/1539.

1.3. Unit 838/839 and Unit 1538/1539 shall no longer be subject to the jurisdiction of the Council.

ARTICLE II
AMENDMENTS TO THE DECLARATION

2.1. Section 3.5 of the Declaration is hereby amended to delete Unit 838/839 and Unit 1538/1539.

2.2. Section 5.2 of the Declaration is hereby amended by deleting the phrase ".481% or 1/208 of the entire Timeshare Regime" where it appears therein and substituting the phrase ".500% or 1/200 of the entire Timeshare Regime".

2.3. Exhibit C to the Declaration shall be deleted in its entirety and Exhibit C attached hereto shall be substituted in place thereof.

Except as herein amended, all the provisions of the Declaration, the Supplemental Declaration and the Second Supplemental

006-55-1310

Declaration shall remain in full force and effect as originally written and recorded.

IN WITNESS WHEREOF, Declarant has duly executed this Third Supplemental Declaration this 2nd day of August, 1989.

THE WOODLANDS CORPORATION

By: [Signature]
Name: Timothy J. Welbes
Title: Vice President

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on August 2, 1989, by Timothy J. Welbes, Vice President of The Woodlands Corporation, a Delaware corporation, on behalf of said corporation.



[Signature]
Printed Name: _____
Notary Public, State of Texas
My Commission Expires: _____

AFTER RECORDING RETURN TO:

THE WOODLANDS CORPORATION
P.O. Box 4000
The Woodlands, Texas
77387-4000

006-55-1311

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
336337 A	0.6806%
336337 B	0.6806%
336337 C	0.6806%
336337 D	0.6806%
435 A	0.4539%
435 B	0.4539%
435 C	0.4539%
435 D	0.4539%
436437 A	0.6806%
436437 B	0.6806%
436437 C	0.6806%
436437 D	0.6806%
438439 A	0.7610%
438439 B	0.7610%
438439 C	0.7610%
438439 D	0.7610%
531 A	0.2267%
531 B	0.2267%
531 C	0.2267%
531 D	0.2267%
532533 A	0.6806%
532533 B	0.6806%
532533 C	0.6806%
532533 D	0.6806%
537 A	0.2267%
537 B	0.2267%
537 C	0.2267%
537 D	0.2267%
538 A	0.2267%
538 B	0.2267%
538 C	0.2267%
538 D	0.2267%
539 A	0.5343%
539 B	0.5343%
539 C	0.5343%
539 D	0.5343%
633 A	0.4539%
633 B	0.4539%
633 C	0.4539%
633 D	0.4539%
636637 A	0.6806%
636637 B	0.6806%
636637 C	0.6806%
636637 D	0.6806%
732 A	0.2267%
732 B	0.2267%
732 C	0.2267%
732 D	0.2267%
733 A	0.4539%
733 B	0.4539%
733 C	0.4539%
733 D	0.4539%
734 A	0.4539%
734 B	0.4539%
734 C	0.4539%
734 D	0.4539%
737 A	0.2267%
737 B	0.2267%
737 C	0.2267%
737 D	0.2267%
738739 A	0.7610%
738739 B	0.7610%
738739 C	0.7610%
738739 D	0.7610%

EXHIBIT C

006-55-1312

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
835 A	0.4539%
835 B	0.4539%
835 C	0.4539%
835 D	0.4539%
836 A	0.4539%
836 B	0.4539%
836 C	0.4539%
836 D	0.4539%
837 A	0.2267%
837 B	0.2267%
837 C	0.2267%
837 D	0.2267%
932933 A	0.6806%
932933 B	0.6806%
932933 C	0.6806%
932933 D	0.6806%
934 A	0.4539%
934 B	0.4539%
934 C	0.4539%
934 D	0.4539%
936937 A	0.6806%
936937 B	0.6806%
936937 C	0.6806%
936937 D	0.6806%
1031 A	0.2267%
1031 B	0.2267%
1031 C	0.2267%
1031 D	0.2267%
1035 A	0.4539%
1035 B	0.4539%
1035 C	0.4539%
1035 D	0.4539%
1036 A	0.4539%
1036 B	0.4539%
1036 C	0.4539%
1036 D	0.4539%
1037 A	0.2267%
1037 B	0.2267%
1037 C	0.2267%
1037 D	0.2267%
1038 A	0.2267%
1038 B	0.2267%
1038 C	0.2267%
1038 D	0.2267%
1039 A	0.5343%
1039 B	0.5343%
1039 C	0.5343%
1039 D	0.5343%
1130 A	0.5343%
1130 B	0.5343%
1130 C	0.5343%
1130 D	0.5343%
11321133 A	0.6806%
11321133 B	0.6806%
11321133 C	0.6806%
11321133 D	0.6806%
1134 A	0.4539%
1134 B	0.4539%
1134 C	0.4539%
1134 D	0.4539%
1135 A	0.4539%
1135 B	0.4539%
1135 C	0.4539%
1135 D	0.4539%

EXHIBIT C

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
11361137 A	0.6806%
11361137 B	0.6806%
11361137 C	0.6806%
11361137 D	0.6806%
11381139 A	0.7610%
11381139 B	0.7610%
11381139 C	0.7610%
11381139 D	0.7610%
1233 A	0.4539%
1233 B	0.4539%
1233 C	0.4539%
1233 D	0.4539%
1234 A	0.4539%
1234 B	0.4539%
1234 C	0.4539%
1234 D	0.4539%
1235 A	0.4539%
1235 B	0.4539%
1235 C	0.4539%
1235 D	0.4539%
12361237 A	0.6806%
12361237 B	0.6806%
12361237 C	0.6806%
12361237 D	0.6806%
1238 A	0.2267%
1238 B	0.2267%
1238 C	0.2267%
1238 D	0.2267%
1239 A	0.5343%
1239 B	0.5343%
1239 C	0.5343%
1239 D	0.5343%
14321433 A	0.6806%
14321433 B	0.6806%
14321433 C	0.6806%
14321433 D	0.6806%
1434 A	0.4539%
1434 B	0.4539%
1434 C	0.4539%
1434 D	0.4539%
1435 A	0.4539%
1435 B	0.4539%
1435 C	0.4539%
1435 D	0.4539%
14361437 A	0.6806%
14361437 B	0.6806%
14361437 C	0.6806%
14361437 D	0.6806%
14381439 A	0.7610%
14381439 B	0.7610%
14381439 C	0.7610%
14381439 D	0.7610%
1530 A	0.5343%
1530 B	0.5343%
1530 C	0.5343%
1530 D	0.5343%
15321533 A	0.6806%
15321533 B	0.6806%
15321533 C	0.6806%
15321533 D	0.6806%
1534 A	0.4539%
1534 B	0.4539%
1534 C	0.4539%
1534 D	0.4539%

EXHIBIT C

006-55-1314

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
1535 A	0.4539%
1535 B	0.4539%
1535 C	0.4539%
1535 D	0.4539%
15361537 A	0.6801%
15361537 B	0.6801%
15361537 C	0.6801%
15361537 D	0.6801%
TOTAL	200
	100.0000%

STATE OF TEXAS, COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

AUG 3 1989



Jessie B. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS

FILED FOR RECORD

69 AUG -3 PM 3: 13

Jessie B. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS

EXHIBIT C

3/6

006-55-1309

WHEREAS, Declarant now desires to deannex Unit 838/839 and Unit 1538/1539 from the Timeshare Regime pursuant to Act and to Article VIII of the Declaration;

NOW, THEREFORE, Declarant, as the owner of the real property hereinabove described for itself, its successors, grantees and assigns, does hereby:

1. Deannex Unit 838/839 and Unit 1538/1539 from the Timeshare Regime and declare that Unit 838/839 and Unit 1538/1539 are no longer bound by the covenants, conditions, reservations, restrictions and limitations contained in the Declaration; and
2. Amend the Declaration as provided in Article II below.

ARTICLE I
DEANNEKATION

1.1. Unit 838/839 and Unit 1538/1539 are hereby deannexed from the Timeshare Regime in accordance with the provision of Article VIII of the Declaration.

1.2. The provisions of the Declaration shall no longer apply to Unit 838/839 and Unit 1538/1539.

1.3. Unit 838/839 and Unit 1538/1539 shall no longer be subject to the jurisdiction of the Council.

ARTICLE II
AMENDMENTS TO THE DECLARATION

2.1. Section 3.5 of the Declaration is hereby amended to delete Unit 838/839 and Unit 1538/1539.

2.2. Section 5.2 of the Declaration is hereby amended by deleting the phrase ".481% or 1/208 of the entire Timeshare Regime" where it appears therein and substituting the phrase ".500% or 1/200 of the entire Timeshare Regime".

2.3. Exhibit C to the Declaration shall be deleted in its entirety and Exhibit C attached hereto shall be substituted in place thereof.

Except as herein amended, all the provisions of the Declaration, the Supplemental Declaration and the Second Supplemental

006-55-1311

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
336337 A	0.6806%
336337 B	0.6806%
336337 C	0.6806%
336337 D	0.6806%
435 A	0.4539%
435 B	0.4539%
435 C	0.4539%
435 D	0.4539%
436437 A	0.6806%
436437 B	0.6806%
436437 C	0.6806%
436437 D	0.6806%
438439 A	0.7610%
438439 B	0.7610%
438439 C	0.7610%
438439 D	0.7610%
531 A	0.2267%
531 B	0.2267%
531 C	0.2267%
531 D	0.2267%
532533 A	0.6806%
532533 B	0.6806%
532533 C	0.6806%
532533 D	0.6806%
537 A	0.2267%
537 B	0.2267%
537 C	0.2267%
537 D	0.2267%
538 A	0.2267%
538 B	0.2267%
538 C	0.2267%
538 D	0.2267%
539 A	0.5343%
539 B	0.5343%
539 C	0.5343%
539 D	0.5343%
633 A	0.4539%
633 B	0.4539%
633 C	0.4539%
633 D	0.4539%
636637 A	0.6806%
636637 B	0.6806%
636637 C	0.6806%
636637 D	0.6806%
732 A	0.2267%
732 B	0.2267%
732 C	0.2267%
732 D	0.2267%
733 A	0.4539%
733 B	0.4539%
733 C	0.4539%
733 D	0.4539%
734 A	0.4539%
734 B	0.4539%
734 C	0.4539%
734 D	0.4539%
737 A	0.2267%
737 B	0.2267%
737 C	0.2267%
737 D	0.2267%
738739 A	0.7610%
738739 B	0.7610%
738739 C	0.7610%
738739 D	0.7610%

EXHIBIT C

006-55-1312

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
835 A	0.4539%
835 B	0.4539%
835 C	0.4539%
835 D	0.4539%
836 A	0.4539%
836 B	0.4539%
836 C	0.4539%
836 D	0.4539%
837 A	0.2267%
837 B	0.2267%
837 C	0.2267%
837 D	0.2267%
932933 A	0.6806%
932933 B	0.6806%
932933 C	0.6806%
932933 D	0.6806%
934 A	0.4539%
934 B	0.4539%
934 C	0.4539%
934 D	0.4539%
936937 A	0.6806%
936937 B	0.6806%
936937 C	0.6806%
936937 D	0.6806%
1031 A	0.2267%
1031 B	0.2267%
1031 C	0.2267%
1031 D	0.2267%
1035 A	0.4539%
1035 B	0.4539%
1035 C	0.4539%
1035 D	0.4539%
1036 A	0.4539%
1036 B	0.4539%
1036 C	0.4539%
1036 D	0.4539%
1037 A	0.2267%
1037 B	0.2267%
1037 C	0.2267%
1037 D	0.2267%
1038 A	0.2267%
1038 B	0.2267%
1038 C	0.2267%
1038 D	0.2267%
1039 A	0.5343%
1039 B	0.5343%
1039 C	0.5343%
1039 D	0.5343%
1130 A	0.5343%
1130 B	0.5343%
1130 C	0.5343%
1130 D	0.5343%
11321133 A	0.6806%
11321133 B	0.6806%
11321133 C	0.6806%
11321133 D	0.6806%
1134 A	0.4539%
1134 B	0.4539%
1134 C	0.4539%
1134 D	0.4539%
1135 A	0.4539%
1135 B	0.4539%
1135 C	0.4539%
1135 D	0.4539%

EXHIBIT C

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
11361137 A	0.6806%
11361137 B	0.6806%
11361137 C	0.6806%
11361137 D	0.6806%
11381139 A	0.7610%
11381139 B	0.7610%
11381139 C	0.7610%
11381139 D	0.7610%
1233 A	0.4539%
1233 B	0.4539%
1233 C	0.4539%
1233 D	0.4539%
1234 A	0.4539%
1234 B	0.4539%
1234 C	0.4539%
1234 D	0.4539%
1235 A	0.4539%
1235 B	0.4539%
1235 C	0.4539%
1235 D	0.4539%
12361237 A	0.6806%
12361237 B	0.6806%
12361237 C	0.6806%
12361237 D	0.6806%
1238 A	0.2267%
1238 B	0.2267%
1238 C	0.2267%
1238 D	0.2267%
1239 A	0.5343%
1239 B	0.5343%
1239 C	0.5343%
1239 D	0.5343%
14321433 A	0.6806%
14321433 B	0.6806%
14321433 C	0.6806%
14321433 D	0.6806%
1434 A	0.4539%
1434 B	0.4539%
1434 C	0.4539%
1434 D	0.4539%
1435 A	0.4539%
1435 B	0.4539%
1435 C	0.4539%
1435 D	0.4539%
14361437 A	0.6806%
14361437 B	0.6806%
14361437 C	0.6806%
14361437 D	0.6806%
14381439 A	0.7610%
14381439 B	0.7610%
14381439 C	0.7610%
14381439 D	0.7610%
1530 A	0.5343%
1530 B	0.5343%
1530 C	0.5343%
1530 D	0.5343%
15321533 A	0.6806%
15321533 B	0.6806%
15321533 C	0.6806%
15321533 D	0.6806%
1534 A	0.4539%
1534 B	0.4539%
1534 C	0.4539%
1534 D	0.4539%

EXHIBIT C

006-55-1314

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
1535 A	0.4539%
1535 B	0.4539%
1535 C	0.4539%
1535 D	0.4539%
15361537 A	0.6801%
15361537 B	0.6801%
15361537 C	0.6801%
15361537 D	0.6801%
TOTAL	200
	100.0000%

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

AUG 3 1989



Jessie B. Kirkham
COUNTY CLERK
GALVESTON CO., TEXAS

FILED TO RECORD

69 AUG -3 PM 3:13

Jessie B. Kirkham
COUNTY CLERK
GALVESTON CO., TEXAS

EXHIBIT C

3/4

006-83-1320

WHEREAS, Declarant now desires to deannex Unit 1435 from the Timeshare Regime pursuant to the Act and to Article VIII of the Declaration;

NOW, THEREFORE, Declarant, as the owner of the real property hereinabove described for itself, its successors, grantees and assigns, does hereby:

1. Deannex Unit 1435 from the Timeshare Regime and declare that Unit 1435 is no longer bound by the covenants, conditions, reservations, restrictions and limitations contained in the Declaration; and
2. Amend the Declaration as provided in Article II below.

**ARTICLE I
DEANNEKATION**

1.1. Unit 1435 is hereby deannexed from the Timeshare Regime in accordance with the provision of Article VIII of the Declaration.

1.2. The provisions of the Declaration shall no longer apply to Unit 1435.

1.3. Unit 1435 shall no longer be subject to the jurisdiction of the Council.

**ARTICLE II
AMENDMENTS TO THE DECLARATION**

2.1. Sections 1.29(b), 2.1 and 3.2 of the Declaration are hereby amended to delete Unit 1435.

2.2. Section 5.2 of the Declaration is hereby amended by deleting the phrase ".500% or 1/200 of the entire Timeshare Regime" where it appears therein and substituting the phrase ".510% or 1/196 of the entire Timeshare Regime".

2.3. Exhibit C to the Declaration shall be deleted in its entirety and Exhibit C attached hereto shall be substituted in place thereof.

Except as herein amended, all the provisions of the Declaration, the Supplemental Declaration, the Second Supplemental Declaration and the Third Supplemental Declaration shall remain in full force and effect as originally written and recorded.

006-83-1321

IN WITNESS WHEREOF, Declarant, has duly executed this Fourth Supplemental Declaration this 30th day of January, 1990.

THE WOODLANDS CORPORATION

By: [Signature]
Name: Timothy J. Welbes
Title: Vice President

THE STATE OF TEXAS S
 S
COUNTY OF MONTGOMERY S

This instrument was acknowledged before me on January 30, 1990, by Timothy J. Welbes, Vice President of The Woodlands Corporation, a Delaware corporation, on behalf of said corporation.

[Signature]
Notary Public, State of Texas

AKW/csc/B4THSDSL

When Recorded Return To: Stewart
The Woodlands Corporation
/s/tn: Mary Rose
P. O. Box 4000
The Woodlands, Texas 77380



SLCOTRUNIT5-5
 PREPARED BY: SJM
 05-Jan-90
 03:58 PM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
336337 A	304.75	0.6932%
336337 B	304.75	0.6932%
336337 C	304.75	0.6932%
336337 D	304.75	0.6932%
435 A	203.25	0.4623%
435 B	203.25	0.4623%
435 C	203.25	0.4623%
435 D	203.25	0.4623%
436437 A	304.75	0.6932%
436437 B	304.75	0.6932%
436437 C	304.75	0.6932%
436437 D	304.75	0.6932%
438439 A	340.75	0.7750%
438439 B	340.75	0.7750%
438439 C	340.75	0.7750%
438439 D	340.75	0.7750%
531 A	101.50	0.2309%
531 B	101.50	0.2309%
531 C	101.50	0.2309%
531 D	101.50	0.2309%
532533 A	304.75	0.6932%
532533 B	304.75	0.6932%
532533 C	304.75	0.6932%
532533 D	304.75	0.6932%
537 A	101.50	0.2309%
537 B	101.50	0.2309%
537 C	101.50	0.2309%
537 D	101.50	0.2309%
538 A	101.50	0.2309%
538 B	101.50	0.2309%
538 C	101.50	0.2309%
538 D	101.50	0.2309%
539 A	239.25	0.5442%
539 B	239.25	0.5442%
539 C	239.25	0.5442%
539 D	239.25	0.5442%
633 A	203.25	0.4623%
633 B	203.25	0.4623%
633 C	203.25	0.4623%
633 D	203.25	0.4623%
636437 A	304.75	0.6932%
636437 B	304.75	0.6932%
636437 C	304.75	0.6932%
636437 D	304.75	0.6932%
732 A	101.50	0.2309%
732 B	101.50	0.2309%
732 C	101.50	0.2309%
732 D	101.50	0.2309%
733 A	203.25	0.4623%
733 B	203.25	0.4623%
733 C	203.25	0.4623%
733 D	203.25	0.4623%
734 A	203.25	0.4623%
734 B	203.25	0.4623%
734 C	203.25	0.4623%
734 D	203.25	0.4623%
737 A	101.50	0.2309%
737 B	101.50	0.2309%
737 C	101.50	0.2309%
737 D	101.50	0.2309%
738739 A	340.75	0.7750%
738739 B	340.75	0.7750%
738739 C	340.75	0.7750%
738739 D	340.75	0.7750%
835 A	203.25	0.4623%
835 B	203.25	0.4623%
835 C	203.25	0.4623%
835 D	203.25	0.4623%
836 A	203.25	0.4623%
836 B	203.25	0.4623%

EXHIBIT C

006-83-1323

SLC/THRU/HTS-5
 PREPARED BY: SJH
 05-Jan-90
 03:58 PM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
836 C	203.25	0.4623%
836 D	203.25	0.4623%
837 A	101.50	0.2309%
837 B	101.50	0.2309%
837 C	101.50	0.2309%
837 D	101.50	0.2309%
932933 A	304.75	0.6932%
932933 B	304.75	0.6932%
932933 C	304.75	0.6932%
932933 D	304.75	0.6932%
934 A	203.25	0.4623%
934 B	203.25	0.4623%
934 C	203.25	0.4623%
934 D	203.25	0.4623%
936937 A	304.75	0.6932%
936937 B	304.75	0.6932%
936937 C	304.75	0.6932%
936937 D	304.75	0.6932%
1031 A	101.50	0.2309%
1031 B	101.50	0.2309%
1031 C	101.50	0.2309%
1031 D	101.50	0.2309%
1035 A	203.25	0.4623%
1035 B	203.25	0.4623%
1035 C	203.25	0.4623%
1035 D	203.25	0.4623%
1036 A	203.25	0.4623%
1036 B	203.25	0.4623%
1036 C	203.25	0.4623%
1036 D	203.25	0.4623%
1037 A	101.50	0.2309%
1037 B	101.50	0.2309%
1037 C	101.50	0.2309%
1037 D	101.50	0.2309%
1038 A	101.50	0.2309%
1038 B	101.50	0.2309%
1038 C	101.50	0.2309%
1038 D	101.50	0.2309%
1039 A	239.25	0.5442%
1039 B	239.25	0.5442%
1039 C	239.25	0.5442%
1039 D	239.25	0.5442%
1130 A	239.25	0.5442%
1130 B	239.25	0.5442%
1130 C	239.25	0.5442%
1130 D	239.25	0.5442%
11321133 A	304.75	0.6932%
11321133 B	304.75	0.6932%
11321133 C	304.75	0.6932%
11321133 D	304.75	0.6932%
1134 A	203.25	0.4623%
1134 B	203.25	0.4623%
1134 C	203.25	0.4623%
1134 D	203.25	0.4623%
1135 A	203.25	0.4623%
1135 B	203.25	0.4623%
1135 C	203.25	0.4623%
1135 D	203.25	0.4623%
11361137 A	304.75	0.6932%
11361137 B	304.75	0.6932%
11361137 C	304.75	0.6932%
11361137 D	304.75	0.6932%
11381139 A	340.75	0.7750%
11381139 B	340.75	0.7750%
11381139 C	340.75	0.7750%
11381139 D	340.75	0.7750%
1233 A	203.25	0.4623%
1233 B	203.25	0.4623%
1233 C	203.25	0.4623%
1233 D	203.25	0.4623%

006-83-1324

SLCOTRUNIT5-5
PREPARED BY: SJM
05-11-90
03:58 PM

SAN LUIS CONDOMINIUM
CO OWNERSHIP PROGRAM

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
1234 A	203.25	0.4623%
1234 B	203.25	0.4623%
1234 C	203.25	0.4623%
1234 D	203.25	0.4623%
1235 A	203.25	0.4623%
1235 B	203.25	0.4623%
1235 C	203.25	0.4623%
1235 D	203.25	0.4623%
12361237 A	304.75	0.6932%
12361237 B	304.75	0.6932%
12361237 C	304.75	0.6932%
12361237 D	304.75	0.6932%
1238 A	101.50	0.2309%
1238 B	101.50	0.2309%
1238 C	101.50	0.2309%
1238 D	101.50	0.2309%
1239 A	239.25	0.5442%
1239 B	239.25	0.5442%
1239 C	239.25	0.5442%
1239 D	239.25	0.5442%
14321433 A	304.75	0.6932%
14321433 B	304.75	0.6932%
14321433 C	304.75	0.6932%
14321433 D	304.75	0.6932%
1434 A	203.25	0.4623%
1434 B	203.25	0.4623%
1434 C	203.25	0.4623%
1434 D	203.25	0.4623%
14361437 A	304.75	0.6932%
14361437 B	304.75	0.6932%
14361437 C	304.75	0.6932%
14361437 D	304.75	0.6932%
14381439 A	340.75	0.7750%
14381439 B	340.75	0.7750%
14381439 C	340.75	0.7750%
14381439 D	340.75	0.7750%
1530 A	239.25	0.5442%
1530 B	239.25	0.5442%
1530 C	239.25	0.5442%
1530 D	239.25	0.5442%
15321533 A	304.75	0.6932%
15321533 B	304.75	0.6932%
15321533 C	304.75	0.6932%
15321533 D	304.75	0.6932%
1534 A	203.25	0.4623%
1534 B	203.25	0.4623%
1534 C	203.25	0.4623%
1534 D	203.25	0.4623%
1535 A	203.25	0.4623%
1535 B	203.25	0.4623%
1535 C	203.25	0.4623%
1535 D	203.25	0.4623%
15361537 A	304.75	0.6932%
15361537 B	304.75	0.6932%
15361537 C	304.75	0.6932%
15361537 D	304.75	0.6932%
TOTAL	196	43965.00
		100.0000%

FILED FOR RECORD
90 FEB -7 PM 3:23

Jessie B. Kirkendall
COUNTY CLERK
GALVESTON COUNTY, TEXAS

When Recorded Return To:
The Woodlands Corporation
/ttr: Mary Rose
P. O. Box 4000
The Woodlands, Texas 77380

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

FEB 7 1990



Jessie B. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS

9013881

006-95-2529

FIFTH
SUPPLEMENTAL
DECLARATION OF CO-OWNERSHIP
FOR
SAN LUIS CONDOMINIUM

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

This Fifth Supplemental Declaration of Co-Ownership for San Luis Condominiums, is made and executed on this 23rd day of April, 1990, ("Fifth Supplemental Declaration") by The Woodlands Corporation, a Delaware corporation, whose principal place of business is 2201 Timberloch Place, The Woodlands, Texas 77380 ("Declarant").

W I T N E S S E T H

WHEREAS, that certain Declaration of Co-Ownership for San Luis Condominiums ("Declaration") filed for record under County Clerk File No. 8809478, that certain Supplemental Declaration of Co-Ownership for San Luis Condominium ("Supplemental Declaration") filed for record under County Clerk File No. 8837345, that certain Second Supplemental Declaration of Co-Ownership for San Luis Condominium ("Second Supplemental Declaration") filed for record under County Clerk's File No. 8917339, that certain Third Supplemental Declaration of Co-Ownership for San Luis Condominium ("Third Supplemental Declaration") filed for record under County Clerk's File No. 8924924, that certain Fourth Supplemental Declaration of Co-Ownership of San Luis Condominium ("Fourth Supplemental Declaration") filed for record under County Clerk's File No. 9004222, and all of the Real Property Records of Galveston County, Texas were filed whereby certain units in the San Luis Condominiums were submitted to a Timeshare Regime. (All capitalized terms used herein shall have the same meaning ascribed to them in the Declaration unless otherwise stated);

WHEREAS, Declarant is the owner of the following described real property and all appurtenances thereto situated in County of Galveston, State of Texas and being known as San Luis Condominiums, to wit:

Unit 934 and the space encompassed by the boundaries thereof, together with an undivided interest in and to the common elements of the San Luis Condominium, a condominium project located in the City of Galveston, Galveston County, Texas, according to and as described by the Declaration of Condominium for The San Luis Condominium and exhibits recorded under County Clerk's

006-95-2530

File No. 8502838, Real Property Records of Galveston
County, Texas

WHEREAS, Declarant now desires to deannex Unit 934 from the
Timeshare Regime pursuant to the Act and to Article VIII of the
Declaration;

NOW, THEREFORE, Declarant, as the owner of the real property
hereinabove described for itself, its successors, grantees and
assigns, does hereby:

1. Deannex Unit 934 from the Timeshare Regime and declare
that Unit 934 is no longer bound by the covenants, conditions, res-
ervations, restrictions and limitations contained in the Declara-
tion; and

2. Amend the Declaration as provided in Article II below.

ARTICLE I
DEANNEXTION

1.1. Unit 934 is hereby deannexed from the Timeshare Regime
in accordance with the provision of Article VIII of the
Declaration.

1.2. The provisions of the Declaration shall no longer apply
to Unit 934.

1.3. Unit 934 shall no longer be subject to the jurisdiction
of the Council.

ARTICLE II
AMENDMENTS TO THE DECLARATION

2.1. Sections 1.29(b), 2.1 and 3.2 of the Declaration are
hereby amended to delete Unit 934.

2.2. Section 5.2 of the Declaration is hereby amended by
deleting the phrase ".510% or 1/196 of the entire Timeshare Regime"
where it appears therein and substituting the phrase ".521% or
1/192 of the entire Timeshare Regime".

2.3. Exhibit C to the Declaration shall be deleted in its
entirety, and Exhibit C attached hereto shall be substituted in
place thereof.

Except as herein amended, all the provisions of the Declara-
tion, the Supplemental Declaration, the Second Supplemental
Declaration, the Third Supplemental Declaration and the Fourth

006-95-2531

Supplemental Declaration shall remain in full force and effect as originally written and recorded.

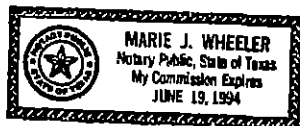
IN WITNESS WHEREOF, Declarant has duly executed this Fifth Supplemental Declaration this 23rd day of April, 1990.

THE WOODLANDS CORPORATION

By: [Signature]
Name: Timothy J. Welbes
Title: Vice President

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on April 23, 1990, by Timothy J. Welbes, Vice President of The Woodlands Corporation, a Delaware corporation, on behalf of said corporation.



[Signature]
Notary Public, State of Texas

AKW/ns/BSTHSDSL

Return to: STb
The Woodlands Corporation
Attention: Marie Wheeler
P O Box 4000
The Woodlands, Texas

GLCOTRUNIT-5
 PREPARED BY: GJM
 19-Apr-90
 01:10 PM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

006-95-2532

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
336337 A	304.75	0.7062%
336337 B	304.75	0.7062%
336337 C	304.75	0.7062%
336337 D	304.75	0.7062%
435 A	203.25	0.4710%
435 B	203.25	0.4710%
435 C	203.25	0.4710%
435 D	203.25	0.4710%
436437 A	304.75	0.7062%
436437 B	304.75	0.7062%
436437 C	304.75	0.7062%
436437 D	304.75	0.7062%
438439 A	340.75	0.7897%
438439 B	340.75	0.7897%
438439 C	340.75	0.7897%
438439 D	340.75	0.7897%
531 A	101.50	0.2352%
531 B	101.50	0.2352%
531 C	101.50	0.2352%
531 D	101.50	0.2352%
532533 A	304.75	0.7062%
532533 B	304.75	0.7062%
532533 C	304.75	0.7062%
532533 D	304.75	0.7062%
537 A	101.50	0.2352%
537 B	101.50	0.2352%
537 C	101.50	0.2352%
537 D	101.50	0.2352%
538 A	101.50	0.2352%
538 B	101.50	0.2352%
538 C	101.50	0.2352%
538 D	101.50	0.2352%
539 A	239.25	0.5544%
539 B	239.25	0.5544%
539 C	239.25	0.5544%
539 D	239.25	0.5544%
633 A	203.25	0.4710%
633 B	203.25	0.4710%
633 C	203.25	0.4710%
633 D	203.25	0.4710%
636637 A	304.75	0.7062%
636637 B	304.75	0.7062%
636637 C	304.75	0.7062%
636637 D	304.75	0.7062%
732 A	101.50	0.2352%
732 B	101.50	0.2352%
732 C	101.50	0.2352%
732 D	101.50	0.2352%
733 A	203.25	0.4710%
733 B	203.25	0.4710%
733 C	203.25	0.4710%
733 D	203.25	0.4710%
734 A	203.25	0.4710%
734 B	203.25	0.4710%
734 C	203.25	0.4710%
734 D	203.25	0.4710%
737 A	101.50	0.2352%
737 B	101.50	0.2352%
737 C	101.50	0.2352%
737 D	101.50	0.2352%
738739 A	340.75	0.7897%
738739 B	340.75	0.7897%
738739 C	340.75	0.7897%
738739 D	340.75	0.7897%
835 A	203.25	0.4710%
835 B	203.25	0.4710%
835 C	203.25	0.4710%
835 D	203.25	0.4710%
836 A	203.25	0.4710%
836 B	203.25	0.4710%

EXHIBIT C

006-95-2533

FILED FOR RECORD
90 MAY -7 AM 10: 28

Jessie B. Kirkendall
COUNTY CLERK
GALVESTON COUNTY, TEXAS

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

MAY 7 1990



Jessie B. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS

9025454

007-11-1227

SIXTH
SUPPLEMENTAL
DECLARATION OF CO-OWNERSHIP
FOR
SAN LUIS CONDOMINIUM

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

This Sixth Supplemental Declaration of Co-Ownership for San Luis Condominiums, is made and executed on this 30th day of JULY, 1990, ("Sixth Supplemental Declaration") by The Woodlands Corporation, a Delaware corporation, whose principal place of business is 2201 Timberloch Place, The Woodlands, Texas 77380 ("Declarant").

W I T N E S S E T H

WHEREAS, that certain Declaration of Co-Ownership for San Luis Condominiums ("Declaration") filed for record under County Clerk File No. 8809478, that certain Supplemental Declaration of Co-Ownership for San Luis Condominium ("Supplemental Declaration") filed for record under County Clerk File No. 8837345, that certain Second Supplemental Declaration of Co-Ownership for San Luis Condominium ("Second Supplemental Declaration") filed for record under County Clerk's File No. 8917339, that certain Third Supplemental Declaration of Co-Ownership for San Luis Condominium ("Third Supplemental Declaration") filed for record under County Clerk's File No. 8924924, that certain Fourth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Fourth Supplemental Declaration") filed for record under County Clerk's File No. 9004222, and that certain Fifth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Fifth Supplemental Declaration") filed for record under County Clerk's File No. 9013881, all of the Real Property Records of Galveston County, Texas were filed whereby certain units in the San Luis Condominiums were submitted and/or deleted from a Timeshare Regime. (All capitalized terms used herein shall have the same meaning ascribed to them in the Declaration unless otherwise stated);

WHEREAS, Declarant is the owner of the following described real property and all appurtenances thereto situated in County of Galveston, State of Texas and being known as San Luis Condominiums, to wit:

Unit 436/437, Unit 532/533, Unit 633, Unit 738/739, Unit 1039, Unit 1132/1133, Unit 1135, Unit 1436/1437 and Unit 1536/1537 and the space encompassed by the boundaries thereof, together with an undivided interest in and to the common elements of

007-11-1228

the San Luis Condominium, a condominium project located in the City of Galveston, Galveston County, Texas, according to and as described by the Declaration of Condominium for The San Luis Condominium and exhibits recorded under County Clerk's File No. 8502838, Real Property Records of Galveston County, Texas.

WHEREAS, Unit 436/437, Unit 532/533 and Unit 1132/1133 were previously submitted to the Timeshare Regime as a two (2) bedroom, two (2) bath condominium, and the Declarant has subsequently reconstructed said Units to create Unit 436, Unit 437, Unit 532, Unit 533, Unit 1132 and Unit 1133 which are now one (1) bedroom, one (1) bath condominiums; and

WHEREAS, Unit 738/739 was previously submitted to the Timeshare Regime as a two (2) bedroom, two and one-half (2 1/2) bath condominium, and the Declarant has subsequently reconstructed said Unit to create Unit 738 which is now a one (1) bedroom, one (1) bath condominium and Unit 739 which is now a one (1) bedroom, one and one-half (1 1/2) bath condominium; and

WHEREAS, Declarant now desires to deannex Unit 533, Unit 633, Unit 1039, Unit 1135, Unit 1436/1437 and Unit 1536/1537 from the Timeshare Regime pursuant to Article VIII of the Declaration.

NOW, THEREFORE, Declarant, as the owner of the real property hereinabove described for itself, its successors, grantees and assigns, does hereby:

1. Deannex Unit 533, Unit 633, Unit 1039, Unit 1135, Unit 1436/1437 and Unit 1536/1537 from the Timeshare Regime and declare that said Units are no longer bound by the covenants, conditions, reservations, restrictions and limitations contained in the Declaration.

2. Amend the Declaration as provided in Article II below.

**ARTICLE I
DEANNEXATION**

1.1. Unit 533, Unit 633, Unit 1039, Unit 1135, Unit 1436/1437 and Unit 1536/1537 are hereby deannexed from the Timeshare Regime in accordance with the provision of Article VIII of the Declaration.

2.2. Unit 533, Unit 633, Unit 1039, Unit 1135, Unit 1436/1437 and Unit 1536/1537 shall no longer be subject to the jurisdiction of the Council.

007-11-1229

ARTICLE II
AMENDMENTS TO THE DECLARATION

2.1 Article 3.1 of the Declaration is hereby amended by adding Unit 437, Unit 532, Unit 738 and Unit 1132 thereto.

2.2 Article 3.2 of the Declaration is hereby amended by (i) deleting Unit 633 and Unit 1135 and (ii) adding Unit 436 and Unit 1133.

2.3 Article 3.3 of the Declaration is hereby amended by (i) deleting Unit 1039 and (ii) adding Unit 739.

2.4 Article 3.4 of the Declaration is hereby amended by (i) deleting Unit 1436/1437, Unit 1536/1537, Unit 436/437, Unit 532/533 and Unit 1132/1133.

2.5 Article 3.5 of the Declaration is amended by deleting Unit 738/739.

2.6. Article 5.2 of the Declaration is hereby amended by deleting the phrase ".521% or 1/192 of the entire Timeshare Regime" where it appears therein and substituting the phrase ".543% or 1/184 of the entire Timeshare Regime".

2.7. Exhibit C to the Declaration shall be deleted in its entirety, and Exhibit C attached hereto shall be substituted in place thereof.

Except as herein amended, all the provisions of the Declaration, the Supplemental Declaration, the Second Supplemental Declaration, the Third Supplemental Declaration, the Fourth Supplemental Declaration and the Fifth Supplemental Declaration shall remain in full force and effect as originally written and recorded.

IN WITNESS WHEREOF, Declarant has duly executed this Sixth Supplemental Declaration this 30th day of July, 1990.

THE WOODLANDS CORPORATION

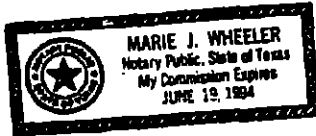
By: 
Name: Timothy J. Welbes
Title: Vice President *akw*

THE STATE OF TEXAS
COUNTY OF MONTGOMERY

§
§
§

007-11-1230

This instrument was acknowledged before me on July 30,
1990, by Timothy J. Welbes, Vice President of The Woodlands
Corporation, a Delaware corporation, on behalf of said corporation.



Marie J. Wheeler
Notary Public, State of Texas

AKW/ns/B6THSDSL

- 4 -

SLCOTRUNIT-5
 PREPARED BY: SJM
 24-Jul-90
 10:25 AM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

007-11-1231

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
336337 A	304.75	0.8166%
336337 B	304.75	0.8166%
336337 C	304.75	0.8166%
336337 D	304.75	0.8166%
435 A	203.25	0.5446%
435 B	203.25	0.5446%
435 C	203.25	0.5446%
435 D	203.25	0.5446%
436 A	203.25	0.5446%
436 B	203.25	0.5446%
436 C	203.25	0.5446%
436 D	203.25	0.5446%
437 A	101.50	0.2720%
437 B	101.50	0.2720%
437 C	101.50	0.2720%
437 D	101.50	0.2720%
438439 A	340.75	0.9131%
438439 B	340.75	0.9131%
438439 C	340.75	0.9131%
438439 D	340.75	0.9131%
531 A	101.50	0.2720%
531 B	101.50	0.2720%
531 C	101.50	0.2720%
531 D	101.50	0.2720%
532 A	101.50	0.2720%
532 B	101.50	0.2720%
532 C	101.50	0.2720%
532 D	101.50	0.2720%
537 A	101.50	0.2720%
537 B	101.50	0.2720%
537 C	101.50	0.2720%
537 D	101.50	0.2720%
538 A	101.50	0.2720%
538 B	101.50	0.2720%
538 C	101.50	0.2720%
538 D	101.50	0.2720%
539 A	239.25	0.6411%
539 B	239.25	0.6411%
539 C	239.25	0.6411%
539 D	239.25	0.6411%
636637 A	304.75	0.8166%
636637 B	304.75	0.8166%
636637 C	304.75	0.8166%
636637 D	304.75	0.8166%
732 A	101.50	0.2720%
732 B	101.50	0.2720%
732 C	101.50	0.2720%
732 D	101.50	0.2720%
733 A	203.25	0.5446%
733 B	203.25	0.5446%
733 C	203.25	0.5446%
733 D	203.25	0.5446%
734 A	203.25	0.5446%
734 B	203.25	0.5446%
734 C	203.25	0.5446%
734 D	203.25	0.5446%
737 A	101.50	0.2720%
737 B	101.50	0.2720%
737 C	101.50	0.2720%
737 D	101.50	0.2720%
738 A	101.50	0.2720%
738 B	101.50	0.2720%
738 C	101.50	0.2720%
738 D	101.50	0.2720%
739 A	239.25	0.6411%
739 B	239.25	0.6411%
739 C	239.25	0.6411%
739 D	239.25	0.6411%
835 A	203.25	0.5446%
835 B	203.25	0.5446%

EXHIBIT "C"
 Page 1 of 3

SLCOTRUNIT-5
 PREPARED BY: SJM
 24-Jul-90
 10:25 AM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

007-11-1232

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
835 C	203.25	0.5446%
835 D	203.25	0.5446%
836 A	203.25	0.5446%
836 B	203.25	0.5446%
836 C	203.25	0.5446%
836 D	203.25	0.5446%
837 A	101.50	0.2720%
837 B	101.50	0.2720%
837 C	101.50	0.2720%
837 D	101.50	0.2720%
932933 A	304.75	0.8166%
932933 B	304.75	0.8166%
932933 C	304.75	0.8166%
932933 D	304.75	0.8166%
936937 A	304.75	0.8166%
936937 B	304.75	0.8166%
936937 C	304.75	0.8166%
936937 D	304.75	0.8166%
1031 A	101.50	0.2720%
1031 B	101.50	0.2720%
1031 C	101.50	0.2720%
1031 D	101.50	0.2720%
1035 A	203.25	0.5446%
1035 B	203.25	0.5446%
1035 C	203.25	0.5446%
1035 D	203.25	0.5446%
1036 A	203.25	0.5446%
1036 B	203.25	0.5446%
1036 C	203.25	0.5446%
1036 D	203.25	0.5446%
1037 A	101.50	0.2720%
1037 B	101.50	0.2720%
1037 C	101.50	0.2720%
1037 D	101.50	0.2720%
1038 A	101.50	0.2720%
1038 B	101.50	0.2720%
1038 C	101.50	0.2720%
1038 D	101.50	0.2720%
1130 A	239.25	0.6411%
1130 B	239.25	0.6411%
1130 C	239.25	0.6411%
1130 D	239.25	0.6411%
1132 A	101.50	0.2720%
1132 B	101.50	0.2720%
1132 C	101.50	0.2720%
1132 D	101.50	0.2720%
1133 A	203.25	0.5446%
1133 B	203.25	0.5446%
1133 C	203.25	0.5446%
1133 D	203.25	0.5446%
1134 A	203.25	0.5446%
1134 B	203.25	0.5446%
1134 C	203.25	0.5446%
1134 D	203.25	0.5446%
11361137 A	304.75	0.8166%
11361137 B	304.75	0.8166%
11361137 C	304.75	0.8166%
11361137 D	304.75	0.8166%
11381139 A	340.75	0.9131%
11381139 B	340.75	0.9131%
11381139 C	340.75	0.9131%
11381139 D	340.75	0.9131%
1233 A	203.25	0.5446%
1233 B	203.25	0.5446%
1233 C	203.25	0.5446%
1233 D	203.25	0.5446%
1234 A	203.25	0.5446%
1234 B	203.25	0.5446%
1234 C	203.25	0.5446%
1234 D	203.25	0.5446%

EXHIBIT "C"
 Page 2 of 3

SLCOTRUNIT-5
 PREPARED BY: SJM
 24-Jul-90
 10:25 AM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

007-11-1233

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
1235 A	203.25	0.5446%
1235 B	203.25	0.5446%
1235 C	203.25	0.5446%
1235 D	203.25	0.5446%
12361237 A	304.75	0.8166%
12361237 B	304.75	0.8166%
12361237 C	304.75	0.8166%
12361237 D	304.75	0.8166%
1238 A	101.50	0.2720%
1238 B	101.50	0.2720%
1238 C	101.50	0.2720%
1238 D	101.50	0.2720%
1239 A	239.25	0.6411%
1239 B	239.25	0.6411%
1239 C	239.25	0.6411%
1239 D	239.25	0.6411%
14321433 A	304.75	0.8166%
14321433 B	304.75	0.8166%
14321433 C	304.75	0.8166%
14321433 D	304.75	0.8166%
1434 A	203.25	0.5446%
1434 B	203.25	0.5446%
1434 C	203.25	0.5446%
1434 D	203.25	0.5446%
14381439 A	340.75	0.9131%
14381439 B	340.75	0.9131%
14381439 C	340.75	0.9131%
14381439 D	340.75	0.9131%
1530 A	239.25	0.6411%
1530 B	239.25	0.6411%
1530 C	239.25	0.6411%
1530 D	239.25	0.6411%
15321533 A	304.75	0.8166%
15321533 B	304.75	0.8166%
15321533 C	304.75	0.8166%
15321533 D	304.75	0.8166%
1534 A	203.25	0.5446%
1534 B	203.25	0.5446%
1534 C	203.25	0.5446%
1534 D	203.25	0.5446%
1535 A	203.25	0.5446%
1535 B	203.25	0.5446%
1535 C	203.25	0.5446%
1535 D	203.25	0.5446%
TOTAL	37316.00	100.0000%

NOTED BY TITLE CO. 7/24/90
 THE ABOVE INFORMATION IS FOR INFORMATION ONLY
 AND DOES NOT CONSTITUTE A WARRANTY OR
 GUARANTEE OF ANY KIND. THE TITLE COMPANY
 IS NOT RESPONSIBLE FOR THE ACCURACY OF THE
 INFORMATION CONTAINED HEREIN. TO

[Signature]
 COUNTY CLERK
 DALLAS COUNTY, TEXAS

EXHIBIT "c"
 Page 3 of 3

STb

007-11-1234

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

AUG 6 1890



Jessie B. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS

FILED FOR RECORD
90 AUG -6 PM 3:16

Jessie B. Kirkendall
COUNTY CLERK
GALVESTON COUNTY, TEXAS

007-46-2139

9110259

SEVENTH
SUPPLEMENTAL
DECLARATION OF CO-OWNERSHIP
FOR
SAN LUIS CONDOMINIUM

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

This Seventh Supplemental Declaration of Co-Ownership for San Luis Condominiums, is made and executed on this 28th day of March, 1991, ("Seventh Supplemental Declaration") by The Woodlands Corporation, a Delaware corporation, whose principal place of business is 2201 Timberloch Place, The Woodlands, Texas 77380 ("Declarant").

W I T N E S S E T H

WHEREAS, that certain Declaration of Co-Ownership for San Luis Condominiums ("Declaration") filed for record under County Clerk File No. 8809478, that certain Supplemental Declaration of Co-Ownership for San Luis Condominium ("Supplemental Declaration") filed for record under County Clerk File No. 8837345, that certain Second Supplemental Declaration of Co-Ownership for San Luis Condominium ("Second Supplemental Declaration") filed for record under County Clerk's File No. 8917339, that certain Third Supplemental Declaration of Co-Ownership for San Luis Condominium ("Third Supplemental Declaration") filed for record under County Clerk's File No. 8924924, that certain Fourth Supplemental Declaration of Co-Ownership of San Luis Condominium ("Fourth Supplemental Declaration") filed for record under County Clerk's File No. 9004222, that certain Fifth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Fifth Supplemental Declaration") filed for record under County Clerk's File No. 9013881, and that certain Sixth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Sixth Supplemental Declaration") filed for record under County Clerk's File No. 9025454 all of the Real Property Records of Galveston County, Texas were filed whereby certain units in the San Luis Condominiums were submitted and/or deleted from a Timeshare Regime. (All capitalized terms used herein shall have the same meaning ascribed to them in the Declaration unless otherwise stated);

WHEREAS, Declarant is the owner of the following described real property and all appurtenances thereto situated in County of Galveston, State of Texas and being known as San Luis Condominiums, to wit:

007-46-2140

Unit 636/637, Unit 1236/1237, Unit 632, Unit 1235, Unit 1434, Unit 936/937, Unit 1136/1137, Unit 1532/1533 and Unit 438/439 and the space encompassed by the boundaries thereof, together with an undivided interest in and to the common elements of the San Luis Condominium, a condominium project located in the City of Galveston, Galveston County, Texas, according to and as described by the Declaration of Condominium for The San Luis Condominium and exhibits recorded under County Clerk's File No. 8502838, Real Property Records of Galveston County, Texas.

WHEREAS, Unit 636/637, and Unit 1236/1237 were previously submitted to the Timeshare Regime as a two (2) bedroom, two (2) bath condominium, and the Declarant has subsequently reconstructed said Units to create Unit 636, Unit 637, Unit 1236 and Unit 1237, which are now one (1) bedroom, one (1) bath condominiums; and

WHEREAS, Declarant now desires to annex Unit 632 to the Timeshare Regime pursuant to Article VII of the Declaration.

WHEREAS, Declarant now desires to deannex Unit 1235, Unit 1434, Unit 936/937, Unit 1136/1137, Unit 1532/1533 and Unit 438/439 from the Timeshare Regime pursuant to Article VIII of the Declaration.

NOW, THEREFORE, Declarant, as the owner of the real property hereinabove described for itself, its successors, grantees and assigns, does hereby:

1. Annex Unit 632 to the Timeshare Regime and declare that said Unit shall be bound by the covenants, conditions, reservations, restrictions and limitations contained in the Declaration.
2. Deannex Unit 1235, Unit 1434, Unit 936/937, Unit 1136/1137, Unit 1532/1533 and Unit 438/439 from the Timeshare Regime and declare that said Units are no longer bound by the covenants, conditions, reservations, restrictions and limitations contained in the Declaration.
3. Amend the Declaration as provided in Article II below.

ARTICLE I
ANNEXATION

1.1 Unit 632 is hereby annexed to the Timeshare Regime in accordance with the provisions of Article VII of the Declaration.

2.2. Unit 632 is hereby made subject to the jurisdiction of the Council.

007-46-2141

ARTICLE II
DEANNEXATION

1.1. Unit 1235, Unit 1434, Unit 936/937, Unit 1136/1137, Unit 1532/1533 and Unit 438/439 are hereby deannexed from the Timeshare Regime in accordance with the provision of Article VIII of the Declaration.

2.2. Unit 1235, Unit 1434, Unit 936/937, Unit 1136/1137, Unit 1532/1533 and Unit 438/439 shall no longer be subject to the jurisdiction of the Council.

ARTICLE III
AMENDMENTS TO THE DECLARATION

2.1 Article 3.1 of the Declaration is hereby amended by adding Unit 632, Unit 637 and and Unit 1237 thereto.

2.2 Article 3.2 of the Declaration is hereby amended by (i) deleting Unit 1235 and Unit 1434 and (ii) adding Unit 636 and Unit 1236.

2.3 Article 3.4 of the Declaration is hereby amended by deleting Unit 636/637, Unit 936/937, Unit 1136/1137, Unit 1236/1237 and Unit 1532/1533.

2.4 Article 3.5 of the Declaration is amended by deleting Unit 438/439.

2.5. Article 5.2 of the Declaration is hereby amended by deleting the phrase ".543% or 1/184 of the entire Timeshare Regime" where it appears therein and substituting the phrase ".581% or 1/172 of the entire Timeshare Regime".

2.6. Exhibit C to the Declaration shall be deleted in its entirety, and Exhibit C attached hereto shall be substituted in place thereof.

Except as herein amended, all the provisions of the Declaration, the Supplemental Declaration, the Second Supplemental Declaration, the Third Supplemental Declaration, the Fourth Supplemental Declaration, the Fifth Supplemental Declaration and the Sixth Supplemental Declaration shall remain in full force and effect as originally written and recorded.

007-46-2142

IN WITNESS WHEREOF, Declarant has duly executed this Seventh Supplemental Declaration this 28th day of March, 1991.

THE WOODLANDS CORPORATION

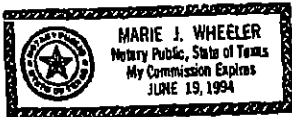
By: [Signature]
Name: Timothy J. Welbes
Title: Vice President

THE STATE OF TEXAS S
 S
COUNTY OF MONTGOMERY S

This instrument was acknowledged before me on March 28, 1991, by Timothy J. Welbes, Vice President of The Woodlands Corporation, a Delaware corporation, on behalf of said corporation.

[Signature]
Notary Public, State of Texas

AKW/pf/B7TMSD6L



When Recorded Return To:
The Woodlands Corporation
Attn: Mary Rose
P.O. Box 4000
The Woodlands, Texas 77380

007-46-2143

515LC078UNITS
 PREPARED BY: PSD
 12-MAY-91
 03:56 PM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSE
336337 A	304.75	0.9806%
336337 B	304.75	0.9806%
336337 C	304.75	0.9806%
336337 D	304.75	0.9806%
435 A	203.25	0.6540%
435 B	203.25	0.6540%
435 C	203.25	0.6540%
435 D	203.25	0.6540%
436 A	203.25	0.6540%
436 B	203.25	0.6540%
436 C	203.25	0.6540%
436 D	203.25	0.6540%
437 A	101.50	0.3266%
437 B	101.50	0.3266%
437 C	101.50	0.3266%
437 D	101.50	0.3266%
531 A	101.50	0.3266%
531 B	101.50	0.3266%
531 C	101.50	0.3266%
531 D	101.50	0.3266%
532 A	101.50	0.3266%
532 B	101.50	0.3266%
532 C	101.50	0.3266%
532 D	101.50	0.3266%
537 A	101.50	0.3266%
537 B	101.50	0.3266%
537 C	101.50	0.3266%
537 D	101.50	0.3266%
538 A	101.50	0.3266%
538 B	101.50	0.3266%
538 C	101.50	0.3266%
538 D	101.50	0.3266%
539 A	239.25	0.7698%
539 B	239.25	0.7698%
539 C	239.25	0.7698%
539 D	239.25	0.7698%
632 A	101.50	0.3266%
632 B	101.50	0.3266%
632 C	101.50	0.3266%
632 D	101.50	0.3266%
636 A	203.25	0.6540%
636 B	203.25	0.6540%
636 C	203.25	0.6540%
636 D	203.25	0.6540%
637 A	101.50	0.3266%
637 B	101.50	0.3266%
637 C	101.50	0.3266%
637 D	101.50	0.3266%
732 A	101.50	0.3266%
732 B	101.50	0.3266%
732 C	101.50	0.3266%
732 D	101.50	0.3266%
733 A	203.25	0.6540%
733 B	203.25	0.6540%
733 C	203.25	0.6540%
733 D	203.25	0.6540%
734 A	203.25	0.6540%
734 B	203.25	0.6540%
734 C	203.25	0.6540%
734 D	203.25	0.6540%
737 A	101.50	0.3266%
737 B	101.50	0.3266%
737 C	101.50	0.3266%
737 D	101.50	0.3266%
738 A	101.50	0.3266%
738 B	101.50	0.3266%
738 C	101.50	0.3266%
738 D	101.50	0.3266%
739 A	239.25	0.7698%
739 B	239.25	0.7698%

EXHIBIT "C"

007-46-2144

S:SLCOTRUNIT
 PREPARED BY: PSD
 12-Mar-91
 03:56 PM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
739 C	239.25	0.7698%
739 D	239.25	0.7698%
835 A	203.25	0.6540%
835 B	203.25	0.6540%
835 C	203.25	0.6540%
835 D	203.25	0.6540%
836 A	203.25	0.6540%
836 B	203.25	0.6540%
836 C	203.25	0.6540%
836 D	203.25	0.6540%
837 A	101.50	0.3266%
837 B	101.50	0.3266%
837 C	101.50	0.3266%
837 D	101.50	0.3266%
932933 A	304.75	0.9806%
932933 B	304.75	0.9806%
932933 C	304.75	0.9806%
932933 D	304.75	0.9806%
1031 A	101.50	0.3266%
1031 B	101.50	0.3266%
1031 C	101.50	0.3266%
1031 D	101.50	0.3266%
1035 A	203.25	0.6540%
1035 B	203.25	0.6540%
1035 C	203.25	0.6540%
1035 D	203.25	0.6540%
1036 A	203.25	0.6540%
1036 B	203.25	0.6540%
1036 C	203.25	0.6540%
1036 D	203.25	0.6540%
1037 A	101.50	0.3266%
1037 B	101.50	0.3266%
1037 C	101.50	0.3266%
1037 D	101.50	0.3266%
1038 A	101.50	0.3266%
1038 B	101.50	0.3266%
1038 C	101.50	0.3266%
1038 D	101.50	0.3266%
1130 A	239.25	0.7698%
1130 B	239.25	0.7698%
1130 C	239.25	0.7698%
1130 D	239.25	0.7698%
1132 A	101.50	0.3266%
1132 B	101.50	0.3266%
1132 C	101.50	0.3266%
1132 D	101.50	0.3266%
1133 A	203.25	0.6540%
1133 B	203.25	0.6540%
1133 C	203.25	0.6540%
1133 D	203.25	0.6540%
1134 A	203.25	0.6540%
1134 B	203.25	0.6540%
1134 C	203.25	0.6540%
1134 D	203.25	0.6540%
11381139 A	340.75	1.0964%
11381139 B	340.75	1.0964%
11381139 C	340.75	1.0964%
11381139 D	340.75	1.0964%
1233 A	203.25	0.6540%
1233 B	203.25	0.6540%
1233 C	203.25	0.6540%
1233 D	203.25	0.6540%
1234 A	203.25	0.6540%
1234 B	203.25	0.6540%
1234 C	203.25	0.6540%
1234 D	203.25	0.6540%
1236 A	203.25	0.6540%
1236 B	203.25	0.6540%
1236 C	203.25	0.6540%
1236 D	203.25	0.6540%

007-46-2145

S:SLCYNLITS
 PREPARED BY: PSD
 12-Mar-91
 03:56 PM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
1237 A	101.50	0.3266%
1237 B	101.50	0.3266%
1237 C	101.50	0.3266%
1237 D	101.50	0.3266%
1238 A	101.50	0.3266%
1238 B	101.50	0.3266%
1238 C	101.50	0.3266%
1238 D	101.50	0.3266%
1239 A	239.25	0.7698%
1239 B	239.25	0.7698%
1239 C	239.25	0.7698%
1239 D	239.25	0.7698%
14321433 A	304.75	0.9806%
14321433 B	304.75	0.9806%
14321433 C	304.75	0.9806%
14321433 D	304.75	0.9806%
14381439 A	340.75	1.0964%
14381439 B	340.75	1.0964%
14381439 C	340.75	1.0964%
14381439 D	340.75	1.0964%
1530 A	239.25	0.7698%
1530 B	239.25	0.7698%
1530 C	239.25	0.7698%
1530 D	239.25	0.7698%
1534 A	203.25	0.6540%
1534 B	203.25	0.6540%
1534 C	203.25	0.6540%
1534 D	203.25	0.6540%
1535 A	203.25	0.6540%
1535 B	203.25	0.6540%
1535 C	203.25	0.6540%
1535 D	203.25	0.6540%
TO	172	31078.00
		100.0000%

FILED FOR RECORD
 91 APR -1 AM 9: 25

Jessie B. Kirkendall
 COUNTY CLERK
 GALVESTON COUNTY, TEXAS

STATE OF TEXAS COUNTY OF GALVESTON
 I hereby certify that this instrument was filed
 on the date and time stamped hereon by me and
 was duly recorded in the Official Public Records
 of Real Property of Galveston County Texas, on

APR 1 1991



Jessie B. Kirkendall
 COUNTY CLERK
 GALVESTON CO., TEXAS

007-59-2016

9120680

EIGHTH
SUPPLEMENTAL
DECLARATION OF CO-OWNERSHIP
FOR
SAN LUIS CONDOMINIUM

THE STATE OF TEXAS S
 S KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF GALVESTON S

This Eighth Supplemental Declaration of Co-Ownership for San Luis Condominiums, is made and executed on this 14th day of June, 1991, ("Eighth Supplemental Declaration") by The Woodlands Corporation, a Delaware corporation, whose principal place of business is 2201 Timberloch Place, The Woodlands, Texas 77380 ("Declarant").

W I T N E S S E T H

WHEREAS, that certain Declaration of Co-Ownership for San Luis Condominiums ("Declaration") filed for record under County Clerk File No. 8809478, that certain Supplemental Declaration of Co-Ownership for San Luis Condominium ("Supplemental Declaration") filed for record under County Clerk File No. 8837345, that certain Second Supplemental Declaration of Co-Ownership for San Luis Condominium ("Second Supplemental Declaration") filed for record under County Clerk's File No. 8917339, that certain Third Supplemental Declaration of Co-Ownership for San Luis Condominium ("Third Supplemental Declaration") filed for record under County Clerk's File No. 8924924, that certain Fourth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Fourth Supplemental Declaration") filed for record under County Clerk's File No. 9004222, that certain Fifth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Fifth Supplemental Declaration") filed for record under County Clerk's File No. 9013881, and that certain Sixth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Sixth Supplemental Declaration") filed for record under County Clerk's File No. 9025454, and that certain Seventh Supplemental Declaration of Co-Ownership for San Luis Condominium ("Seventh Supplemental Declaration") filed for record under County Clerk's File No. 9110259 all of the Real Property Records of Galveston County, Texas were filed whereby certain units in the San Luis Condominiums were submitted and/or deleted from a Timeshare Regime. (All capitalized terms used herein shall have the same meaning ascribed to them in the Declaration unless otherwise stated);

WHEREAS, Declarant is the owner of the following described real property and all appurtenances thereto situated in County of Galveston, State of Texas and being known as San Luis Condominiums, to wit:

Unit 436, Unit 734, Unit 1035 and Unit 1236 and the space encompassed by the boundaries thereof, together with an undivided interest in and to the common elements of the San Luis Condominium, a condominium project located in the City of Galveston, Galveston County, Texas, according to and as described by the Declaration of Condominium for The San Luis Condominium and exhibits recorded under County Clerk's File No. 8502838, Real Property Records of Galveston County, Texas.

WHEREAS, Declarant now desires to deannex Unit 436, Unit 734, Unit 1035 and Unit 1236 from the Timeshare Regime pursuant to Article VIII of the Declaration.

NOW, THEREFORE, Declarant, as the owner of the real property hereinabove described for itself, its successors, grantees and assigns, does hereby:

1. Deannex Unit 436, Unit 734, Unit 1035 and Unit 1236 from the Timeshare Regime and declare that said Units are no longer bound by the covenants, conditions, reservations, restrictions and limitations contained in the Declaration.

2. Amend the Declaration as provided in Article II below.

**ARTICLE I
DEANNEXATION**

1.1. Unit 436, Unit 734, Unit 1035 and Unit 1236 are hereby deannexed from the Timeshare Regime in accordance with the provision of Article VIII of the Declaration.

1.2. Unit 436, Unit 734, Unit 1035 and Unit 1236 shall no longer be subject to the jurisdiction of the Council.

**ARTICLE II
AMENDMENTS TO THE DECLARATION**

2.1 Article 3.2 of the Declaration is hereby amended by deleting Unit 436, Unit 734, Unit 1035 and Unit 1236.

2.2. Article 5.2 of the Declaration is hereby amended by deleting the phrase ".581% or 1/172 of the entire Timeshare Regime" where it appears therein and substituting the phrase ".641% or 1/156 of the entire Timeshare Regime".

2.3. Exhibit C to the Declaration shall be deleted in its entirety, and Exhibit C attached hereto shall be substituted in place thereof.

Except as herein amended, all the provisions of the Declaration, the Supplemental Declaration, the Second Supplemental Declaration, the Third Supplemental Declaration, the Fourth Supplemental Declaration, the Fifth Supplemental Declaration, the Sixth Supplemental Declaration and the Seventh Supplemental Declaration shall remain in full force and effect as originally written and recorded.

IN WITNESS WHEREOF, Declarant has duly executed this Eighth Supplemental Declaration this 14th day of June, 1991.

THE WOODLANDS CORPORATION

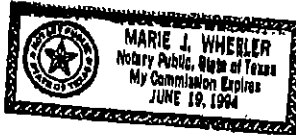
By: [Signature]
Name: Timothy J. Welbes
Title: Sr. Vice President

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on June 14, 1991, by Timothy J. Welbes, Sr. Vice President of The Woodlands Corporation, a Delaware corporation, on behalf of said corporation.

[Signature]
Notary Public, State of Texas

AKW/pf/B7THSDSL



When Recorded Return To:
The Woodlands Corporation
Attn: Mary Rose
P. O. Box 4000
The Woodlands, Texas 77380

When Recorded Return To:
The Woodlands Corporation
Attn: Mary Rose
P. O. Box 4000
The Woodlands, Texas 77380

PAID

5-SLCO TRUNITS
 PREPARED BY: PSO
 06-JUN-91
 10:53 AM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

007-59-2019

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
334337 A	304.75	1.0952%
334337 B	304.75	1.0952%
334337 C	304.75	1.0952%
334337 D	304.75	1.0952%
435 A	203.25	0.7304%
435 B	203.25	0.7304%
435 C	203.25	0.7304%
435 D	203.25	0.7304%
437 A	101.50	0.3648%
437 B	101.50	0.3648%
437 C	101.50	0.3648%
437 D	101.50	0.3648%
531 A	101.50	0.3648%
531 B	101.50	0.3648%
531 C	101.50	0.3648%
531 D	101.50	0.3648%
532 A	101.50	0.3648%
532 B	101.50	0.3648%
532 C	101.50	0.3648%
532 D	101.50	0.3648%
537 A	101.50	0.3648%
537 B	101.50	0.3648%
537 C	101.50	0.3648%
537 D	101.50	0.3648%
538 A	101.50	0.3648%
538 B	101.50	0.3648%
538 C	101.50	0.3648%
538 D	101.50	0.3648%
539 A	239.25	0.8598%
539 B	239.25	0.8598%
539 C	239.25	0.8598%
539 D	239.25	0.8598%
632 A	101.50	0.3648%
632 B	101.50	0.3648%
632 C	101.50	0.3648%
632 D	101.50	0.3648%
636 A	203.25	0.7304%
636 B	203.25	0.7304%
636 C	203.25	0.7304%
636 D	203.25	0.7304%
637 A	101.50	0.3648%
637 B	101.50	0.3648%
637 C	101.50	0.3648%
637 D	101.50	0.3648%
732 A	101.50	0.3648%
732 B	101.50	0.3648%
732 C	101.50	0.3648%
732 D	101.50	0.3648%
733 A	203.25	0.7304%
733 B	203.25	0.7304%
733 C	203.25	0.7304%
733 D	203.25	0.7304%
737 A	101.50	0.3648%
737 B	101.50	0.3648%
737 C	101.50	0.3648%
737 D	101.50	0.3648%
738 A	101.50	0.3648%
738 B	101.50	0.3648%
738 C	101.50	0.3648%
738 D	101.50	0.3648%
739 A	239.25	0.8598%
739 B	239.25	0.8598%
739 C	239.25	0.8598%
739 D	239.25	0.8598%
835 A	203.25	0.7304%
835 B	203.25	0.7304%
835 C	203.25	0.7304%
835 D	203.25	0.7304%
836 A	203.25	0.7304%
836 B	203.25	0.7304%

EXHIBIT C

S-SLCOTRUNIT5
 PREPARED BY: PSD
 06-JUN-91
 10:53 AM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

007-59-2020

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
836 C	203.25	0.7304%
836 D	203.25	0.7304%
837 A	101.50	0.3648%
837 B	101.50	0.3648%
837 C	101.50	0.3648%
837 D	101.50	0.3648%
932933 A	304.75	1.0952%
932933 B	304.75	1.0952%
932933 C	304.75	1.0952%
932933 D	304.75	1.0952%
1031 A	101.50	0.3648%
1031 B	101.50	0.3648%
1031 C	101.50	0.3648%
1031 D	101.50	0.3648%
1036 A	203.25	0.7304%
1036 B	203.25	0.7304%
1036 C	203.25	0.7304%
1036 D	203.25	0.7304%
1037 A	101.50	0.3648%
1037 B	101.50	0.3648%
1037 C	101.50	0.3648%
1037 D	101.50	0.3648%
1038 A	101.50	0.3648%
1038 B	101.50	0.3648%
1038 C	101.50	0.3648%
1038 D	101.50	0.3648%
1130 A	239.25	0.8598%
1130 B	239.25	0.8598%
1130 C	239.25	0.8598%
1130 D	239.25	0.8598%
1132 A	101.50	0.3648%
1132 B	101.50	0.3648%
1132 C	101.50	0.3648%
1132 D	101.50	0.3648%
1133 A	203.25	0.7304%
1133 B	203.25	0.7304%
1133 C	203.25	0.7304%
1133 D	203.25	0.7304%
1134 A	203.25	0.7304%
1134 B	203.25	0.7304%
1134 C	203.25	0.7304%
1134 D	203.25	0.7304%
11381139 A	340.75	1.2246%
11381139 B	340.75	1.2246%
11381139 C	340.75	1.2246%
11381139 D	340.75	1.2246%
1233 A	203.25	0.7304%
1233 B	203.25	0.7304%
1233 C	203.25	0.7304%
1233 D	203.25	0.7304%
1234 A	203.25	0.7304%
1234 B	203.25	0.7304%
1234 C	203.25	0.7304%
1234 D	203.25	0.7304%
1237 A	101.50	0.3648%
1237 B	101.50	0.3648%
1237 C	101.50	0.3648%
1237 D	101.50	0.3648%
1238 A	101.50	0.3648%
1238 B	101.50	0.3648%
1238 C	101.50	0.3648%
1238 D	101.50	0.3648%
1239 A	239.25	0.8598%
1239 B	239.25	0.8598%
1239 C	239.25	0.8598%
1239 D	239.25	0.8598%
14321433 A	304.75	1.0952%
14321433 B	304.75	1.0952%
14321433 C	304.75	1.0952%
14321433 D	304.75	1.0952%

EXHIBIT C

007-59-2021

5:SLCOTRUNIT
PREPARED BY: PSD
06-JUN-91
10:53 AM

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
14381439 A	340.75	1.2246%
14381439 B	340.75	1.2246%
14381439 C	340.75	1.2246%
14381439 D	340.75	1.2246%
1530 A	239.25	0.8598%
1530 B	239.25	0.8598%
1530 C	239.25	0.8598%
1530 D	239.25	0.8598%
1534 A	203.25	0.7304%
1534 B	203.25	0.7304%
1534 C	203.25	0.7304%
1534 D	203.25	0.7304%
1535 A	203.25	0.7304%
1535 B	203.25	0.7304%
1535 C	203.25	0.7304%
1535 D	203.25	0.7304%
TO	156	27826.00
		100.0000%

STATE OF TEXAS - COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

FILED FOR RECORD
91 JUN 18 AM 9:38

JUN 18 1991

Jessie B. Kirkendall
COUNTY CLERK
GALVESTON COUNTY, TEXAS



Jessie B. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS

EXHIBIT C

9200941

007-93-1277

NINTH
SUPPLEMENTAL
DECLARATION OF CO-OWNERSHIP
FOR
SAN LUIS CONDOMINIUM

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

This Ninth Supplemental Declaration of Co-Ownership for San Luis Condominiums, is made and executed on this 7th day of JANUARY, 1994, 2 ("Ninth Supplemental Declaration") by The Woodlands Corporation, a Delaware corporation, whose principal place of business is 2201 Timberloch Place, The Woodlands, Texas 77380 ("Declarant").

W I T N E S S E T H

WHEREAS, that certain Declaration of Co-Ownership for San Luis Condominiums ("Declaration") filed for record under County Clerk File No. 8809478, that certain Supplemental Declaration of Co-Ownership for San Luis Condominium ("Supplemental Declaration") filed for record under County Clerk File No. 8837345, that certain Second Supplemental Declaration of Co-Ownership for San Luis Condominium ("Second Supplemental Declaration") filed for record under County Clerk's File No. 8917339, that certain Third Supplemental Declaration of Co-Ownership for San Luis Condominium ("Third Supplemental Declaration") filed for record under County Clerk's File No. 8924924, that certain Fourth Supplemental Declaration of Co-Ownership of San Luis Condominium ("Fourth Supplemental Declaration") filed for record under County Clerk's File No. 9004222, that certain Fifth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Fifth Supplemental Declaration") filed for record under County Clerk's File No. 9013881, and that certain Sixth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Sixth Supplemental Declaration") filed for record under County Clerk's File No. 9025454, and that certain Seventh Supplemental Declaration of Co-Ownership for San Luis Condominium ("Seventh Supplemental Declaration") filed for record under County Clerk's File No. 9110259, and that certain Eighth Supplemental Declaration of Co-Ownership for San Luis Condominium ("Eighth Supplemental Declaration") filed for record under County Clerk's File No. 9120680 all of the Real Property Records of Galveston County, Texas were filed whereby certain units in the San Luis Condominiums were submitted and/or deleted from a Timeshare Regime. (All capitalized terms used herein shall have the same meaning ascribed to them in the Declaration unless otherwise stated);

WHEREAS, Declarant is the owner of the following described real property and all appurtenances thereto situated in County of Galveston, State of Texas and being known as San Luis Condominiums, to wit:

Unit 435 and Unit 733 and the space encompassed by the boundaries thereof, together with an undivided interest in and to the common elements of the San Luis Condominium, a condominium project located in the City of Galveston, Galveston County, Texas, according to and as described by the Declaration of Condominium for The San Luis Condominium and exhibits recorded under County Clerk's File No. 8502838, Real Property Records of Galveston County, Texas.

WHEREAS, Declarant now desires to deannex Unit 435 and Unit 733 from the Timeshare Regime pursuant to Article VIII of the Declaration.

NOW, THEREFORE, Declarant, as the owner of the real property hereinabove described for itself, its successors, grantees and assigns, does hereby:

1. Deannex Unit 435 and Unit 733 from the Timeshare Regime and declare that said Units are no longer bound by the covenants, conditions, reservations, restrictions and limitations contained in the Declaration.

2. Amend the Declaration as provided in Article II below.

ARTICLE I
DEANNEXTION

1.1. Unit 435 and Unit 733 are hereby deannexed from the Timeshare Regime in accordance with the provision of Article VIII of the Declaration.

1.2. Unit 435 and Unit 733 shall no longer be subject to the jurisdiction of the Council.

ARTICLE II
AMENDMENTS TO THE DECLARATION

2.1 Article 3.2 of the Declaration is hereby amended by deleting Unit 435 and 733.

2.2. Article 5.2 of the Declaration is hereby amended by deleting the phrase ".641 $\frac{1}{8}$ or 1/156 of the entire Timeshare Regime" where it appears therein and substituting the phrase ".676 $\frac{1}{8}$ or 1/148 of the entire Timeshare Regime".

2.3. Exhibit C to the Declaration shall be deleted in its entirety, and Exhibit C attached hereto shall be substituted in place thereof.

Except as herein amended, all the provisions of the Declaration, the Supplemental Declaration, the Second Supplemental Declaration, the Third Supplemental Declaration, the Fourth Supplemental Declaration, the Fifth Supplemental Declaration, the Sixth Supplemental Declaration, the Seventh Supplemental Declaration and the Eighth Supplemental Declaration shall remain in full force and effect as originally written and recorded.

IN WITNESS WHEREOF, Declarant has duly executed this Ninth Supplemental Declaration this 7th day of January, ~~1992~~ 1993.

THE WOODLANDS CORPORATION

By: [Signature]
Name: Timothy J. Welbes
Title: Vice President

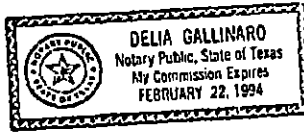
akw

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on Jan. 7, 1992, by Timothy J. Welbes, Vice President of The Woodlands Corporation, a Delaware corporation, on behalf of said corporation.

Delia Gallinaro
Notary Public, State of Texas

AKW/pf/B7THSDSL



007-93-1280

5:SLCOTRUNIT5
 PREPARED BY: PSD
 15-Nov-91
 12:14 PM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
336337 A	304.75	1.1632%
336337 B	304.75	1.1632%
336337 C	304.75	1.1632%
336337 D	304.75	1.1632%
437 A	101.50	0.3874%
437 B	101.50	0.3874%
437 C	101.50	0.3874%
437 D	101.50	0.3874%
531 A	101.50	0.3874%
531 B	101.50	0.3874%
531 C	101.50	0.3874%
531 D	101.50	0.3874%
532 A	101.50	0.3874%
532 B	101.50	0.3874%
532 C	101.50	0.3874%
532 D	101.50	0.3874%
537 A	101.50	0.3874%
537 B	101.50	0.3874%
537 C	101.50	0.3874%
537 D	101.50	0.3874%
538 A	101.50	0.3874%
538 B	101.50	0.3874%
538 C	101.50	0.3874%
538 D	101.50	0.3874%
539 A	239.25	0.9132%
539 B	239.25	0.9132%
539 C	239.25	0.9132%
539 D	239.25	0.9132%
632 A	101.50	0.3874%
632 B	101.50	0.3874%
632 C	101.50	0.3874%
632 D	101.50	0.3874%
636 A	203.25	0.7758%
636 B	203.25	0.7758%
636 C	203.25	0.7758%
636 D	203.25	0.7758%
637 A	101.50	0.3874%
637 B	101.50	0.3874%
637 C	101.50	0.3874%
637 D	101.50	0.3874%
732 A	101.50	0.3874%
732 B	101.50	0.3874%
732 C	101.50	0.3874%
732 D	101.50	0.3874%
737 A	101.50	0.3874%
737 B	101.50	0.3874%
737 C	101.50	0.3874%
737 D	101.50	0.3874%
738 A	101.50	0.3874%
738 B	101.50	0.3874%
738 C	101.50	0.3874%
738 D	101.50	0.3874%
739 A	239.25	0.9132%
739 B	239.25	0.9132%
739 C	239.25	0.9132%
739 D	239.25	0.9132%
835 A	203.25	0.7758%
835 B	203.25	0.7758%
835 C	203.25	0.7758%
835 D	203.25	0.7758%
836 A	203.25	0.7758%
836 B	203.25	0.7758%
836 C	203.25	0.7758%
836 D	203.25	0.7758%
837 A	101.50	0.3874%
837 B	101.50	0.3874%
837 C	101.50	0.3874%
837 D	101.50	0.3874%
932933 A	304.75	1.1632%
932933 B	304.75	1.1632%

EXHIBIT C

007-93-1281

5-SLCO TRUNITS
 PREPARED BY: PSD
 15-Nov-91
 12:14 PM

SAN LUIS CONDOMINIUM
 CO-OWNERSHIP PROGRAM

UNIT NUMBER	SQUARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
932933 C	304.75	1.1632%
932933 D	304.75	1.1632%
1031 A	101.50	0.3874%
1031 B	101.50	0.3874%
1031 C	101.50	0.3874%
1031 D	101.50	0.3874%
1036 A	203.25	0.7758%
1036 B	203.25	0.7758%
1036 C	203.25	0.7758%
1036 D	203.25	0.7758%
1037 A	101.50	0.3874%
1037 B	101.50	0.3874%
1037 C	101.50	0.3874%
1037 D	101.50	0.3874%
1038 A	101.50	0.3874%
1038 B	101.50	0.3874%
1038 C	101.50	0.3874%
1038 D	101.50	0.3874%
1130 A	239.25	0.9132%
1130 B	239.25	0.9132%
1130 C	239.25	0.9132%
1130 D	239.25	0.9132%
1132 A	101.50	0.3874%
1132 B	101.50	0.3874%
1132 C	101.50	0.3874%
1132 D	101.50	0.3874%
1133 A	203.25	0.7758%
1133 B	203.25	0.7758%
1133 C	203.25	0.7758%
1133 D	203.25	0.7758%
1134 A	203.25	0.7758%
1134 B	203.25	0.7758%
1134 C	203.25	0.7758%
1134 D	203.25	0.7758%
11381139 A	340.75	1.3006%
11381139 B	340.75	1.3006%
11381139 C	340.75	1.3006%
11381139 D	340.75	1.3006%
1233 A	203.25	0.7758%
1233 B	203.25	0.7758%
1233 C	203.25	0.7758%
1233 D	203.25	0.7758%
1234 A	203.25	0.7758%
1234 B	203.25	0.7758%
1234 C	203.25	0.7758%
1234 D	203.25	0.7758%
1237 A	101.50	0.3874%
1237 B	101.50	0.3874%
1237 C	101.50	0.3874%
1237 D	101.50	0.3874%
1238 A	101.50	0.3874%
1238 B	101.50	0.3874%
1238 C	101.50	0.3874%
1238 D	101.50	0.3874%
1239 A	239.25	0.9132%
1239 B	239.25	0.9132%
1239 C	239.25	0.9132%
1239 D	239.25	0.9132%
14321433 A	304.75	1.1632%
14321433 B	304.75	1.1632%
14321433 C	304.75	1.1632%
14321433 D	304.75	1.1632%
14381439 A	340.75	1.3006%
14381439 B	340.75	1.3006%
14381439 C	340.75	1.3006%
14381439 D	340.75	1.3006%
1530 A	239.25	0.9132%
1530 B	239.25	0.9132%
1530 C	239.25	0.9132%
1530 D	239.25	0.9132%

EXHIBIT C

007-93-1282

5:SLCQTRUNITS
PREPARED BY: PSD
15-Nov-91
12:14 PM

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	SQJARE FEET	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
1534 A	203.25	0.7758%
1534 B	203.25	0.7758%
1534 C	203.25	0.7758%
1534 D	203.25	0.7758%
1535 A	203.25	0.7758%
1535 B	203.25	0.7758%
1535 C	203.25	0.7758%
1535 D	203.25	0.7758%
TO	148	26200.00
		100.0000%

FILED FOR RECORD
92 JAN -9 AM 8: 48

Jessie B. Kirkendall
COUNTY CLERK
GALVESTON COUNTY, TEXAS

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

JAN 9 1992



Jessie B. Kirkendall
COUNTY CLERK
GALVESTON CO., TEXAS

EXHIBIT C

9439343

009-94-2757

MANAGEMENT CERTIFICATE

This Management Certificate is being recorded in Galveston County, Texas, pursuant to Section 82.116 of the Texas Uniform Condominium Act.

1. The name of the condominium is The San Luis Condominium.
2. The name of the association is The San Luis Condominium Association, Inc.
3. The condominium is located at 5222 Seawall Boulevard, Galveston, Texas 77551-4098.
4. The mailing address of the association is The San Luis Condominium Association, Inc., 5222 Seawall Boulevard, Galveston, Texas 77551-4098.

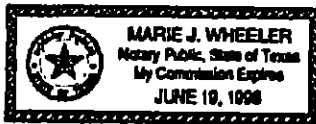
THE SAN LUIS CONDOMINIUM ASSOCIATION, INC.

By: Jeff Harris
Jeff Harris, President

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on August 30, 1994 by Jeff Harris, President of The San Luis Condominium Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

Marie J. Wheeler
Notary Public, State of Texas



AKW/ujz/BSLMAN.CER/08-29-94

When Recorded Return To:
The Woodlands Corporation
Attn: Mary Rose
P. O. Box 4000
The Woodlands, Texas 77380

009-94-2758

FILED FOR RECORD

94 SEP -2 AM 10:05

Jessie G. Kishanall
COUNTY CLERK
GALVESTON COUNTY TEXAS

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed
on the date and time stamped hereon by me and
was duly recorded in the Official Public Records
of Real Property of Galveston County Texas, on

SEP 2 1994



Jessie G. Kishanall
COUNTY CLERK
GALVESTON CO., TEXAS

010-21-1940

NOT RECORDED
NOT RECORDED
NOT RECORDED

FILED AND RECORDED
Official Public Records of Real Property

Patricia Ritchie

1-30-95 09:50 A RB \$9.00 9503549
Patricia Ritchie - Co. Clerk
Galveston Co. TX

010-26-2555

CERTIFICATE OF CORPORATE RESOLUTION

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

I, the undersigned, hereby certify that I am President of THE SAN LUIS CONDOMINIUM ASSOCIATION, INC., a corporation duly organized and existing under the laws of the State of Texas.

I further certify that a meeting of the Board of Directors of said corporation, duly and legally called and held in accordance with the Charter and Bylaws of said corporation on the 18th day of February, 1995, at which meeting a quorum was present and voting throughout, the following Resolutions were duly adopted as follows:

WHEREAS by the Condominium Declaration dated January 18, 1985, and recorded under Clerk's File No. 8502838, and Film Code 003-60-1455 through 003-60-1500, of the Official Public Records of Real Property of Galveston County, Texas, the Owners of the The San Luis Condominiums covenanted and agreed to pay to The San Luis Condominium Association, Inc. a monthly assessment and special assessment, together with interest and costs of collection, and granted The San Luis Condominium Association, Inc. a lien and the power of sale in the event of delinquency in the payment of said assessments; and

WHEREAS, the Association has requested ELIZABETH E. SCOTT to enforce the power of sale granted to the Association in connection with said lien in the event of delinquency in the payment of said assessments:

BE IT RESOLVED that ELIZABETH E. SCOTT be named, designated and appointed as Trustee for the sale of any property located in the San Luis Condominiums, Galveston, Galveston County, Texas, pursuant to the Condominium Declaration from time to time when delinquency in the payment of assessments occur.

I further certify that these Resolutions are within the power of the Board of Directors to pass as provided in the Charter and Bylaws of this corporation.

IN WITNESS WHEREOF, I hereunto subscribe my name on this 23rd day of February, 1995.

THE SAN LUIS CONDOMINIUM ASSOCIATION, INC.

BY: [Signature]
JEFF HARRIS, President

THE STATE OF TEXAS §
COUNTY OF GALVESTON §

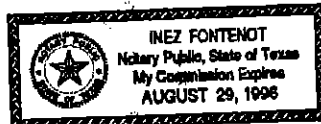
This instrument was acknowledged before me on this 23rd day of February, 1995, by JEFF HARRIS, President of THE SAN LUIS CONDOMINIUM ASSOCIATION, INC., a Texas corporation, on behalf of said corporation.

[Signature]
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

AFTER RECORDING RETURN TO:

GREGG & MIESZKUC, P.C.
17044 El Camino Real
Houston, Texas 77058

PAID



FILED AND RECORDED
Official Public Records of Real Property

Patricia Ritchie

3-3-95 11:09 A RR \$9.00 9507741
Patricia Ritchie - Co. Clerk
Galveston Co. TX

010-26-2556

Affidavit of Dedicatory Instrument
of The San Luis Condominium

014-26-1853

State of Texas

County of Galveston

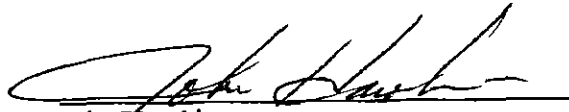
Before me, the undersigned authority, on this day personally appeared John Harobin, who after being duly sworn by me, stated upon his oath that

“My name is John Harobin I am duly elected and currently serving as the Secretary of The San Luis Condominium Association, Inc (“Association”), a Texas non-profit corporation

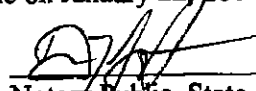
The Association is the designated and acting property owner’s association (as defined under Chapter 202 of the Texas Property Code) of The San Luis Condominium (“Condominium”), of Galveston County, Texas

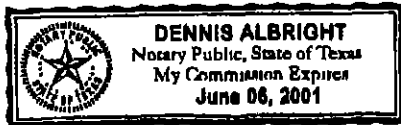
This affidavit is made and recorded, with the attachments hereto, as required by §202 006, Texas Property Code

Attached hereto as exhibits, and made a part hereof, are true and correct copies of the dedicatory instrument, as currently written, of the Condominium ”


John Harobin

SWORN AND SUBSCRIBED TO before me on January 22, 2000


Notary Public, State of Texas



After recording, return to:
Dennis J Albright
Attorney at Law
2201 Market St , Suite 821
Galveston, Texas 77550

PAID

014-26-1854

EXHIBIT A

State of Texas Certificate of Incorporation
and
Articles of Incorporation



014-26-1855

The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION
OF

THE SAN LUIS CONDOMINIUM ASSOCIATION, INC.
CHARTER NUMBER 725280

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT ARTICLES OF INCORPORATION FOR THE ABOVE
CORPORATION, DULY SIGNED AND VERIFIED HAVE BEEN RECEIVED IN THIS
OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY THE UNDERSIGNED, AS SUCH SECRETARY OF STATE, AND BY
VIRTUE OF THE AUTHORITY VESTED IN HIM BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION AND ATTACHES HERETO A COPY OF THE
ARTICLES OF INCORPORATION.

DATED OCT. 18, 1984



[Handwritten Signature]

Secretary of State

014-26-1856

FILED
In the Office of the
Secretary of State of Texas

OCT 18 1984

ARTICLES OF INCORPORATION

OF

Clerk F
Corporations Section

THE SAN LUIS CONDOMINIUM ASSOCIATION, INC.

We, the undersigned natural persons of the age of eighteen (18) years or more, at least two (2) of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

NAME

The name of the corporation is THE SAN LUIS CONDOMINIUM ASSOCIATION, INC.

ARTICLE TWO

NONPROFIT CORPORATION

The corporation is a nonprofit corporation.

ARTICLE THREE

DURATION

The period of its duration is perpetual.

ARTICLE FOUR

PURPOSES

The purposes for which the corporation is organized are:

(a) The primary purpose is to operate, maintain and manage a condominium project in Galveston, Texas, pursuant to Texas Revised Civil Statutes, Article 1301a.

(b) The general provisions and powers are to have and exercise all rights and powers conferred on nonprofit corporations under the laws of Texas, or which may hereinafter be conferred, including the power to contract, rent, buy or sell personal or real property.

(c) To do all other acts necessary or expedient to the administration of the affairs and attainment of the purposes of this corporation.

(d) Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of this corporation.

This corporation is organized pursuant to the Texas Non-Profit Corporation Act and does not contemplate pecuniary gain or profit to the members thereof and is organized for non-profit purposes.

ARTICLE FIVE

INITIAL REGISTERED AGENT AND OFFICE

The corporation's initial registered agent for service of process shall be Paul W. Wommack. The street address of the initial registered agent's office shall be: 2002 Timberloch Place, The Woodlands, Texas. 77380.

ARTICLE SIX
BOARD OF DIRECTORS

The number of directors constituting the initial board of directors of the corporation is three, and the names and addresses of the persons who are to serve as the initial board of directors are:

Roger Galatas	2201 Timberloch Place The Woodlands, Texas 77380
Jeff D. Harris	2201 Timberloch Place The Woodlands, Texas 77380
Michael H. Richmond	2201 Timberloch Place The Woodlands, Texas 77380

ARTICLE SEVEN
INCORPORATORS

The name and street address of each incorporator is:

Joe F. Monroe	2002 Timberloch Place The Woodlands, Texas 77380
Eileen C. Stilson	2002 Timberloch Place The Woodlands, Texas 77380
Brian L. Reade	2002 Timberloch Place The Woodlands, Texas 77380

IN WITNESS WHEREOF, we have hereunto set out hands,
this 12th day of October, 1984.

Joe F. Monroe
Joe F. Monroe

Eileen C. Stilson
Eileen C. Stilson

Brian L. Reade
Brian L. Reade

THE STATE OF TEXAS
COUNTY OF MONTGOMERY

I, Connie S Cottingham, a notary public, do hereby certify that on the 12th day of October, 1984, personally appeared Joe F. Monroe, Eileen C. Stilson and Brian L. Reade, who, each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

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

Connie S Cottingham
Notary Public
State of Texas
My Commission Expires: 11-04-85

CONNIE S. COTTINGHAM
Notary Public in and for State of Texas
My Commission Expires 11-04-85

JFM/csc/2BAofI

014-26-1860

EXHIBIT B

By-Laws

BYLAWS OF

THE SAN LUIS CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

Members -- (Owners)

Section 1. Eligibility. The members of The San Luis Condominium Association, Inc., a Texas nonprofit corporation, shall consist of the respective Unit Owners of the Property known as The San Luis Condominium, Galveston, Texas, in accordance with the respective percentages of ownership interest in the Common Elements of the Property owned by the respective Unit Owners, (these and other terms are used in these Bylaws as they are defined in the Declaration of Condominium for The San Luis Condominium which Declaration is recorded in the office of the County Clerk of Galveston County, Texas. The words "member" or "members" as used in these Bylaws means and shall refer to "Unit Owner" or "Unit Owners," as the case may be, as defined in the Declaration). If a Unit Owner is a corporation or partnership, the members may be an officer, partner or employee of such Unit Owner.

Section 2. Succession. The membership of each Unit Owner shall terminate when he ceases to be a Unit Owner, and upon the sale, transfer or other disposition of his ownership interest in the Property, his membership in the Association shall automatically be transferred to the new Unit Owner succeeding to such ownership interest.

Section 3. Regular Meetings. The first regular annual meeting of Unit Owners (the "First Meeting") shall be held, subject to the terms hereof, within one year of the date title to the first Unit is conveyed. Subsequent to the First Meeting, there shall be a regular annual meeting of Unit Owners held each year on a date which is within thirty (30) days of the anniversary of the First Meeting. All such meetings of Unit Owners shall be held at such place in Galveston, Texas, and at such time as specified in the written notice of such meeting which shall be given to all Unit Owners at least ten (10) days prior to the date of such meeting.

Section 4. Special Meetings. Special meetings of the Unit Owners may be called by the President or by a majority of the directors of the Board, or by Unit Owners having at least two-fifths (2/5) of the votes entitled to be at such meeting. Said special meetings shall be called by delivering written notice to all Unit Owners not less than ten (10) days prior to the date of said meeting stating the date, time and place of said special meeting and the matters to be considered.

Section 5. Delivery of Notice of Meetings. Notices of meetings may be delivered either personally or by mail to a Unit Owner at the address given to the Board by said Unit Owner for such purpose, or to the Unit Owner's Unit, if no address for such purpose has been given to the Board.

Section 6. Voting. The aggregate number of votes for all Unit Owners shall be one hundred (100), and shall be divided among the respective Unit Owners, in accordance with their respective percentages of ownership interest in the Common Elements. If any Unit Owner consists of more than one person, the voting rights of such Unit Owner shall not be divided but shall be exercised as if the Unit Owner consisted of only one person in accordance with the proxy or other designation made by the persons constituting such Unit Owners. The Declarant may exercise the voting rights with respect to Units owned by it. Except as otherwise provided in these Bylaws or in the Declaration, an affirmative vote of a majority of those votes present at a meeting at which a quorum is in attendance shall be necessary to transact business and to adopt decisions binding on all Unit Owners. Cumulative voting in the election of the Board of Directors shall not be permitted.

Section 7. Quorum. A quorum of Unit Owners for any meeting shall be constituted by Unit Owners represented in person or by proxy and holding at least thirty percent (30%) of the votes entitled to be cast at such meeting.

Section 8. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes;
- (d) Reports of Officers;
- (e) Reports of Committees;
- (f) Election of Directors (annual meetings only);
- (g) Unfinished business;
- (h) New business;
- (i) Adjournment.

Section 9. Rules of Meetings. The Board may prescribe reasonable rules for the conduct of all meetings of the Board and Unit Owners and in the absence of such rules, Robert's Rules of Order shall be used.

ARTICLE II

Board of Directors

Section 1. Number, Election and Term of Office. The Board of Directors of the Association (referred to herein as the "Board"), shall consist of five (5) members (hereinafter referred

to as "Directors"). Directors shall be elected at the regular annual meeting of Association members by the vote of Unit Owners, except that the directors listed in the Articles of Incorporation of the Association (hereinafter called "members of the first Board") shall be appointed by the Declarant and that pursuant to paragraph 31 of the Declaration, Declarant shall be solely entitled to elect directors of the Board of Directors until 75% of the Units in the Property have been sold or until three (3) years after title to the first Unit is conveyed ("Turnover Date"), whichever occurs first. Those candidates for election as director receiving the greatest percentage of the votes cast either in person or by proxy at the meeting shall be elected.

At the first annual meeting of the Association, subsequent to the termination of the Declarant's right to elect members of the Board of Directors, five (5) directors shall be elected; two (2) of which shall serve for terms of three (3) years each, two (2) of which shall serve for terms of two (2) years each, and one (1) of which shall serve for one (1) year, all directors holding office for such term and until his successor shall be elected and qualified.

The number of directors may be increased or decreased by amendment of these Bylaws; provided however, that the number of directors shall not be reduced to less than three nor increased to more than five.

Section 2. Qualifications. Except for members of the First Board and directors elected by the Declarant pursuant to paragraph 31 of the Declaration, each director shall be a Unit Owner or the spouse of a Unit Owner (or, if a Unit Owner is a trustee of a trust, a director may be a beneficiary of such trust, and if a Unit Owner or such beneficiary is a corporation or partnership, a director may be an officer, partner or employee of such Unit Owner or beneficiary). If a director shall cease to meet such qualifications during his term, he shall thereupon cease to be a director and his place on the Board shall be deemed vacant.

Section 3. Vacancies. Any vacancy occurring on the Board shall be filled by majority vote of the remaining directors thereof, except that a vacant position on the Board which was last filled by a member of the First Board or his successor or a director elected by the Declarant pursuant to paragraph 31 of the Declaration or his successor may be filled by a person appointed by the Declarant. Any director so elected or appointed to fill a vacancy shall hold office for a term equal to the unexpired term of the director whom he succeeds.

Section 4. Meetings. A regular annual meeting of the Board shall be held within ten (10) days following the regular annual meeting of Unit Owners. Special meetings of the Board shall be held upon a call by the President or by a majority of the Board on not less than forty-eight (48) hours notice in writing to each

director, delivered personally or by mail or telegram. Any director may waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action proposed to be taken by the Board without a meeting. A director's attendance at a meeting shall constitute his waiver of notice of said meeting.

Section 5. Removal. Any director, except directors appointed by the Declarant, may be removed from office for cause by the vote of Unit Owners having two-thirds (2/3) of the total percentage of ownership at any annual or special meeting of the Association, duly called.

Section 6. Compensation. Directors shall receive no compensation for their services as directors, unless expressly provided for in resolutions duly adopted by a majority of the Unit Owners.

Section 7. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time for periods of no longer than one week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 8. Voting. An affirmative vote of a majority of those directors present at a meeting at which a quorum is in attendance shall be necessary to transact business.

Section 9. Powers and Duties. The Board shall have the following powers and duties:

(a) to elect and remove the officers of the Association as hereinafter provided;

(b) to administer the affairs of the Association and the Property;

(c) to engage the services of an agent (hereinafter sometimes called the "Managing Agent"), subject to the provisions of the Declaration, to maintain, repair, replace, administer and operate the Property or any part thereof in substantially the same physical, mechanical and architectural condition of the Property as originally constructed for all of the Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve; provided, however, that the First Board, appointed as provided herein, shall have authority to ratify and approve a Management Agreement between the Declarant,

on behalf of the Association, and a management corporation, which may be a corporation related to the Declarant, to act as Managing Agent for the Property. Notwithstanding any delegation of its powers and duties to a Managing Agent, the Board shall not be relieved of its responsibilities under the Declaration or these Bylaws to maintain the Property in substantially the same mechanical, physical and architectural condition of the Property as originally constructed.

(d) to formulate policies for the administration, management and operation of the Property and the Common Elements thereof;

(e) to adopt rules and regulations, with written notice thereof to all Unit Owners, governing the administration, management, operation and use of the Property and the Common Elements, and to amend such rules and regulations from time to time;

(f) to provide for the maintenance, repair and replacement of the Common Elements and payments therefor, and to approve payment vouchers or delegate such approval to the officers or the manager of Managing Agent;

(g) to provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and the Common Elements and to delegate any such powers to the Managing Agent (and any such employees or other personnel who may be the employees of a Managing Agent);

(h) to appoint committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board;

(i) to determine the fiscal year of the Association and to change said fiscal year from time to time as the Board deems advisable;

(j) to estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective shares of such estimated expenses, as herein provided; to levy and collect special assessments in accordance with the provisions of the Bylaws, whenever in the opinion of the Board it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies. All special assessments shall be in statement form and shall set forth in detail the various expenses for which the assessments are being made;

(k) to enter into any lease or purchase agreement for the lease or purchase of premises suitable for use by Building personnel, upon such terms as the Board may approve;

(l) to establish bank accounts which are interest bearing or non-interest bearing, as may be deemed advisable by the Board of Directors;

(m) to enter such contracts and agreements in addition to the Management Agreement relating to the providing of maintenance, management and operational services as the Board may deem advisable;

(n) to enter such leases of portions of the Common Elements as the Board may deem advisable; and

(o) to suspend the voting rights of a Unit Owner for failure to comply with these Bylaws or the rules and regulations of the Association or with any other obligations of the Unit Owners pursuant to the Project Declaration;

(p) to exercise all powers and duties of the Unit Owners as a group referred to in the Act, and all powers and duties of a Board of Directors referred to in the Declaration or these Bylaws; and

(q) in general, to carry on the administration of the Association and to do all of those things necessary and/or desirable in order to carry out the governing and operating of The San Luis Condominium.

Section 10. Non-Delegation. Nothing in this Article or elsewhere in these Bylaws shall be considered to grant to the Board, the Association or to the officers of the Association any powers or duties which, by law, have been delegated to the Unit Owners.

ARTICLE III

Officers

Section 1. Designation. At each regular annual meeting of the Board, the directors present at said meeting shall elect the following officers of the Association by a majority vote:

(a) a President who shall be a director and who shall preside over the meetings of the Board and of the Unit Owners, and who shall be the chief executive officer of the Association;

(b) a Secretary, who shall keep the minutes of all meetings of the Board and of the Unit Owners, and who shall, in general, perform all the duties incident to the office of Secretary, and who may be a representative of the Managing Agent and who may also be Treasurer;

(c) a Treasurer, who shall be responsible for financial records and books of account and the manner in which such records and books are kept and reported;

(d) such additional officers as the Board shall see fit to elect.

Section 2. Powers. The respective officers shall have the general powers usually vested in such officers; provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may see fit.

Section 3. Term of Office. Each officer shall hold office for the term of one year and until his successor shall have been appointed or elected and qualified.

Section 4. Vacancies. Vacancies in any office shall be filled by the Board by a majority vote of the Board at a duly called meeting of said Board. Any officer so elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be removed for cause at any time by vote of two-thirds (2/3) of the total membership of the Board at a duly called meeting thereof.

Section 5. Compensation. The officers shall receive no compensation for their services as officers, unless expressly provided for in a resolution duly adopted by a majority of the Unit Owners.

ARTICLE IV

Assessments

Section 1. Annual Budget. The Board shall cause to be prepared an estimated annual budget for each fiscal year of the Association; provided, however, that until four months after 75% of the Units in the project have been conveyed to purchasers or three years after title to the first Unit is conveyed, whichever occurs first, the Board shall not adopt a budget requiring assessments for common expenses in an amount exceeding the percentage increase in the Consumer Price Index - All Urban Consumers, U.S. City Average, unless such budget is approved by a majority of the Unit Owners. Such budget shall take into account the estimated common expenses and cash requirements for the year, including but not limited to salaries, wages, payroll taxes, legal and accounting fees, working capital fund, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power, and all other common expenses. To the extent that the assessments and other cash income collected from the Unit Owners during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be taken into account. The annual budget shall also take into

account the estimated net available cash income for the year from the lease, operation or use of the Common Elements. The annual budget shall provide for a reserve for contingencies for the year and a reserve for replacements, maintenance and repair of the Common Elements, in reasonable amounts as determined by the Board, and such reserve fund shall be funded through the monthly payments of the common expenses and not by extraordinary special assessments.

Section 2. Assessments. The estimated annual budget for each fiscal year shall be approved by the Board, and copies thereof shall be furnished by the Board to each Unit Owner, not later than thirty (30) days prior to the beginning of such year. On or before the first day of the first month and of each succeeding month of the year covered by the annual budget, each Unit Owner shall pay, as his respective monthly assessment for the common expenses, one-twelfth (1/12) of his proportionate share of the common expenses for such year as shown by the annual budget. Such proportionate share for each Unit Owner shall be in accordance with his respective percentage of ownership as set forth in the Declaration. In the event that the Board shall not approve an estimated annual budget or shall fail to determine new monthly assessments for any year, or shall be delayed in doing so, each Unit Owner shall continue to pay each month the amount of his respective monthly assessment as last determined. Each Unit Owner shall pay his monthly assessment on or before the first day of each month to the Managing Agent or as may be otherwise directed by the Board. No Unit Owner shall be relieved of his obligation to pay his assessment by abandoning or not using his Unit, the Common Elements, or the Limited Common Elements.

Section 3. Partial Year or Month. For the first fiscal year, the annual budget shall be as approved by the First Board. If such first fiscal year, or any succeeding fiscal year, shall be less than a full year, then the monthly assessments for each Unit Owner shall be proportionate to the number of months and days in such period covered by such budget. Commencing with the date that a Unit Owner acquires ownership of his Unit, each Unit Owner shall pay his assessment for the following month or fraction of a month, which assessment shall be in proportion to his respective percentage of ownership in the Common Elements and the number of months and days remaining in the period covered by the current annual budget, and which assessments shall be as computed by the Board.

Before the first Unit is sold, the Declarant shall pay all operational expenses of the Property as they accrue. From the date the Declarant sells the first unit until Declarant control terminates as set forth in the Declaration and these Bylaws, the Declarant shall make a monthly payment to the Association equal to the cost of all operational expenses for which the Association is liable and which relate to the Common Elements and Units of the Property, less the operational expense portion of the assessments made against the unit owners.

Section 4. Annual Report. Within ninety (90) days after the end of each fiscal year covered by an annual budget, or as soon thereafter as shall be practicable, the Board shall cause to be furnished to each Unit Owner a statement for such year so ended, showing the receipts and expenditures and such other information as the Board may deem advisable.

Section 5. Supplemental Budget. In the event that during the course of any year, it shall appear to the Board that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated common expenses for the remainder of such year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a supplemental assessment shall be made on each Unit Owner for his proportionate share of such supplemental budget.

Section 6. Special Assessments. In addition to the regular monthly Assessments authorized above, the Board may levy, in any year, one or more special Assessments applicable to that year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvements upon the Common Elements, including fixtures and personal property related thereto, or to defray any unanticipated or underestimated expense or other action or undertaking normally covered by a regular Assessment (and, where necessary, for taxes assessed against the Common Elements or the Project as a whole).⁽¹⁾ Said special Assessments shall be assessed against each Owner in proportion to the percentage of ownership of such Owner as set forth in the Declaration.⁽²⁾ Special Assessments may also be levied against an individual Unit and its Owner to reimburse the Association for costs incurred in bringing that Owner and his Unit into compliance with the provisions of this Declaration and the Bylaws including actual attorneys' fees and costs.

Section 7. Expenditures. Except for expenditures and contracts specifically authorized by the Declaration and Bylaws, the Board shall not approve any expenditure in excess of One Hundred Thousand Dollars (\$100,000.00), unless required for emergency repair, protection or operation of the Common Elements or Limited Common Elements, nor enter any contract for more than five (5) years without the prior approval of Unit Owners having two-thirds (2/3) of the total percentage of ownership in the Common Elements.

Section 8. Lien for Non-Payment of Common Expenses. All sums assessed by the Board pursuant to any provision of the Declaration and these Bylaws, including, without limitation, the share of Common Expenses chargeable to any Unit, shall constitute

a lien on such Unit superior (prior) to all other liens and encumbrances, excepting only:

(i) Tax and special assessment liens on the Unit in favor of any governmental assessing unit, and

(ii) All sums unpaid on a prior recorded first Mortgage, including all unpaid obligatory sums as may be provided by such encumbrance.

(a) If any assessment shall remain unpaid after 10 days after the due date thereof, such unpaid sums shall bear interest from and after the due date thereof at the maximum lawful rate of interest per annum and the Board of Directors may impose a late charge on such defaulting Unit Owner in an amount as set by the Board from time to time to cover the extra cost and expenses involved in handling such delinquent assessments.

(b) To evidence such lien, the Board shall prepare a written notice setting forth the amount of such unpaid indebtedness, the name of the Unit Owner of the Unit and a description of the Unit. Such a notice shall be signed by one of the Board of Directors or the Managing Agent and shall be recorded in the office of the County Clerk, Galveston County, Texas. Such lien may be enforced by foreclosure of the defaulting Unit Owner's Unit by the Association in like manner as a mortgage on real property, upon the recording of a notice or claim thereof. In any such foreclosure the Unit Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorney's fees. The Unit Owner shall also be required to pay to the Association the monthly assessment for the Unit during the period of foreclosure, and the Association shall be entitled to the appointment of a Receiver to collect the same. The Board of Directors shall have the power to bid on the Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey same.

(c) Any encumbrancer holding a lien on a Unit may pay, but shall not be required to pay, any unpaid Common Expenses payable with respect to such Unit, and upon such payment such encumbrancer shall have a lien on such Unit for the amounts paid of the same rank as the lien of his encumbrance, provided that any first Mortgagee who acquires a Unit by foreclosure or by a deed in lieu thereof shall acquire title to such Unit free and clear of any lien for unpaid Common Expenses and shall only be responsible for Common Expenses arising after the date upon which such first Mortgagee acquires title to the Unit.

Section 9. Records and Statement of Account. The Board shall cause to be kept the records required by the Act and detailed and accurate records of the receipts and expenditures affecting the Common Elements and Limited Common Elements, specifying and itemizing the common expenses incurred. Payment vouchers may be approved in such manner as the Board may determine. All such books and records shall be kept in accordance with generally accepted accounting procedures, consistently applied, and shall be audited at least once a year by an outside auditor selected by the Board.

Section 10. Discharge of Liens. The Board may cause the Association to discharge any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the Property or the Common Elements, rather than a lien against only a particular Unit. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses, including attorney's fees, incurred by reason of such lien.

Section 11. Holding of Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessments as may be levied hereunder and under the Declaration against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners according to their percentages of ownership.

Section 12. Inspection of Records. Any Unit Owner or first Mortgagee may inspect the Association's records of receipts and expenditures at any reasonable time during convenient weekday business hours, and, upon ten days' notice to the Board of Directors or Managing Agent, if any, and upon payment of a reasonable fee, any Unit Owner or first Mortgagee of such Unit Owner shall be furnished a statement of account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

ARTICLE V

Contractual Powers

No contract or other transaction between the Association and one or more of its directors or between this corporation and any corporation, or association in which one or more of the directors of this corporation are directors, or are financially interested, is void or voidable because such director or directors are present at the meeting of the Board or a committee thereof which authorizes or approves the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

(a) the fact of the common directorship or financial interest is disclosed or known to the Board or committee and noted in the minutes and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such director or directors; or

(b) the contract or transaction is just and reasonable as to the corporation at the time it is authorized or approved.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board or a committee thereof which authorizes, approves or ratifies a contract or transaction.

ARTICLE VI

Amendments

The provisions of these Bylaws may be changed, modified or rescinded by an instrument in writing setting forth such change, modification or rescission and signed and acknowledged by Unit Owners owning not less than eighty percent (80%) of the total ownership of Common Elements; provided, however, that all lien holders of record have been notified by certified mail of such change, modification or rescission, and an affidavit by the secretary of the Association certifying to such mailing is made a part of such instrument. The prior written approval of all lien holders of record of a first mortgage will be required for any material amendment to the provisions of these Bylaws.

However, if the Act, the Declaration or the Bylaws require the consent or agreement of all Unit Owners or of all Mortgagees for any action specified in the Act, the Declaration or these Bylaws, then any instrument changing, modifying or rescinding any provision of these Bylaws with respect to such action shall be signed by all the Unit Owners or all Mortgagees or both as required by the Act, the Declaration or Bylaws.

The Board shall have the authority, without the joinder or consent of any other party, to make any amendment of these Bylaws necessary to clarify any apparently conflicting provisions hereof and/or to correct any mistakes or errors of a clerical nature resulting from typographical or similar errors.

Such amendments shall be maintained in the corporate records of the Association.

ARTICLE VII

Indemnification

Section 1. General. The Association shall indemnify and hold harmless each of its directors and officers, each member of any committee appointed pursuant to the Bylaws of the Association, and the Board, and Declarant, against all contractual and other liabilities to others arising out of contracts made by or other acts of such directors, Board, officers, committee members, or Declarant, on behalf of the Unit Owners or arising out of their status as directors, Board, officers, committee members or Declarant, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which any such director, officer, Board, committee member, or Declarant may be involved by virtue of such persons being or having been such director, officer, Board, committee member, or Declarant; provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such director, officer, Board, committee member, or Declarant, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such persons being adjudged liable for gross negligence or fraud in the performance of his duties as such director, officer, Board, committee member or Declarant.

Section 2. Success on Merits. To the extent that the Declarant or a member of the Board of Directors or an officer of the Association or a member of any committee appointed pursuant to the Bylaws of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1, or in the defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 3. Advance Payment. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the person or entity seeking such indemnification or payment in advance to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article VIII.

Section 4. Miscellaneous. The Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under this Article; provided, however, that the liability of any Unit Owner arising out of any contract made by or other acts of the directors, Board, officers, members of such committees, or Declarant, or out of the aforesaid indemnity in favor of the directors, board, officers, members of such committees, or Declarant shall be limited to such proportion of the total liability hereunder as said Unit Owner's percentage of ownership bears to the total percentage of ownership of all the Unit Owners. Every agreement made by the directors, Board, officers, member of such committees, Declarant or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of ownership bears to the total percentage of ownership of all Unit Owners. The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association or disinterested members of the Board of Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. Such right to indemnification shall continue as to a person or entity who has ceased to be Declarant or a member of the Board of Directors, officer of the Association or a member of such committee, and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of each person or entity.

ARTICLE VIII

Definition of Terms

The terms used in these Bylaws, to the extent they are defined in the Declaration, shall have the same definition as set forth in the Declaration of Condominium for The San Luis Condominium, recorded in the Office of the County Clerk, Galveston County, Texas, as the same may be amended or supplemented from time to time.

In the event of any conflict between the terms and provisions of these Bylaws and the Declaration, the provisions of the Declaration shall control. These Bylaws shall not be amended or altered in any manner inconsistent with the Declaration.

KNOW ALL MEN BY THESE PRESENTS, that the undersigned Secretary of The San Luis Condominium Association, Inc., does hereby certify that the above and foregoing Bylaws were duly

014-26-1875

adopted by the directors of said corporation as the Bylaws of
said corporation on the 30th day of January, 1985.

Michael H. Richard
Secretary

JM

JFM/csc/2BBylaws/11-13-84

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

Patricia Ritchie

2000 JAN 31 09:21 AM 2000004469
GULTS_M \$53.00
Patricia Ritchie, COUNTY CLERK
GALVESTON, TEXAS

For Galveston County Recorder's Use

016-12-0526

After recording, return to or to
DENNIS J ALBRIGHT
Attorney at Law
2201 Market St., Suite 418
Galveston, Texas 77550

**SUPPLEMENTAL DECLARATION TO
DECLARATION OF CO-OWNERSHIP
FOR SAN LUIS CONDOMINIUMS**
(for de-annexation of condominium unit)

EFFECTIVE DATE: October 1, 2001

Definitions

"Common Furnishings" is as defined in the Timeshare Regime Declaration

"Co-Ownership Estate" is as defined in the Timeshare Regime Declaration.

"Declarant" means The San Luis Condominium Association, Inc (by assignment duly recorded)

"Declaration of Co-Ownership for San Luis Condominiums", referred to herein as "Timeshare Regime Declaration", recorded under Film Code No 005-75-1060, in the Official Records of Real Property of Galveston County, Texas

"Owner" is as defined in the Timeshare Regime Declaration.

"Supplemental Declaration" refers to this instrument

"Timeshare Regime" is as defined in the Timeshare Regime Declaration.

"Unit" is as defined in the Timeshare Regime Declaration and in this Supplemental Declaration specifically refers to Condominium Unit Number 1438/1439, and the space encompassed by the boundaries thereof, together with an undivided interest in the General Common Elements located in and being part of THE SAN LUIS CONDOMINIUM, a Condominium Project in Galveston County, Texas, as fully described in and as located, delineated and as defined in the Condominium Declaration, together with the Survey Plat, Bylaws and Exhibits attached thereto, recorded under County Clerk's Film Code No. 003-60-1455, in the Official Public Records of Real Property of Galveston County, Texas

210-00-1938

Terms of Supplemental Declaration

Declarant makes this Supplemental Declaration to the Timeshare Regime Declaration, as follows:

1 The Unit is hereby deleted and de-annexed from the Timeshare Regime and the Timeshare Regime Declaration in accordance with the provisions of Article VIII of the Timeshare Regime Declaration.

2. In order to re-allocate the percentage part each Co-Ownership Estate bears to the entire Timeshare Regime, ¶5 2 of Article V (Section V) of the Timeshare Regime Declaration is hereby amended to state as follows

Each Co-Ownership Estate represents 25% or 1/4 of each Unit and 0 0069444% or 1/144 of the entire Timeshare Regime.

3. Marked as Exhibit "A", and attached hereto and made a part hereof, is an amendment of Exhibit "C" of the Timeshare Regime Declaration, in order to re-allocate the percentage interest each Owner has in the Common Furnishings as reflected in the last (final) column of the exhibit

The San Luis Condominium Association, Inc.

By [Signature]
Dennis J. Albright, President

STATE OF TEXAS

COUNTY OF GALVESTON

This instrument was acknowledged before me on Oct. 1, 2001, by Dennis J Albright, President of The San Luis Condominium Association, Inc , a Texas non-profit corporation, on behalf of said corporation.



[Signature]
NOTARY PUBLIC, STATE OF TEXAS

PREPARED IN THE LAW OFFICE OF
DENNIS J ALBRIGHT
ATTORNEY AT LAW
2231 MARKET ST, SUITE 418
GALVESTON, TEXAS 77560
TEL 409-750-8100 and 713-453-2157
FAX 409-750-8375 and 713-453-2182

C:\MyFiles\julia\San Luis\Prority de-annex.frm

016-12-0528

EXHIBIT "A"

Re-Allocation of the Percentage Interest of each Owner
in the Common Furnishings

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY



2001 OCT 04 10:40 AM 2001052050
HOOD P \$13.00
Patricia Ritchie, COUNTY CLERK
GALVESTON, TEXAS

RETURN TO
TEXAS AMERICAN TITLE COMPANY
1725 NASA ROAD ONE SUITE 100
GALVESTON TEXAS 77558

GAC 2001062583 11 PGS

GAC 2001052050 3 PGS

016-30-2635

016-12-0526

For Galveston County Recorder's Use

Explanation of Re-Recording

This instrument is being re-recorded because the eight (8) pages that make up Exhibit "A" were inadvertently left off and not recorded when this instrument was originally recorded under Galveston County Clerk's File No. 2001052050. This instrument, with the previously left-off eight (8) pages that make up Exhibit "A", is now being re-recorded so that Exhibit "A" properly contains the previously left-off eight (8) pages.

After recording, return to
DENNIS J ALBRIGHT
Attorney at Law
2201 Market St, Suite 418
Galveston, Texas 77550

or to

PAID

**SUPPLEMENTAL DECLARATION TO
DECLARATION OF CO-OWNERSHIP
FOR SAN LUIS CONDOMINIUMS**
(for de-annexation of condominium unit)

EFFECTIVE DATE: October 1, 2001

Definitions

"Common Furnishings" is as defined in the Timeshare Regime Declaration

"Co-Ownership Estate" is as defined in the Timeshare Regime Declaration.

"Declarant" means The San Luis Condominium Association, Inc (by assignment duly recorded)

"Declaration of Co-Ownership for San Luis Condominiums", referred to herein as "Timeshare Regime Declaration", recorded under Film Code No 005-75-1060, in the Official Records of Real Property of Galveston County, Texas

"Owner" is as defined in the Timeshare Regime Declaration.

"Supplemental Declaration" refers to this instrument

"Timeshare Regime" is as defined in the Timeshare Regime Declaration.

"Unit" is as defined in the Timeshare Regime Declaration and in this Supplemental Declaration specifically refers to Condominium Unit Number 1438/1439, and the space encompassed by the boundaries thereof, together with an undivided interest in the General Common Elements located in and being part of THE SAN LUIS CONDOMINIUM, a Condominium Project in Galveston County, Texas, as fully described in and as located, defined and as defined in the Condominium Declaration, together with the Survey Plat, Bylaws and Exhibits attached thereto, recorded under County Clerk's Film Code No. 003-60-1455 in the Official Public Records of Real Property of Galveston County, Texas.

RECORDED
OCT 1 2001
GALVESTON COUNTY, TX
31

31⁰² CH

210-00-1938

Terms of Supplemental Declaration

Declarant makes this Supplemental Declaration to the Timeshare Regime Declaration, as follows:

1 The Unit is hereby **deleted and de-annexed** from the Timeshare Regime and the Timeshare Regime Declaration in accordance with the provisions of Article VIII of the Timeshare Regime Declaration

2 In order to re-allocate the percentage part each Co-Ownership Estate bears to the entire Timeshare Regime, ¶5.2 of Article V (Section V) of the Timeshare Regime Declaration is hereby amended to state as follows

Each Co-Ownership Estate represents 25% or 1/4 of each Unit and 0.0069444% or 1/144 of the entire Timeshare Regime

3 Marked as **Exhibit "A"**, and attached hereto and made a part hereof, is an amendment of Exhibit "C" of the Timeshare Regime Declaration, in order to re-allocate the percentage interest each Owner has in the Common Furnishings as reflected in the last (final) column of the exhibit

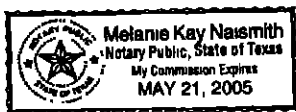
The San Luis Condominium Association, Inc

By *[Signature]*
Dennis J. Albright, President

STATE OF TEXAS

COUNTY OF GALVESTON

This instrument was acknowledged before me on Oct. 1, 2001, by Dennis J Albright, President of The San Luis Condominium Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



Melanie Kay Naismith
NOTARY PUBLIC, STATE OF TEXAS

PREPARED IN THE LAW OFFICE OF
DENNIS J ALBRIGHT
ATTORNEY AT LAW
2201 MARKET ST., SUITE 410
GALVESTON, TEXAS 77550
TEL. 409-750-0100 and 713-453-2157
FAX 409-750-8375 and 713-453-2182

C:\My Files\jaffle\San Luis\Frsky de annex.doc

016-30-2637

016-12-0528

EXHIBIT "A"

Re-Allocation of the Percentage Interest of each Owner
in the Common Furnishings

~~FILED AND RECORDED
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY~~

~~*Patricia Ritchie*~~

~~2001 OCT 04 10:40 AM 2001052050
HOOD P \$13.00
Patricia Ritchie, COUNTY CLERK
GALVESTON, TEXAS~~

UNIT NUMBER	ORIGINAL PERCENTAGE	COUNCIL PERCENTAGE	W/O UNIT1438 PERCENTAGE	W/O UNIT 1438 COUNCIL
1031A	10 2725%	0 3746%	10 2725%	0 3958%
1031B	10 2725%	0 3746%	10 2725%	0 3958%
1031C	10 2725%	0 3746%	10 2725%	0 3958%
1031D	10 2725%	0 3746%	10 2725%	0 3958%
1036A	21 2150%	0 7737%	21 2150%	0 8173%
1036B	21 2150%	0 7737%	21 2150%	0 8173%
1036C	21 2150%	0 7737%	21 2150%	0 8173%
1036D	21 2150%	0 7737%	21 2150%	0 8173%
1037A	10 2725%	0 3746%	10 2725%	0 3958%
1037B	10 2725%	0 3746%	10 2725%	0 3958%
1037C	10 2725%	0 3746%	10 2725%	0 3958%
1037D	10 2725%	0 3746%	10 2725%	0 3958%
1038A	10 2725%	0 3746%	10 2725%	0 3958%
1038B	10 2725%	0 3746%	10 2725%	0 3958%
1038C	10 2725%	0 3746%	10 2725%	0 3958%
1038D	10 2725%	0 3746%	10 2725%	0 3958%
1130A	26 2225%	0 9563%	26 2225%	1 0102%
1130B	26 2225%	0 9563%	26 2225%	1 0102%
1130C	26 2225%	0 9563%	26 2225%	1 0102%
1130D	26 2225%	0 9563%	26 2225%	1 0102%

UNIT NUMBER	ORIGINAL PERCENTAGE	COUNCIL PERCENTAGE	W/O UNIT1438 PERCENTA	W/O UNIT 1438 COUNCIL
1132A	10 2725%	0 3746%	10 2725%	0 3958%
1132B	10 2725%	0 3746%	10 2725%	0 3958%
1132C	10 2725%	0 3746%	10 2725%	0 3958%
1132D	10 2725%	0 3746%	10 2725%	0 3958%
1133A	21 2150%	0 7737%	21 2150%	0 8173%
1133B	21 2150%	0 7737%	21 2150%	0 8173%
1133C	21 2150%	0 7737%	21 2150%	0 8173%
1133D	21 2150%	0 7737%	21 2150%	0 8173%
1134A	21 2150%	0 7737%	21 2150%	0 8173%
1134B	21 2150%	0 7737%	21 2150%	0 8173%
1134C	21 2150%	0 7737%	21 2150%	0 8173%
1134D	21 2150%	0 7737%	21 2150%	0 8173%
1138A	36 5900%	1 3344%	36 5900%	1 4097%
1138B	36 5900%	1 3344%	36 5900%	1 4097%
1138C	36 5900%	1 3344%	36 5900%	1 4097%
1138D	36 5900%	1 3344%	36 5900%	1 4097%
1233A	21 2150%	0 7737%	21 2150%	0 8173%
1233B	21 2150%	0 7737%	21 2150%	0 8173%
1233C	21 2150%	0 7737%	21 2150%	0 8173%
1233D	21 2150%	0 7737%	21 2150%	0 8173%

UNIT NUMBER	ORIGINAL PERCENTAGE	COUNCIL PERCENTAGE	W/O UNIT1438 PERCENTAGE	W/O UNIT 1438 COUNCIL
1234A	21 2150%	0 7737%	21 2150%	0 8173%
1234B	21 2150%	0 7737%	21 2150%	0 8173%
1234C	21 2150%	0 7737%	21 2150%	0 8173%
1234D	21 2150%	0 7737%	21 2150%	0 8173%
1237A	10 2725%	0 3746%	10 2725%	0 3958%
1237B	10 2725%	0 3746%	10 2725%	0 3958%
1237C	10 2725%	0 3746%	10 2725%	0 3958%
1237D	10 2725%	0 3746%	10 2725%	0 3958%
1238A	10 2725%	0 3746%	10 2725%	0 3958%
1238B	10 2725%	0 3746%	10 2725%	0 3958%
1238C	10 2725%	0 3746%	10 2725%	0 3958%
1238D	10 2725%	0 3746%	10 2725%	0 3958%
1239A	26 3175%	0 9598%	26 3175%	1 0139%
1239B	26 3175%	0 9598%	26 3175%	1 0139%
1239C	26 3175%	0 9598%	26 3175%	1 0139%
1239D	26.3175%	0 9598%	26 3175%	1 0139%
1432A	31 4875%	1 1483%	31 4875%	1 2131%
1432B	31 4875%	1 1483%	31 4875%	1 2131%
1432C	31 4875%	1 1483%	31 4875%	1 2131%
1432D	31 4875%	1 1483%	31 4875%	1 2131%

UNIT NUMBER	ORIGINAL PERCENTAGE	COUNCIL PERCENTAGE	W/O UNIT1438 PERCENTAGE	W/O UNIT 1438 COUNCIL
1438A	36 5900%	1 3344%	0 0000%	0 0000%
1438B	36 5900%	1 3344%	0 0000%	0 0000%
1438C	36 5900%	1 3344%	0 0000%	0 0000%
1438D	36 5900%	1 3344%	0 0000%	0 0000%
1530A	26 2225%	0 9563%	26 2225%	1 0102%
1530B	26 2225%	0 9563%	26 2225%	1 0102%
1530C	26 2225%	0 9563%	26 2225%	1 0102%
1530D	26 2225%	0 9563%	26 2225%	1 0102%
1534A	21 2150%	0 7737%	21 2150%	0 8173%
1534B	21 2150%	0 7737%	21 2150%	0 8173%
1534C	21 2150%	0 7737%	21 2150%	0 8173%
1534D	21 2150%	0 7737%	21 2150%	0 8173%
1535A	21 2150%	0 7737%	21 2150%	0 8173%
1535B	21 2150%	0 7737%	21 2150%	0 8173%
1535C	21 2150%	0 7737%	21 2150%	0 8173%
1535D	21 2150%	0 7737%	21 2150%	0 8173%
336A	31 1675%	1 1367%	31 1675%	1 2008%
336B	31 1675%	1 1367%	31 1675%	1 2008%
336C	31 1675%	1 1367%	31 1675%	1 2008%
336D	31 1675%	1 1367%	31 1675%	1 2008%

UNIT NUMBER	ORIGINAL PERCENTAGE	COUNCIL PERCENTAGE	W/O UNIT1438 PERCENTAGE	W/O UNIT 1438 COUNCIL
437A	10 2725%	0 3746%	10 2725%	0 3958%
437B	10 2725%	0 3746%	10 2725%	0 3958%
437C	10 2725%	0 3746%	10 2725%	0 3958%
437D	10 2725%	0 3746%	10 2725%	0 3958%
531A	10 2725%	0 3746%	10 2725%	0 3958%
531B	10 2725%	0 3746%	10 2725%	0 3958%
531C	10 2725%	0 3746%	10 2725%	0 3958%
531D	10 2725%	0 3746%	10 2725%	0 3958%
532A	10 2725%	0 3746%	10 2725%	0 3958%
532B	10 2725%	0 3746%	10 2725%	0 3958%
532C	10 2725%	0 3746%	10 2725%	0 3958%
532D	10 2725%	0 3746%	10 2725%	0 3958%
537A	10 2725%	0 3746%	10 2725%	0 3958%
537B	10 2725%	0 3746%	10 2725%	0 3958%
537C	10 2725%	0 3746%	10 2725%	0 3958%
537D	10 2725%	0 3746%	10 2725%	0 3958%
538A	10 2725%	0 3746%	10 2725%	0 3958%
538B	10 2725%	0 3746%	10 2725%	0 3958%
538C	10 2725%	0 3746%	10 2725%	0 3958%
538D	10 2725%	0 3746%	10 2725%	0 3958%

UNIT NUMBER	ORIGINAL PERCENTAGE	COUNCIL PERCENTAGE	W/O UNIT1438 PERCENTAGE	W/O UNIT 1438 COUNCIL
539A	26 3175%	0 9598%	26 3175%	1 0139%
539B	26 3175%	0 9598%	26 3175%	1 0139%
539C	26 3175%	0 9598%	26 3175%	1 0139%
539D	26 3175%	0 9598%	26 3175%	1 0139%
632A	10 2725%	0 3746%	10 2725%	0 3958%
632B	10 2725%	0 3746%	10 2725%	0 3958%
632C	10 2725%	0 3746%	10 2725%	0 3958%
632D	10 2725%	0 3746%	10 2725%	0 3958%
636A	21 2150%	0 7737%	21 2150%	0 8173%
636B	21 2150%	0 7737%	21 2150%	0 8173%
636C	21 2150%	0 7737%	21 2150%	0 8173%
636D	21 2150%	0 7737%	21 2150%	0 8173%
637A	10 2725%	0 3746%	10 2725%	0 3958%
637B	10 2725%	0 3746%	10 2725%	0 3958%
637C	10 2725%	0 3746%	10 2725%	0 3958%
637D	10 2725%	0 3746%	10 2725%	0 3958%
732A	10 2725%	0 3746%	10 2725%	0 3958%
732B	10 2725%	0 3746%	10 2725%	0 3958%
732C	10 2725%	0 3746%	10 2725%	0 3958%
732D	10 2725%	0 3746%	10 2725%	0 3958%

UNIT NUMBER	ORIGINAL PERCENTAGE	COUNCIL PERCENTAGE	W/O UNIT1438 PERCENTAGE	W/O UNIT 1438 COUNCIL
737A	10 2725%	0 3746%	10 2725%	0 3958%
737B	10 2725%	0 3746%	10 2725%	0 3958%
737C	10 2725%	0 3746%	10 2725%	0 3958%
737D	10 2725%	0 3746%	10 2725%	0 3958%
738A	10 2725%	0 3746%	10 2725%	0 3958%
738B	10 2725%	0 3746%	10 2725%	0 3958%
738C	10 2725%	0 3746%	10 2725%	0 3958%
738D	10 2725%	0 3746%	10 2725%	0 3958%
739A	26 3175%	0 9598%	26 3175%	1 0139%
739B	26 3175%	0 9598%	26 3175%	1 0139%
739C	26 3175%	0 9598%	26 3175%	1 0139%
739D	26 3175%	0 9598%	26 3175%	1 0139%
835A	21 2150%	0 7737%	21 2150%	0 8173%
835B	21 2150%	0 7737%	21 2150%	0 8173%
835C	21 2150%	0 7737%	21 2150%	0 8173%
835D	21 2150%	0 7737%	21 2150%	0 8173%
836A	21 2150%	0 7737%	21 2150%	0 8173%
836B	21 2150%	0 7737%	21 2150%	0 8173%
836C	21 2150%	0 7737%	21 2150%	0 8173%
836D	21 2150%	0 7737%	21 2150%	0 8173%
837A	10 2725%	0 3746%	10 2725%	0 3958%

016-30-2645

UNIT NUMBER	ORIGINAL PERCENTAGE	COUNCIL PERCENTAGE	W/O UNIT 1438 PERCENTAGE	W/O UNIT 1438 COUNCIL
837B	10 2725%	0 3746%	10 2725%	0 3958%
837C	10 2725%	0 3746%	10 2725%	0 3958%
837D	10 2725%	0 3746%	10 2725%	0 3958%
932A	31 4875%	1 1483%	31 4875%	1 2131%
932B	31 4875%	1 1483%	31 4875%	1 2131%
932C	31 4875%	1 1483%	31 4875%	1 2131%
932D	31 4875%	1.1483%	31 4875%	1 2131%
TOTAL	2742 0100%	100 0000%	2595 6500%	100 0000%

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

Patricia Ritchie

2001 DEC 03 09:15 AM 2001062583
GEISEL J \$29.00
Patricia Ritchie, COUNTY CLERK
GALVESTON, TEXAS

003-60-1455

DECLARATION OF CONDOMINIUM

8502838

FOR

THE SAN LUIS CONDOMINIUM

THIS DECLARATION, made and entered into by MITCHELL DEVELOPMENT CORPORATION OF THE SOUTHWEST doing business as THE WOODLANDS GROUP, hereinafter referred to as the "Declarant".

W I T N E S S E T H:

WHEREAS, Declarant is the owner of real estate located in Galveston, Galveston County, Texas, more particularly described on Exhibit I attached hereto and incorporated herein by this reference, hereinafter referred to as the "Parcel"; and

WHEREAS, Declarant has, or shall have, constructed on the Parcel a high-rise building to be known as The San Luis Condominium; and

WHEREAS, Declarant intends to and does hereby submit the above described Parcel, together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in anywise pertaining thereto (hereinafter called the "Property"), to a condominium regime pursuant to V.T.C.A., Property Code, Chapter 81, which regime will be known as The San Luis Condominium; and

WHEREAS, Declarant further desires to establish for its own benefit and for the mutual benefit of all future owners or occupants of the Property or any part thereof, and intends that all future owners, occupants, mortgagees, and any other persons hereafter acquiring any interest in the Property shall hold said interest subject to, certain rights, easements and privileges in, over and upon said premises and certain mutually beneficial restrictions and obligations and liens with respect to the proper use, conduct and maintenance thereof, hereinafter set forth, all of which rights, easements, privileges, restrictions, obligations and liens are declared to be in furtherance of a plan to promote and protect the co-operative aspects of residence on the Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property.

NOW, THEREFORE, Declarant, as the owner of the real estate hereinbefore described, and for the purposes above set forth, declares as follows:

1. Definitions. As used herein, unless the context otherwise requires:

- (a) "Act" means V.T.C.A., Property Code, Chapter 81.
- (b) "Association" means The San Luis Condominium Association, Inc. a Texas nonprofit corporation.
- (c) "Board" or "Board of Directors" means the Board of Directors of the Association.
- (d) "Building" means the structural improvements located on the Parcel and forming part of the Property and containing Units.
- (e) "Bylaws" means the Bylaws of the Association.
- (f) "Common Elements" means all of the Property except for the Units, and, without limiting the generality of the foregoing, shall include those items defined as "general common elements" in the Act, including the following:

(1) The Parcel;

(2) All foundations, structural components, bearing walls and columns, roofs, vestibules, halls, lobbies, stairways, and entrances and exits or communication ways, except as otherwise herein provided or stipulated.

(3) All basements, flat roofs, parking garages and areas, storage spaces, yards, and gardens, except as otherwise herein provided or stipulated;

(4) All compartments or installations of central services such as power, light, gas, cold and hot water, refrigeration, central air conditioning and central heating, reservoirs, water tanks and pumps, and the like;

(5) All elevators and shafts except as otherwise herein provided or stipulated, garbage incinerators and, in general, all devices or installations existing for common use; and

(6) All other elements of the Building desirably or rationally of common use or necessary to the existence, upkeep and safety of the condominium regime established by this Declaration.

(g) "common expenses" means and includes:

(1) All sums lawfully assessed against the Unit Owners by the Board;

(2) All expenses of administration and management, maintenance, operation, repair or replacement of and additions to the Common Elements;

(3) Expenses assessed against the Unit Owners for the use, operation, repair and maintenance of certain adjoining property and the Property pursuant to certain shared use and access and parking agreements (collectively referred to herein as the "Use Agreements") affecting the Parcel and referred to hereafter in paragraph 30 of this Declaration;

(4) Other expenses agreed upon as common expenses by a vote of the Unit Owners representing an aggregate ownership interest of at least sixty-six and two-thirds percent (66-2/3%) of the Common Elements; and

(5) Expenses declared to be common expenses by this Declaration or by the Bylaws.

(h) "Declarant means Mitchell Development Corporation of the Southwest doing business as The Woodlands Group, its successors and assigns, provided such successors or assigns are designated in writing by Declarant as a successor or assign of the rights of Declarant set forth herein.

(i) "Declaration" means this instrument, by which the Property is submitted to the provisions of the Act, as hereinafter provided, and such Declaration as amended from time to time.

(j) "Limited Common Elements" means all Common Elements serving exclusively a single Unit or one or more adjoining Units as an inseparable appurtenance thereto, the enjoyment, benefit or use of which is reserved to the lawful Occupants of such Unit or Units either in this Declaration or on the Plat, as the same may be amended from time to time. Limited Common Elements shall include, but shall not

be limited to, "air handlers", pipes, ducts, electrical wiring, and conduits located entirely within a Unit or adjoining Units and serving only such Unit or Units, the air conditioning and heating systems serving exclusively any Unit, such portions of the perimeter walls, floors and ceilings, doors, vestibules, windows, and entryways, and all associated fixtures and structures therein, as lie outside the Unit and entryways, and all associated fixtures and structures therein, as lie outside the Unit boundaries. Limited Common Elements shall also include any parking space permanently assigned to a particular Unit or Units, any balcony, porch or patio which is accessible from, associated with and which adjoin(s) a Unit, and shall, without further reference thereto, be used in connection with such Unit to the exclusion of the use thereof by the other Unit Owners of the Common Elements, except by invitation.

The entryways, hallways, corridors, foyers and all other facilities and associated structures being located on the sixteenth and seventeenth floors shall be Limited Common Elements and shall be reserved for the exclusive use of the Unit Owners and Occupants of the Penthouse Dwellings located thereon, to the exclusion of all other Unit Owners in the Building, except by invitation.

(k) "Majority" or "majority of the Unit Owners" means the owners having more than fifty percent (50%) of the percentage of undivided ownership in the Common Elements. Any specific percentage of Unit Owners means that percentage of Unit Owners who in the aggregate have such specified percentage of the entire percentage of undivided ownership in the Common Elements.

(l) "Mortgage" means a mortgage or deed of trust of Record covering a Unit and the undivided interest in the Common Elements appurtenant thereto.

(m) "Mortgagee" means a beneficiary under a Mortgage.

(n) "Occupant" means a person or persons in possession of a Unit, regardless of whether said person is a Unit Owner.

(o) "Parcel" means the parcel or tract of real estate, described in Exhibit I of this Declaration, submitted to the provisions of the Act.

(p) "Penthouse Dwelling" means a Unit or any two or more adjoining Units on the sixteenth or seventeenth floors used together for residential purposes.

(q) "Person" means a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

(r) "Plat" means and includes the engineering survey of the Parcel depicting and locating thereon all of the improvements; the floor and elevation plans and any other drawing or diagrammatic plan depicting a part of or all of the improvements and land which are included in this project. The Plat contains a legal description of the Parcel, the location of the Building on the Parcel with the building denoted by letter, the number, a description and location for each Unit and the location of parking spaces with permanently assigned spaces being designated with a number corresponding to a Unit number of a Unit constituting all or part of a Penthouse Dwelling. The Plat is attached hereto and made a part hereof as Exhibit II.

(s) "Property" means all the land, property and space comprising the Parcel, and all improvements and structures

erected, constructed or contained therein or thereon, including the Building and all easements, rights and appurtenances belonging thereto, and all furniture, furnishings, fixtures and equipment intended for the mutual use, benefit or enjoyment of the Unit Owners.

(t) "Record" or "Recording" refers to the record or recording in the office of the County Clerk of Galveston County, Texas.

(u) "Unit" means an enclosed space consisting of one or more rooms occupying all or part of a floor or floors in the Building, which enclosed space is not owned in common with the Unit Owners of other Units. Each Unit is numbered and shown on the Plat, and the boundaries of each Unit shall be and are the interior surfaces of its perimeter walls, floors, ceilings and the doors and windows in their closed position; and a Unit includes both the portion of the Building so described and the air space so encompassed, excepting Common Elements. It is intended that the term "Unit" as used in this Declaration shall have the same meaning as the term Apartment as used in the Act.

(v) "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple ownership of a Unit, but shall not include those having an interest in a Unit merely as security for the performance of an obligation. Unless specifically provided otherwise herein, Declarant shall be deemed a Unit Owner so long as it is the legal title holder of any Unit.

2. Submission of Property to the Act. Declarant, as the legal title holder in fee simple of the Parcel, expressly intends to, and by recording this Declaration does hereby submit the Parcel and the Property to the provisions of the Act, subject to matters of record affecting the Property, including but not limited to the Use Agreements referred to in paragraph 30 of this Declaration.

3. Plat. The Plat sets forth the descriptions, locations and other data, as required by the Act, with respect to (1) the Parcel and its exterior boundaries; (2) the Building and each floor thereof; and (3) each Unit.

4. Description of a Unit. The legal description of each Unit shall consist of the identifying number(s) of such Unit as shown on the Plat. Every deed, lease, mortgage or other instrument shall legally describe a Unit by its identifying number as shown on the Plat and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. Except as provided by the Act, no Unit Owner shall, by deed, plat, court decree or otherwise, subdivide or in any other manner cause his Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plat.

5. No Partition. The Common Elements shall remain undivided and shall not be the object of an action for partition or division of the co-ownership thereof.

6. (a) Association of Unit Owners and Administration and Operation of The San Luis Condominium Association, Inc. There has been formed an Association having the name "The San Luis Condominium Association, Inc.," a Texas nonprofit corporation, which Association shall be the governing body for all of the Unit Owners, for the maintenance, repair, replacement, administration and operation of the Property, as provided in the Act, this Declaration and the Bylaws. The Board of Directors of the Association shall be elected from among the Unit Owners and shall serve in accordance with the provisions of the Bylaws. The fiscal year of the Association shall be determined by the Board, and may be changed from time to time as the Board deems advisable. The Association shall not be deemed to be conducting a business

of any kind. All activities undertaken by the Association shall be for the sole benefit of the Unit Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of Unit Owners in accordance with the provisions of this Declaration and the Bylaws. Each Unit Owner shall be a member of the Association so long as he is a Unit Owner. A Unit Owner's membership shall automatically terminate when he ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the new Unit Owner shall simultaneously succeed to the former Unit Owner's membership in the Association. The aggregate number of votes for all members of the Association shall be one hundred (100) and shall be divided among the respective Unit Owners in accordance with their respective percentages of ownership interest in the Common Elements as set forth in Exhibit II hereto.

(b) Management of Property. The Board shall engage the services of an agent (herein sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer and operate the Property, or any part thereof, to the extent deemed advisable by the Board, subject to the provisions of subparagraph (c) below. The Board shall also have the authority (but shall not be obligated) to engage, supervise and control such employees as the Board deems advisable to clean and maintain all or any part of the Units to the extent the Board deems it advisable to provide such services for all or any portion of the Unit Owners. The cost of such services shall be a common expense.

(c) Initial Management Contract. The first Board, appointed as provided herein, shall ratify and approve an initial management agreement between the Association and a management corporation, which may be a corporation related to the Declarant, to act as Managing Agent for the Property.

(d) Apartments for Building Personnel. The Board shall have authority to lease, purchase and mortgage one or more Units for a building manager, engineer or other building personnel. All rental or debt service paid by the Association pursuant to any such lease agreement or Mortgage shall be a common expense.

(e) Use by Declarant. During the period of sale by the Declarant of any Units, the Declarant and its agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the Building and Property as may be required for purposes of said sale of Units. While the Declarant owns any of the Units and until each Unit sold by it is occupied by the purchasers, the Declarant and its employees may use and show one or more of such unsold or unoccupied Units or any part of the Common Elements as a sales office, and may maintain customary signs in connection therewith.

(f) Non-Liability of the Directors, Board, Officers, and Declarant. Neither the directors, Board or officers of the Association, nor Declarant shall be personally liable to the Unit Owners for any mistake of judgment or for any acts or omissions of any nature whatsoever as such directors, Board, officers, or Declarant, except for any acts or omissions found by a court to constitute gross negligence or fraud. The Unit Owners shall indemnify and hold harmless each of the directors, Board, officers, or Declarant, and their respective heirs, executors, administrators, successors and assigns in accordance with the provisions of the Bylaws.

(g) Board's Determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any questions of interpretation or application of the provisions of the Declaration or Bylaws, such dispute or disagreement shall be submitted to the Board. The determination of such dispute or disagreement by the Board shall be binding on each and all such Unit Owners, subject to the right of Unit

Owners to seek other remedies provided by law after such determination by the Board.

(h) Association Right to Acquire Additional Property. The Board may acquire and hold for the benefit of all of the Unit Owners real property and tangible and intangible personal property and may dispose of the same by sale or otherwise. The beneficial interest in any such property shall be owned by all of the Unit Owners in the same proportions as their respective interests in the Common Elements, and such interest therein shall not be transferable except with a conveyance of a Unit. A conveyance of a Unit shall automatically transfer to the grantee ownership of the grantor's beneficial interest in all such property interests associated with and appurtenant to the subject Unit.

(i) Board Authority to Permit Use by Others. The Board shall have the authority to permit persons other than Unit Owners to use portions of the Common Elements, including club rooms and recreational facilities, upon such terms as the Board shall deem advisable. All proceeds and revenues, if any, received from such use of Common Elements shall be used to defray common expenses in such manner as the Board shall determine.

7. Ownership of the Common Elements. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as set forth in Exhibit III attached hereto and by this reference made a part hereof. Said ownership interest in the Common Elements shall be an undivided interest, and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of ownership. The ownership of each Unit shall not be conveyed separate from the percentage of ownership in the Common Elements corresponding to said Unit. The undivided percentage of ownership in the Common Elements corresponding to any Unit shall be deemed conveyed or encumbered with that Unit, even though the legal description in the instrument conveying or encumbering said Unit may refer only to the title to that Unit. Said ownership interest for each Unit shall be calculated by determining the square footage of the individual Units in proportion to the total square footage of all of the Units.

8. Use of the Common Elements. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements and portions of the Property subject to leases made by or assigned to the Association) in common with all other Unit Owners, as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the respective Unit owned by such Unit Owner. Such right to use the Common Elements shall extend to not only each Unit Owner, but also to his agents, servants, tenants, family members, customers, invitees and licensees. However, each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements servicing such Unit alone or with adjoining Units. Such rights to use the Common Elements, including the Limited Common Elements, shall be subject to and governed by the provisions of the Act, Declaration, Bylaws and rules and regulations of the Association. In addition, the Association shall have the authority to rent, lease, grant concessions or grant easements with respect to parts of the Common Elements, and to generally manage, control and deal with the interest of each Unit Owner in the Common Elements so as to permit the Association to fulfill all of its duties and obligations hereunder and, to exercise all of its rights hereunder. All income derived by the Association from leases, concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions or regulations as the Board may adopt or prescribe.

Title to any Unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of

a deed from the Declarant or from any Unit Owner shall constitute appointment of the attorney-in-fact herein provided. All of the Unit Owners irrevocably constitute and appoint the Association, in their names, place and stead for the purpose of dealing with the Common Elements as herein provided as attorney-in-fact. The Association, by its president and secretary, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed, license or any other instrument with respect to the interest of a Unit Owner which is necessary and appropriate to exercise the powers hereinabove granted, including, but not limited to, the authority to authorize alterations, additions, improvements or other uses of the Common Elements.

9. Parking Areas. Subject to parking space allocations pursuant to the Use Agreements and parking spaces that are permanently assigned to a particular Unit or Units on the sixteenth and seventeenth floors as authorized in this Declaration, parking spaces in the garage and other parking spaces on the Property shall be Common Elements, and may be allocated and re-allocated by the Board, from time to time, to the respective Unit Owners, and shall be used by such Unit Owners in such manner and subject to such rules and regulations as the Board may prescribe. Each Unit Owner on the third through the fifteenth floors shall have the right of use of one parking space for each bedroom contained in his Unit as designated on the plat attached hereto. Unit Owners purchasing a Unit(s) on the sixteenth or seventeenth floors shall be entitled to the right of use of at least one parking space for each Penthouse Dwelling on said floors. All parking spaces not so used by Unit Owners may be otherwise used in such manner as the Board may prescribe.

10. Storage Spaces. Storage spaces on the Property, outside of the Units, shall be Common Elements, and may be allocated and re-allocated, by the Board, from time to time, to the respective Unit Owners, and shall be subject to such rules and regulations as the Board may prescribe, and storage spaces not so used may be rented or otherwise used in such manner as the Board may prescribe.

11. (a) Common Expenses and Metered Utilities. Each Unit Owner, including the Declarant, shall pay his proportionate share of the common expenses. Except for its responsibilities as a Unit Owner, as provided herein, the Declarant shall not have any responsibility for the maintenance, repair or replacement of any part of the Common Elements after the date this Declaration is recorded. Except as hereinafter provided for in the payment of separately metered utility services and for services provided exclusively to the sixteenth and seventeenth floors, such proportionate share of the common expenses for each Unit Owner shall be in accordance with his percentage of ownership in the Common Elements for payment of common expenses. Payment of common expenses, including any prepayment thereof required by a contract for sale of a Unit, shall be in such amounts and at such times as determined in the manner provided in the Bylaws. No Unit Owner shall be exempt from payment of his proportionate share of the common expenses by waiver or non-use or waiver of enjoyment of the Common Elements or Limited Common Elements or by abandonment of his Unit. If any Unit Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof together with interest thereon at the maximum rate as may then be permitted under the laws of the State of Texas, accruing from and after the date that said common expenses become due and payable, and any late charge as imposed by the Board of Directors pursuant to this Declaration or the Bylaws, shall constitute a lien on the interest of such Unit Owner in the Property and his Unit. To evidence such lien the Board or Managing Agent shall prepare a written notice setting forth the amount of such unpaid indebtedness, the name of the Unit Owner of the Unit and a description of the Unit. Such a notice shall be signed by one of the Board of Directors or by the Managing Agent and shall be recorded. Such lien may be enforced by foreclosure of the defaulting Unit

Owner's Unit by the Association in like manner as a Mortgage on real property, upon the recording of a notice or claim thereof.

Each Unit Owner shall also pay for all utility services, including electricity and other utility services, if any, separately metered for such Unit Owner's Unit. Each Unit Owner shall make such payments for separately metered utility services to the public utility company providing such utility service if provided directly to the Unit Owner or to the Association if such utility services are separately metered on the submeters for the Units.

In addition to the common expenses and expenses for separately metered utility services to individual Units as hereinbefore described, Unit Owners on the sixteenth and seventeenth floors shall also pay for all separately metered utility services, if any, provided to the Limited Common Elements appurtenant to said floors, as well as for all expenses for additional services provided exclusively to Unit Owners on the sixteenth and seventeenth floors which services are not otherwise available or provided to Unit Owners on floors three through fifteen. Payment for the additional services described herein, if any, shall be made to the Association and shall be, as to each Unit Owner on said floors, calculated on the basis of a ratio of the area of the Unit or Units making up a Penthouse Dwelling to the total area of all Units on the sixteenth and seventeenth floors multiplied times the total expense of the additional services provided to both floors.

(b) Enforcement of Lien. The Board may bring an action at law against the Unit Owner personally obligated to pay the same, for collection of his unpaid proportionate share of the common expenses, or foreclose the lien against the Unit or Units owned by such Unit Owner, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each Unit Owner, by his acceptance of a deed to a Unit, hereby expressly vests in the Board or its agents the right and power to bring all actions against such Unit Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens and each such Unit Owner hereby expressly grants to the Board a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Board and shall be for the common benefit of all Unit Owners. The Board shall have the authority to appoint a trustee, and thereafter successor trustees from time to time, to act on behalf of the Board in foreclosing such lien, and such appointment may be made without any formality other than a written appointment of a trustee or successor (substitute) trustee, and the Board may appoint a substitute trustee at any time in its discretion. The Board acting on behalf of the Unit Owners shall have the power to bid upon an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

(c) Mortgage Protection. The lien for common expenses payable by a Unit Owner shall be subordinate to the lien of a prior recorded first Mortgage on the interest of such Unit Owner, except for the amount of the proportionate share of common expenses which become due and payable from and after the date on which the first Mortgagee thereunder obtains title to a Unit. This subparagraph (c) shall not be amended, changed, modified or rescinded without the prior written consent of all first Mortgagees.

12. Mortgages. Each Unit Owner shall have the right, subject to the provisions herein, to make separate Mortgages for his respective Unit. No Unit Owner shall have the right or authority to make or create or cause to be made or created from the date hereof any Mortgage or other lien on or affecting the Property or any part thereof, except only to the extent of his own Unit.

The prior written approval of each first Mortgagee will be required for the following:

(a) The abandonment or termination, by act or omission, of the condominium regime or the Property, except for abandonment or termination provided by law or as herein otherwise provided in the case of substantial destruction by fire or other casualty or in the case of taking by condemnation or eminent domain;

(b) The effectuation of any decision by the Association to terminate professional management and assume self-management of the Property.

If any Unit or portion thereof or the Common Elements or Limited Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding then the holder of any first Mortgage will be entitled to timely written notice of any such proceeding or proposed acquisition.

In the event of substantial damage to or destruction of any Unit or portion thereof or any part of the Common Elements, then the holder of any first Mortgage will be entitled to timely written notice of any such damage or destruction.

Any holder of a first Mortgage will, upon request, be entitled to:

(a) inspect the books and records of the Association during normal business hours;

(b) receive financial statements of the Association certified by the Association within 90 days following the end of any fiscal year;

(c) receive written notice of meetings of the Association and be permitted to designate a representative to attend all such meetings; and

(d) receive written notice of any default on the part of its respective mortgagor(s) regarding any obligations imposed under the documentation which are not cured within 30 days.

13. Separate Real Estate Taxes. Taxes, assessments and other charges of any taxing or assessing authority shall be separately assessed to each Unit Owner for his Unit. In the event that such taxes or assessments for any year are not separately assessed to each Unit Owner, but rather are assessed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements, and, in said event, such taxes or assessments shall be a common expense. Without limiting the authority of the Board provided for elsewhere herein, the Board shall have the authority to collect from the Unit Owners their proportionate share of taxes or assessments for any year in which taxes are assessed on the Property as a whole.

14. Insurance.

(a) The Board of Directors or the Managing Agent shall obtain and maintain at all times, to the extent obtainable, policies of insurance, written with financially responsible and able companies licensed to do business in Texas, covering the risks set forth below. The type of coverages to be obtained and risks to be covered are as follows, to-wit:

(1) Insurance against loss or damage by fire and lightning, and such other hazards as are customarily covered in condominium projects in the County of Galveston, Texas, under extended coverage and all risk endorsements. Said casualty insurance shall insure the entire Property and any property, the nature of which is a Common Element (including all of the Units and the fixtures therein initially installed or conveyed by the Declarant), together with all

service equipment contained therein in an amount equal to the full replacement value, without deduction for depreciation. All policies shall contain a standard non-contributory mortgage clause in favor of each first Mortgagee, which shall provide that the loss, if any, thereunder, shall be payable to the Association for the use and benefit of such first Mortgagees as their interests may appear.

(2) If the Property is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of Flood Insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the Property in an amount which is the lesser of the maximum amount of insurance available under the Act or the aggregate of the unpaid principal balances of the first Mortgages on the Units comprising the Property.

(3) Bodily injury and property damage insurance in such limits as the Board may from time to time determine, but not in an amount less than \$5,000,000.00 per occurrence covering all claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the Property. All liability insurance shall name the Association, the Board, the Managing Agent, the Declarant, first Mortgagees, the Unit Owners, the officers of the Association and The Fort Crockett Hotel Limited as insureds thereunder. If there are steam boilers in operation on the Property, there must be in force boiler explosion insurance providing for not less than \$50,000.00 per accident per location.

(4) Workmen's Compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by law.

(5) Adequate fidelity coverage against dishonesty of employees or any other person handling funds of the Association, destruction or disappearance of money or securities and forgery. Said policy shall also contain endorsements thereto covering any persons who serve the Association without compensation.

(6) The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the Property, including plate or other glass insurance, earthquake insurance, insurance for any personal property of the Association located thereon, and errors and omissions insurance with respect to the actions of the Board of Directors and officers of the Association.

(b) All policies of insurance, to the extent obtainable, shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Unit Owner and shall provide that such policies may not be cancelled or modified without at least thirty (30) days' prior written notice to all of the Unit Owners, first Mortgagees and the Association. If requested, duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all first Mortgagees at least ten (10) days prior to expiration of the then current policies. All casualty insurance shall be carried in blanket form naming the Association as the insured, as attorney-in-fact for all of the Unit Owners and first Mortgagees, as their interests may appear, which policy or policies shall identify the interest of each Unit Owner (Unit Owner's name and Unit number designation) and first Mortgagee.

(c) Prior to obtaining any policy of casualty insurance or renewal thereof, pursuant to the provisions of this insurance paragraph, the Board shall obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of the entire Property, without deduction for depreciation, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions of this insurance paragraph. In no event shall the insurance policy contain a co-insurance clause for less than ninety percent (90%) of the full replacement cost with an agreed amount endorsement. Determination of maximum replacement value shall be made annually by one or more written appraisals to be furnished by a person knowledgeable of replacement cost, and each first Mortgagee, if requested, shall be furnished with a copy thereof within thirty (30) days after receipt of such written appraisals. Such amounts of insurance shall be contemporized annually in accordance with their currently determined maximum replacement value.

(d) Unit Owners may carry other insurance for their benefit and at their expense, provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

(e) Insurance coverage on improvements and attached fixtures installed by a Unit Owner and furnishings, including unattached carpet, draperies, free standing appliances and other items of personal property belonging to a Unit Owner, and personal liability coverage within each Unit shall be the sole and direct responsibility of the Unit Owner thereof, and the Board of Directors, the Association and/or the Managing Agent shall have no responsibility therefor.

(f) In the event that there shall be any damage, destruction or loss to a Unit or any damage, destruction or loss to the Common Elements, then notice of such damage or loss shall be given by the Association to the first Mortgagee of said Unit within ten (10) days after the occurrence of such event.

(g) All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Unit Owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to that Unit Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy, as to the interests of all other insured Unit Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

15. Association as Attorney-in-fact -- Damage and Destruction -- Obsolescence. This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the Property upon its destruction, repair or obsolescence.

Title to any Unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed from the Declarant or from any Unit Owner shall constitute appointment of the attorney-in-fact herein provided. All of the Unit Owners irrevocably constitute and appoint the Association, in their names, place and stead for the purpose of dealing with the Property upon its destruction, repair or obsolescence as is hereinafter provided. As attorney-in-fact, the Association, by its president and secretary, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or any other instrument with respect to the interest of a Unit Owner which is necessary and appropriate to exercise the powers herein granted. Repair and reconstruction of the

improvement(s) as used in the succeeding subparagraphs means restoring the improvement(s) to substantially the same mechanical, physical and architectural condition in which it existed prior to the damage, with each Unit and the Common Elements and Limited Common Elements having substantially the same vertical and horizontal boundaries as before. Except as is otherwise herein provided, the proceeds of any insurance collected shall be available to the Association for the purpose of repair, restoration or replacement unless all Unit Owners and all first Mortgagees agree not to rebuild in accordance with the provisions set forth hereinafter.

Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction.

(a) In the event of damage or destruction to the Property to the extent of not more than sixty-six and two-thirds percent (66-2/3%) of the total replacement cost thereof at the time of such damage or destruction, not including land, due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s) shall be applied by the Association, as attorney-in-fact, to such reconstruction, and the improvement(s) shall be promptly repaired and reconstructed. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair and restoration of the improvement(s).

(b) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is to the extent of not more than sixty-six and two-thirds percent (66-2/3%) of the total replacement cost of the Property at the time of such damage or destruction, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of an assessment to be made against all of the Unit Owners of the Property and their Units. Such deficiency assessment shall be made pro rata according to each Unit Owner's percentage of ownership interest and shall be due and payable within thirty days after written notice thereof. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair or restoration of the improvements using all of the insurance proceeds and such assessment. The assessment provided for herein shall be a debt of each Unit Owner and a lien on his Unit and may be enforced and collected as is provided hereinbefore. In addition thereto, the Association, as attorney-in-fact, shall have the absolute right and power to sell the Units of any Unit Owner refusing or failing to pay such deficiency assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the Unit of the delinquent Unit Owner shall be sold by the Association, as attorney-in-fact. The proceeds derived from the sale of such Unit shall be used and disbursed by the Association, as attorney-in-fact, in the following order:

- (i) for payment of taxes and special assessment liens in favor of any assessing entity;
- (ii) for payment of the balance of the lien of any first Mortgage;
- (iii) for payment of unpaid common expenses;
- (iv) for payment of junior Mortgages and encumbrances in the order of and to the extent of their priority; and,
- (v) the balance remaining, if any, shall be paid to the Unit Owner.

(c) If the Property is damaged or destroyed to the extent of more than sixty-six and two-thirds percent (66-2/3%) of the total replacement cost thereof at the time of such damage or destruction, not including land, and if the Unit Owners representing an aggregate ownership interest of one hundred per-

cent (100%) of the Common Elements, do not voluntarily, within one hundred (100) days thereafter, make provisions for reconstruction, which plan must have the approval or consent of at least sixty-seven percent (67%) of the first Mortgagees (based upon one vote for each first Mortgage owned) and of Declarant the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's president and secretary, the entire remaining Property shall be sold by the Association, as attorney-in-fact for all of the Unit Owners, free and clear of the provisions contained in this Declaration, the Plat and the Articles and Bylaws. The insurance settlement proceeds shall be collected by the Association and such proceeds shall be divided by the Association according to each Unit Owner's interest (as such interests appear on the policy or policies), and such divided proceeds shall be paid into separate accounts, each such account representing one of the Units. Each such account shall be in the name of the Association, and shall be further identified by the Unit designation and the name of the Unit Owner. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds derived from the sale of the entire Property. Such apportionment shall be based upon each Unit Owner's percentage of ownership interest in the Common Elements. The total funds of each account shall be used and disbursed, without contribution from one account to another, by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in subparagraph (b)(i) through (v) of this paragraph. The provisions contained in this subparagraph shall not hinder the protection given to a first Mortgagee under a mortgage endorsement.

(d) If the Property is destroyed or damaged to the extent of more than sixty-six and two-thirds percent (66-2/3%) of the total replacement cost thereof at the time of such damage or destruction, not including land, and if the Unit Owners representing an aggregate ownership interest of one hundred percent (100%) of the Common Elements adopt, within one hundred (100) days thereafter, a plan for reconstruction, which plan must have the approval or consent of at least sixty-seven percent (67%) of the first Mortgagees (based upon one vote for each first Mortgage owned) and of Declarant, then all of the Unit Owners shall be bound by the terms and other provisions of such plan. The Association shall have the right to use, in accordance with such plan, all proceeds of insurance for such destruction or damages, as well as the proceeds of an assessment to be made against all of the Unit Owners of the Property. Any assessment made in connection with such plan shall be made pro-rata according to each Unit Owner's percentage of ownership interest and shall be due and payable as provided by the terms of such plan, but not sooner than thirty (30) days after written notice thereof. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair or restoration of the improvements, using all of the insurance proceeds for such purpose, notwithstanding the failure of a Unit Owner to pay the assessment. The assessment provided for herein shall be a debt of each Unit Owner and a lien on his Unit and may be enforced and collected as is provided hereinabove. In addition thereto, the Association, as attorney-in-fact, shall have the absolute right and power to sell the Unit of any Unit Owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the Unit of the delinquent Unit Owner shall be sold by the Association. The proceeds derived from the sale of such Unit shall be used and disbursed by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in subparagraphs (b)(i) through (v) of this paragraph.

(e) The Unit Owners representing an aggregate ownership interest of eighty-five percent (85%), or more, of the Common Elements may agree that the Units are obsolete and adopt a plan for the renewal and reconstruction, which plan shall have the approval or consent of at least eighty-five percent (85%) of the first Mortgagees (based upon one vote for each first Mortgage

owned) and of Declarant. If a plan for the renewal or reconstruction is adopted, notice of such plan shall be recorded, then the expenses thereof shall be payable by all of the Unit Owners as common expenses; provided, however, that a Unit Owner not a party to such a plan for renewal or reconstruction may give written notice to the Association within fifteen (15) days after the adoption of such plan that his or its Unit shall be purchased by the Association for the fair market value thereof. The Association shall then have fifteen (15) days within which to cancel such plan. If such plan is not cancelled then the Unit shall be purchased by the Association according to the following procedures. If such Unit Owner and the Association can agree on the fair market value thereof, then such sale shall be consummated within thirty (30) days thereafter. If the parties are unable to agree, the date when either party notified the other that he or it is unable to agree with the other shall be the "commencement date" from which all periods of time mentioned in this subparagraph shall be measured. Within ten (10) days following the commencement date, each party shall nominate in writing (and give notice of such nomination to the other party) an independent appraiser. If either party fails to make such a nomination, the appraiser nominated shall within five (5) days after default by the other party appoint and associate with him another independent appraiser. If the two appraisers designated by the parties, or selected pursuant hereto in the event of the default of one party, are unable to agree, they shall appoint another independent appraiser to be umpire between them, if they can agree on such person. If they are unable to agree upon such umpire, then each appraiser previously appointed shall nominate two independent appraisers and from the name of the four persons so nominated one shall be drawn by lot by any judge of any court of record in Texas and the name so drawn shall be such umpire. The nominations from whom the umpire is to be drawn by lot shall be submitted within ten (10) days of the failure of the two appraisers to agree, which, in any event, shall not be later than twenty (20) days following the appointment of the second appraiser. The decision of the appraisers as to the fair market value, or in the case of their disagreement, then such decision of the umpire, shall be final and binding. The expenses and fees of such appraisers shall be borne equally by the Association and the Unit Owner. The sale shall be consummated within fifteen (15) days thereafter, and the Association, as attorney-in-fact shall disburse such proceeds as is provided in subparagraphs (b)(i) through (v) of this paragraph.

(f) The Unit Owners representing an aggregate ownership interest of one hundred percent (100%) of the Common Elements may agree that the Units are obsolete and that the same should be sold. Such plan (agreement) must have the unanimous approval or consent of every first Mortgagee and of Declarant. In such instance, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's president and secretary, the entire Property shall be sold by the Association, as attorney-in-fact for all of the Unit Owners, free and clear of the provisions contained in this Declaration, the Plat, the Articles and the Bylaws. The sales proceeds shall be apportioned between the Unit Owners on the basis of each Unit Owner's percentage interest in the Common Elements, and such apportioned proceeds shall be paid into separate accounts, each such account representing one Unit. Each such account shall be in the name of the Association, and shall be further identified by the Unit designation and the name of the Unit Owner. From each separate account the Association, as attorney-in-fact, shall use and disburse the total amount (of each) of such accounts, without contribution from one account to another, for the same purposes and in the same order as is provided in subparagraphs (b)(i) through (v) of this paragraph.

(g) If the Association proposes to sell the Property pursuant to this Paragraph 15, Declarant shall have the first right, at its option, to purchase the Property upon the same terms being offered by the Association. This Paragraph 15 shall not be amended, modified or rescinded without the prior consent of Declarant.

16. Condemnation.

(a) Consequences of Condemnation. If at any time or times during the continuance of unit ownership pursuant to this Declaration, all or any part of the Property shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the provisions of this Paragraph 16 shall apply.

(b) Proceeds. All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.

(c) Complete Taking. In the event that the entire Property is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, unit ownership pursuant to this Declaration shall terminate. The Condemnation Award shall be apportioned among the Unit Owners in proportion to their respective undivided interests in the Common Elements, provided that if a standard different from the value of the Property as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree, or otherwise, then in determining such share the same standard shall be employed to the extent it is relevant and applicable.

(d) Partial Taking. In the event that less than the entire Property is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the unit ownership hereunder shall not terminate. Each Unit Owner shall be entitled to a share of the Condemnation Award to be determined in the following manner. As soon as practicable the Association shall, reasonably and in good faith, allocate the Condemnation Award among compensation, damages, and other proceeds, and shall apportion the amounts so allocated among the Unit Owners as follows: (i) the total amount allocated to taking of, or injury to, the Common Elements shall be apportioned among the Unit Owners in proportion to their respective percentage of ownership interests in the Common Elements, (ii) the total amount allocated to severance damages shall be apportioned to those Units which were not taken or condemned, (iii) the respective amounts allocated to the taking of, or injury to, a particular Unit and/or improvements a Unit Owner had made with his own Unit shall be apportioned to the particular Unit involved, and (iv) the amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Any distribution of the Condemnation Award made pursuant to this subparagraph shall be made by checks payable jointly to the Unit Owners and their first Mortgagees.

(e) Distribution. The Association shall as soon as practicable determine the share of the Condemnation Award to which each Unit Owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable, provided that in the event of a complete taking such distribution all be made in the same manner as is provided in Paragraph 15(b) of this Declaration.

(f) Mortgage Notice. The Association shall give timely notice to each first Mortgagee of the commencement of any condemnation or eminent domain proceedings and shall notify said first Mortgagees in the event of the taking of all or any part of the Common Elements.

(g) Reorganization. In the event a partial taking results in the taking of a complete Unit the Unit Owner thereof automatically shall cease to be a member of the Association, and such Unit Owner's interest in the Common Elements shall thereupon terminate, and the Association, as attorney-in-fact for such Unit

Owner, may take whatever action is necessary and execute such documents as are necessary to reflect such termination. Thereafter the Association shall reallocate the ownership and assessment ratio determined in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the Unit Owners of the remaining Units for amendment of this Declaration as provided in Paragraph 24 hereof.

17. Maintenance, Repairs and Replacements. Except to the extent the Board provides (at its option and discretion) maintenance of the Units for Unit Owners, each Unit Owner, at his own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within his own Unit, including, but not limited to, doors, windows and screens. Maintenance of, repairs to and replacements within the Common Elements shall be the responsibility of and shall be furnished by the Association. The cost of maintenance of, repairs to and replacements within the Units to the extent the Board elects to provide such services and within the Common Elements shall be part of the common expenses, subject to the Bylaws, rules and regulations of the Association. However, at the discretion of the Board, and subject to Paragraph 11 of this Declaration, maintenance of, repairs to and replacements within the Limited Common Elements (except for permanently assigned parking spaces appurtenant to Units on the sixteenth or seventeenth floors) may be assessed in whole or in part to Unit Owners benefited thereby, and further, at the discretion of the Board, the Board may direct Unit Owners who stand to be benefited by such maintenance of, repairs to and replacements within the Limited Common Elements to arrange for such maintenance, repairs and replacements in the name and for the account of such benefited Unit Owners, pay the cost thereof with their own funds, and procure and deliver to the Board such lien waivers and contractor's and subcontractor's sworn statements as may be required to protect the Property from all mechanics' or materialmen's lien claims that may arise therefrom.

In addition to the discretionary authority provided herein for maintenance of all or any portion of the Units, the Board shall have the authority to maintain and repair any Unit, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect the Common Elements or preserve the appearance and value of the Property, and the Unit Owner of said Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board, and the Board shall levy a special assessment against the Unit of such Unit Owner for the cost of said necessary maintenance or repair.

If, due to the act or neglect of a Unit Owner, or his agent, servant, tenant, family member, invitee, licensee or household pet, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repair or replacement are required which would otherwise be a common expense, then such Unit Owner shall pay for such damage or such maintenance, repair and replacements, as may be determined by the Association; however, the provisions of this Paragraph are subject to the provisions of Paragraph 14 hereof providing for waiver of subrogation rights with respect to casualty damage insured against under the policies of insurance maintained by the Board.

The authorized representatives of the Association or Board, or the managing Agent with approval of the Board, shall be entitled to reasonable access to the individual Units and Limited Common Elements as may be required in connection with the preservation of any individual Unit or Limited Common Elements in the event of an emergency, or in connection with maintenance of, repairs or replacements within the Common Elements, Limited Common Elements or any equipment, facilities or fixtures affecting or serving other Units, Common Elements and Limited Common Elements or to make any alteration required by any governmental authority.

18. Alterations, Additions or Improvements. Except as provided in Paragraph 22 herein, no alteration of any Common Elements (including load bearing walls, columns and structures located within a Unit), or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board. The Board may authorize and charge as common expenses alterations, additions and improvements of the Common Elements as provided in the Bylaws. Except as prohibited above, any Unit Owner may make alterations, additions or improvements within the Unit of the Unit Owner without the prior written approval of the Board, but such Unit Owner shall be responsible for any damage to other Units, the Common Elements, the Property, or any part thereof, resulting from such alterations, additions or improvements.

19. Decorating. Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating within his own Unit and Limited Common Elements serving his Unit, as may be required from time to time, including painting, wall papering, washing, cleaning, panelling, floor covering, draperies, curtains, lighting and other furnishings and decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floors and ceilings of his Unit, and any balconies and terraces appurtenant thereto and constituting a Limited Common Element thereof, and such Unit Owner shall maintain said interior surfaces in good condition at his sole expense, as may be required from time to time. Said maintenance and use of interior surfaces shall be subject to the rules and regulations of the Association, but each such Unit Owner shall have the right to decorate such interior surfaces from time to time as he may see fit and at his sole expense. Decorating of the Common Elements (other than interior surfaces within the Units as above provided and other than of Limited Common Elements) and any redecorating of Units, to the extent such redecorating of Units is made necessary by damage to Units caused by maintenance, repair or replacement of the Common Elements by the Association, shall be furnished by the Association as part of the common expenses. All windows forming part of a perimeter wall of a Unit shall be cleaned and washed at the expense of the Unit Owner of the Unit. All windows shall have affixed thereto, draperies with white linings approved by the Board, the thickness of which will render the drapery impervious to light. All window coverings exposed to the outside of the Building shall be white and approved by the Board. No Unit Owner shall enclose, by means of screening or otherwise, the balcony, patio or porch which is accessible from, associated with and which adjoins a Unit.

20. Encroachments. If any portions of the Common Elements shall now or hereafter actually encroach upon any Unit, or if any Unit shall now or hereafter actually encroach upon any portions of the Common Elements, or if any Unit shall now or hereafter actually encroach upon another Unit, as the Common Elements and Units are shown on the Plat, there shall be deemed to be mutual easements in favor of the owners of the Common Elements and the respective Unit Owners involved, to the extent of such encroachments, so long as the same shall exist.

21. Transfer of a Unit -- Notice to Association.

A. Leases. Each Unit Owner shall be entitled to lease his Unit for any term, except that leases affecting Units on the seventeenth floor may not be for transient purposes, nor may a Unit on the seventeenth floor be leased by a Unit Owner for a term of less than 6 months. The lessee under every lease shall be bound by and subject to all of the obligations under the Declaration and Bylaws, of the Unit Owner making such lease and all written leases shall expressly so provide that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. The Unit Owner making any lease shall not be relieved thereby from any of said obligations.

B. Notice to Association of Transfers. Whenever a Unit Owner shall propose to sell, give, devise, or otherwise transfer his Unit, or any interest therein, to any person or entity, said Unit Owner shall give the Association not less than fifteen (15) days prior written notice of the proposed transfer, which notice shall briefly describe the type of transfer proposed by the Unit Owner and shall state, among other items, the name and address of the proposed transferee. The notice shall also include a copy of the proposed contract for sale, or other documents, if any, affecting said transfer. The notice requirements of this paragraph shall not apply to any lease arrangement authorized in Paragraph 21.A above.

22. Use and Occupancy Restrictions. Subject to the provisions of this Declaration and Bylaws, no part of the Property may be used for purposes other than residential, and the related common purposes for which the Property was designed. Each Unit Owner shall be entitled to the exclusive ownership and possession of his Unit. No Unit shall be occupied for living or sleeping purposes by more persons than it was designed to accommodate safely. Each Unit or any two or more adjoining Units used together shall be used as a residence or such other use permitted by this Declaration, and for no other purpose. The foregoing restrictions as to residence shall not, however, be construed in such manner as to prohibit a Unit Owner from: (a) maintaining his personal professional library; (b) keeping his personal business or professional records or accounts; or (c) handling his personal business or professional telephone calls or correspondence. Such uses are expressly declared customarily incidental to the principal residential use and not in violation of said restrictions.

That part of the Common Elements separating and located between and exclusively serving two or more adjacent Units used together (including, without limitation, portions of any hallway and any walls) may be altered to afford ingress and egress to and from such Units and to afford privacy to the Occupants of such Units when using such Common Elements, and that part of the Common Elements so altered may be used by the Unit Owner or Unit Owners of such Units as a licensee pursuant to a license agreement with the Association, provided (a) the expense of making such alterations shall be paid in full by the Unit Owner or Unit Owners making such alteration; (b) such Unit Owner or Unit Owners shall pay in full the expense of restoring such Common Elements to their condition prior to such alteration in the event such Units shall cease to be used together, as aforesaid; (c) such alteration shall not interfere with use and enjoyment of the Common Elements (other than the aforesaid part of the Common Elements separating such adjacent Units), including without limitation, reasonable access and ingress to and egress from the other Units in the hallway affected by any such alteration.

The Common Elements shall be used only by the Unit Owners and their agents, servants, tenants, family members, customers, invitees and licensees for access, ingress to and egress from the respective Units and for other purposes incidental to use of the Units; provided, however, the garage, the laundry room, recreation rooms, receiving rooms, storage areas, and other areas designed for a specific use shall be used for the purposes approved by the Board. The use, maintenance and operations of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Unit Owner, and shall be subject to any lease, concession or easement, presently in existence or entered into by the Board at some future time, affecting any part or all of said Common Elements.

Each Unit Owner shall maintain his Unit in good condition and in good order and repair, at his own expense, and shall not do or allow anything to be done in his Unit which may increase the cost or cause the cancellation of insurance on other Units or on the Common Elements. Subject to Paragraph 19 of the Declara-

tion, no Unit Owner shall display, hang, store or use any clothing, sheets, blankets, laundry or other articles outside his Unit, or which may be visible from the outside of his Unit (other than draperies or curtains, as authorized in this Declaration), or paint or decorate or adorn the outside of his Unit (including any balconies and terraces being appurtenant thereto), or install outside his Unit any canopy or awning, or outside radio or television antenna, or other equipment, fixtures or items of any kind. The foregoing restrictions as to use and occupancy shall not be construed to prohibit a Unit Owner from placing and maintaining outdoor furniture and decorative foliage on a balcony or on a terrace provided that such Unit Owner shall obtain the prior written approval of the Board with respect to the nature and appearance of such furniture or foliage.

Without limiting the generality of the foregoing provisions of this Paragraph 22, use of the Property by the Unit Owners shall be subject to the following restrictions:

- (a) Nothing shall be stored in the Common Elements without prior consent of the Board except in storage areas or as otherwise herein expressly provided;
- (b) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in or on the Common Elements which will result in the cancellation of insurance on any Unit, or any part of the Common Elements, or which will be in violation of any law;
- (c) No waste shall be committed in or on the Common Elements;
- (d) Subject to Declarant's rights under Paragraph 6(e) of this Declaration, no sign of any kind shall be displayed to the public view on or from any Unit or the Common Elements without the prior written consent of the Board or the written consent of the Managing Agent acting in accord with the Board's directions;
- (e) No noxious or offensive activity shall be carried on in any Unit or on or in the Common Elements nor shall anything be done herein which may be or become an annoyance or nuisance to the other Unit Owners;
- (f) Except as expressly provided hereinabove, nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board;
- (g) No structure of a temporary character, trailer, tent, shack, garage, barn, or other outbuildings shall be permitted on the Property at any time temporarily or permanently, except with the prior written consent of the Board; provided, however, that temporary structures may be erected for use in connection with the repair or rebuilding of the Building or any portion thereof;
- (h) Outdoor drying of clothes shall not be permitted;
- (i) The use of outdoor cooking grills or other such similar outdoor cooking devices shall not be permitted within individual units or on a balcony or terrace.
- (j) Parking of vehicles in driveways and parking areas shall be subject to the rules and regulations of the Board applicable thereto;
- (k) Except within individual Units, no planting, transplanting or gardening shall be done, and no fences,

hedges or walls shall be erected or maintained upon the Property, except as approved by the Board;

(l) Motorcycles, motorbikes, motor scooters, bicycles or other similar vehicles shall not be operated within the Property except for the purpose of transportation directly from a parking space to a point outside the Property, or from a point outside the Property directly to a parking space;

(m) No animals, livestock, reptiles, birds, insects or pets of any type or kind shall be allowed to be kept or maintained on the Property, provided that, the foregoing notwithstanding, the Board shall have the right to allow a Unit Owner to keep a domesticated pet in the Property in the event the Board has given its prior, discretionary, written approval to such domesticated pet, pursuant to rules and regulations adopted by the Board.

(n) Trash, garbage and other waste shall be kept only in sanitary containers, and shall be disposed of in a clean and sanitary manner as prescribed from time to time in rules and regulations of the Board.

(o) During the period of sale by the Declarant of any Units, the Declarant and its agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the Building and the Property as may be required for purposes of said sale of Units. While the Declarant owns any of the Units and until each Unit owned by it is occupied by the purchasers, the Declarant and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use one or more of such unsold or unoccupied Units or any part of the Common Elements as a sales office, and may maintain customary signs in connection therewith.

(p) Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in the corridors, hallways, lobby or other common areas, except in portions of the common areas specifically designated from time to time by the Board or by the Managing Agent acting in accord with the Board's direction.

(q) No Unit Owner shall overload the electrical wiring in the Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior written consent of the Board or the prior written consent of the Managing Agent, given in accordance with the Board's direction.

(r) In order to enhance the sound conditioning of the Building, the floor covering for all occupied Units shall meet the minimum standard as may be specified by the rules and regulations of the Board. Except with respect to improvements in place as of the date of the initial closing of each respective Unit, each Unit Owner who shall elect to install in any portion of his Unit (other than in bath and powder rooms) hard surface floor covering (i.e., tile, slate, ceramic, parquet, etc.) shall be first required to install a sound absorbent undercushion of such kind and quality as to prevent the transmission of noise to another Unit, and shall obtain approval of the Board prior to making such installation. If such prior approval is not so obtained, the Board may, in addition to exercising all of the other remedies provided for in the Declaration or these Bylaws for breach of any of the provisions hereof, require

such Unit Owner to cover all non-conforming work with carpeting, or may require removal of such non-conforming work at the expense of the offending Unit Owner.

23. Remedies. In the event of any violation of the provisions of the Act, Declaration, Bylaws or rules and regulations of the Board or Association by any Unit Owner (either by his own conduct or by the conduct of any other Occupant of his Unit) the Association, or its successors or assigns, or the Board, or its agent, Mitchell Development Corporation of the Southwest as Declarant and as developer of the adjacent hotel tract, shall have each and all of the rights and remedies which may be provided for in the Act, Declaration, Bylaws, or said rules and regulations, or which may be available at law or in equity, and may prosecute an action or other proceedings against such defaulting Unit Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the maximum lawful rate per annum until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same, as well as for non-payment of his respective share of the common expenses, upon the Unit of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property; provided, however, that such lien shall be subordinate to the lien of a prior recorded first Mortgage on the interest of such Unit Owner, except for the amount of the proportionate share of said common expenses which become due and payable from and after the date on which the said first Mortgage owner or holder obtains title to such Unit. This Paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holders of record of first Mortgages against Units and Declarant.

In the event of any such default by any Unit Owner, the Board and the manager or Managing Agent, if so authorized by the Board, shall have the authority to correct such default, and to do whatever may be necessary for such purpose and all expenses in connection therewith shall be charged to and assessed against such defaulting Unit Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board.

The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Declaration, (a) to enter upon the Unit, or any portion of the Property upon which, or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

24. Amendment. This Declaration may only be changed, modified or rescinded by a meeting of the Unit Owners at which the amendment is approved by Unit Owners having not less than sixty-seven percent (67%) of the total percentage of interest in the Common Elements of the Property, except as may be otherwise specifically authorized in this Declaration. Such Amendment shall be effected by an instrument in writing setting forth such change, modification or rescission and signed and acknowledged by

said Unit Owners and by first Mortgagees representing sixty-seven percent (67%) of the total percentage of interest in the Common Elements of the Property subject to Mortgages, provided, however, that all first Mortgagees of record have been notified by certified mail of such change, modification or rescission, and an affidavit by the secretary of the Association certifying to such mailing is made a part of such instrument. Provided further that any amendment hereunder which shall alter or destroy a Unit or a Limited Common Element shall, in addition to all other requirements hereunder, require the consent of the Unit Owners affected and their first Mortgagees.

The percentage ownership of the Common Elements provided for in this Declaration shall not be amended or modified without the consent of all Unit Owners and all first Mortgagees.

However, if the Act, the Declaration or the Bylaws require the consent or agreement of all Unit Owners or of all first Mortgagees for any action specified in the Act or in this Declaration, or the Bylaws, then any instrument changing, modifying or rescinding any provisions of this Declaration with respect to such action shall be signed by all the Unit Owners or all first Mortgagees or both as required by the Act or this Declaration or the Bylaws.

Any change, modification or rescission, whether accomplished under any one or more of the provisions of the preceding paragraphs, shall be effective upon recording of such instrument in the Office of the County Clerk of Galveston County, Texas; provided, however, that no provisions in this Declaration or the Bylaws may be changed, modified or rescinded so as to conflict with the provisions of the Act.

25. Notices. Notices provided for in the Act, Declaration or Bylaws shall be in writing and shall be addressed to the Association or Board, or to any Unit Owner, as the case may be, at 5220 Seawall Blvd., Galveston, Texas 77550, or at such other address as hereinafter provided. The Association or Board may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States mail with postage prepaid, or when delivered in person.

Upon written request to the Board, the holder of any recorded first Mortgage encumbering any Unit shall be given a copy of all notices permitted or required by this Declaration to be given to the Unit Owner or Unit Owners whose Unit is subject to such first Mortgage.

26. Severability. If any provision of the Declaration or Bylaws, or any section, sentence, clause, phrase, word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of this Declaration and the Bylaws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby and to the extent that the intent of the Declaration or Bylaws may be carried out, the remainder of this Declaration or the Bylaws shall be construed as if such invalid part was never included therein.

27. Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants or rights created by this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of the President of the United States, Ronald Reagan, and the Governor of Texas, Mark White.

28. Rights and Obligations. Each grantee of the Declarant, by the acceptance of the deed of conveyance from the Declarant, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration. All rights, benefits and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

29. Statement of Account. Upon payment to the Association of a reasonable fee, and upon receipt of a written request from a Unit Owner, any mortgagee or prospective mortgagee of a Unit, the Association, through any officer or the Board or by its Managing Agent, shall issue a written statement of account setting forth the amount of the unpaid common expenses, if any, with respect to the subject Unit, the amount of the current monthly common expense assessment and the date that such assessment becomes due, the amount of any credit for any advanced payments of common expense assessments and for prepaid items (such as insurance premiums, but not including accumulated amounts for reserves, if any).

30. Shared Use and Access and Parking Agreements. The Association has heretofore executed or intends to execute a certain Common Area and Tennis Court Use Agreement, a certain Shared Pool Facilities Use Agreement, a certain Parking, Access and Utility Easement and a certain Reciprocal Easement Agreement (the "Agreements") for the purpose of establishing a general plan for the development, maintenance, improvement, use and enjoyment of the Property and certain adjacent real property upon which a hotel and other facilities have been built by Declarant. Title to any Unit is declared and expressly made subject to the terms and conditions of said Agreements, or such other agreements that may be entered into by the Association for the purposes herein stated, and acceptance by any grantee of a deed from the Declarant or from any Unit Owner shall constitute appointment of the attorney-in-fact herein provided. All of the Unit Owners irrevocably constitute and appoint the Association, in their names, place and stead for the purposes of amending, renewing, or otherwise dealing with said Agreements, and the rights and obligations contained therein, including the full and complete authorization, right and power to enter into such other agreements and arrangements for the purposes herein stated affecting the Property and/or other property and creating new rights and obligations on the part of the Association and the other contracting party to make, execute and deliver any instrument which is necessary and appropriate to exercise the powers herein granted.

31. Election of Directors. Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration, the Articles of Incorporation or Bylaws of the Association, Declarant reserves the right to elect the members of the Board of Directors of the Association until four months after 75% of the Units in the project have been conveyed to purchasers or three years after title to the first Unit is conveyed, whichever occurs first.

32. Supplemental to Law. The provisions of this Declaration shall be in addition and supplemental to the Act and to all other provisions of the law.

IN WITNESS WHEREOF, Declarant has duly executed this Declaration this 18th day of January, 1985.

MITCHELL DEVELOPMENT CORPORATION
OF THE SOUTHWEST DOING BUSINESS
AS THE WOODLANDS GROUP

By: Roger L. Galatas
Senior Vice President JKM

THE STATE OF TEXAS §
COUNTY OF Montgomery §

This instrument was acknowledged before me on January 18, 1985, by Roger L. Galatas, Executive Vice President of The Woodlands Corporation, a Delaware corporation, on behalf of said corporation.



Cathy J. Ward
Notary Public
State of Texas
My Commission Expires: 9-28-87

CATHY J. WARD
Notary Public in and for the State of Texas
My Commission Expires 9-28-87

EXHIBIT I

003-60-1479

April, 1984

THE SAN LUIS CONDOMINIUM

A tract of land situated in the State of Texas, County of Galveston, containing 0.940 acre of land (40,959.01 square feet), being the central portion of a 22.4680 acre tract formerly owned by Mitchell Development Corporation of the Southwest, as described in Volume 1281, Page 284, of the Galveston County Deed Records:

COMMENCING at a point for corner, being the Southwesterly corner of a 3.0303 acre tract conveyed to Sam Albaral, Trustee, recorded in Volume 3213, Page 530 of the Deed Records of Galveston County, Texas, in the original South boundary line of the 22.4680 acre tract formerly owned by Mitchell Development Corporation of the Southwest, common with the North right-of-way boundary of Seawall Boulevard (varying width), said point being referenced in two calls from the Southeast corner of said 22.4680 acre tract, marked by an "X" in concrete on the Northerly edge of a concrete sidewalk, as follows: South 51° 34' 00" West, 345.00 feet to an "X" in concrete and South 62° 51' 00" West, 361.55 feet to said commencing point;

THENCE, North 16° 10' 00" West, 418.92 feet to a point on the Southerly right-of-way line of the proposed Fort Crockett Boulevard (50-foot wide);

THENCE, South 73° 56' 40" West, along the Southerly right-of-way line of the proposed Fort Crockett Boulevard, 67.50 feet to the Northeast corner of said tract and being the POINT OF BEGINNING;

THENCE, South 16° 10' 00" East, 30.23 feet to a point for corner;

THENCE, North 73° 50' 00" East, 19.00 feet to a point for corner;

THENCE, South 16° 10' 00" East, 164.96 feet to a point for corner;

THENCE, South 73° 50' 00" West, 33.56 feet to a point for corner;

THENCE, Southwesterly, along the arc of a curve to the left, with a radius of 447.70 feet, a central angle of 26° 47' 42", a long chord of bearing South 84° 14' 51" West, 207.47 feet, and a total arc distance of 209.37 feet to the Southwest corner of said tract;

THENCE, North 19° 09' 00" West, 157.59 feet to a point on the Southerly right-of-way line of the proposed Fort Crockett Boulevard and being the Northwest corner of said tract;

THENCE, Northeasterly, along an arc to the right and the Southerly right-of-way line of the proposed Fort Crockett Boulevard, with a central angle of 01° 00' 34", a radius of 3074.64 feet, a long chord of bearing North 73° 19' 39" East, 54.17 feet, and a total arc distance of 54.17 feet to a point of tangency;

THENCE, North 73° 50' 00" East, along the Southerly right-of-way line of the proposed Fort Crockett Boulevard, 84.99 feet to a point;

THENCE, North 73° 56' 40" East, along the Southerly right-of-way line of the proposed Fort Crockett Boulevard, 87.65 feet to the POINT OF BEGINNING and containing 0.940 acre (40,959.01 square feet) of land.

THE SAN LUIS CONDOMINIUM

A tract of land situated in the State of Texas, County of Galveston, containing 2.39 acres and land (69,959.82 square feet), being the majority interest in the San Luis Condominium, as defined in the Condominium Declaration of the San Luis Condominium, as recorded in Galveston County Public Records, Volume 1281, Page 205, of the Galveston County Public Records.

COMMENCEMENT OF A POINT FOR CORNER, being the southeasterly corner of a 2.39 acre tract surveyed by the Galveston County Surveyor, J. J. R. Smith, on the 15th day of July, 1981, and being the southeasterly corner of the tract of land described in the Condominium Declaration of the San Luis Condominium, as recorded in Galveston County Public Records, Volume 1281, Page 205, of the Galveston County Public Records, shall be the point of commencement of the boundary line of the San Luis Condominium, as defined in the Condominium Declaration of the San Luis Condominium, as recorded in Galveston County Public Records, Volume 1281, Page 205, of the Galveston County Public Records.

THENCE, South 12° 11' 00" West, 241.13 feet to a point on the southeasterly right-of-way line of the proposed Port Chubbuck Boulevard (241-foot wide);

THENCE, South 79° 54' 00" West, 154.96 feet to a point for corner;

THENCE, South 14° 11' 00" West, 241.13 feet to a point for corner;

THENCE, South 79° 54' 00" West, 154.96 feet to a point for corner;

THENCE, South 14° 11' 00" West, 241.13 feet to a point on the southeasterly right-of-way line of the proposed Port Chubbuck Boulevard and being the

beginning corner of said tract;

THENCE, South 79° 54' 00" West, 154.96 feet to a point on the southeasterly right-of-way line of the proposed Port Chubbuck Boulevard and being the

beginning corner of said tract;

THENCE, South 14° 11' 00" West, 241.13 feet to a point on the southeasterly right-of-way line of the proposed Port Chubbuck Boulevard and being the

beginning corner of said tract;

THENCE, South 79° 54' 00" West, 154.96 feet to a point on the southeasterly right-of-way line of the proposed Port Chubbuck Boulevard and being the

beginning corner of said tract;

THENCE, South 14° 11' 00" West, 241.13 feet to a point on the southeasterly right-of-way line of the proposed Port Chubbuck Boulevard and being the

beginning corner of said tract;

THENCE, South 79° 54' 00" West, 154.96 feet to a point on the southeasterly right-of-way line of the proposed Port Chubbuck Boulevard and being the

beginning corner of said tract;

THENCE, South 14° 11' 00" West, 241.13 feet to a point on the southeasterly right-of-way line of the proposed Port Chubbuck Boulevard and being the

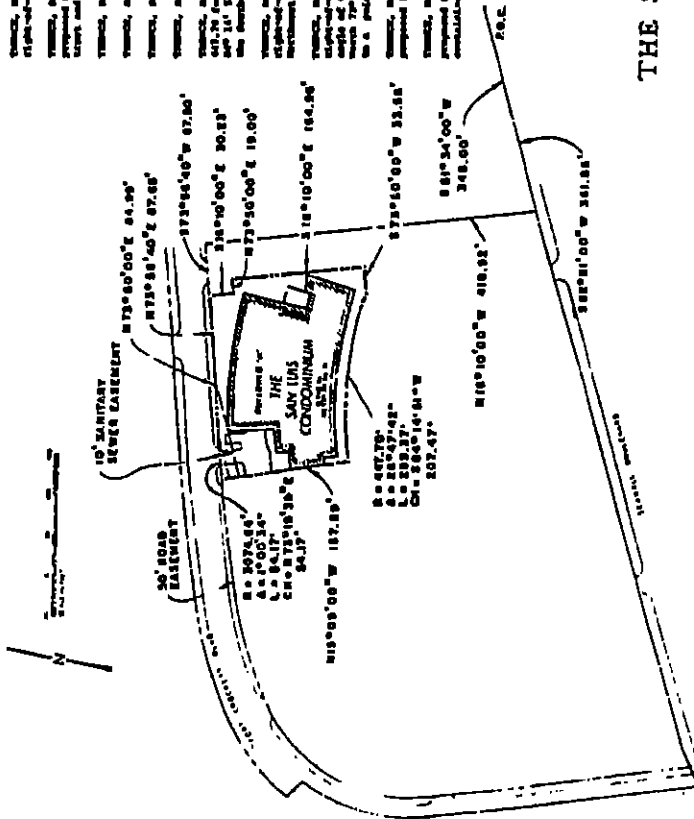
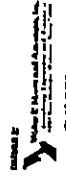
beginning corner of said tract;

THENCE, South 79° 54' 00" West, 154.96 feet to a point on the southeasterly right-of-way line of the proposed Port Chubbuck Boulevard and being the

beginning corner of said tract;

003-60-1480

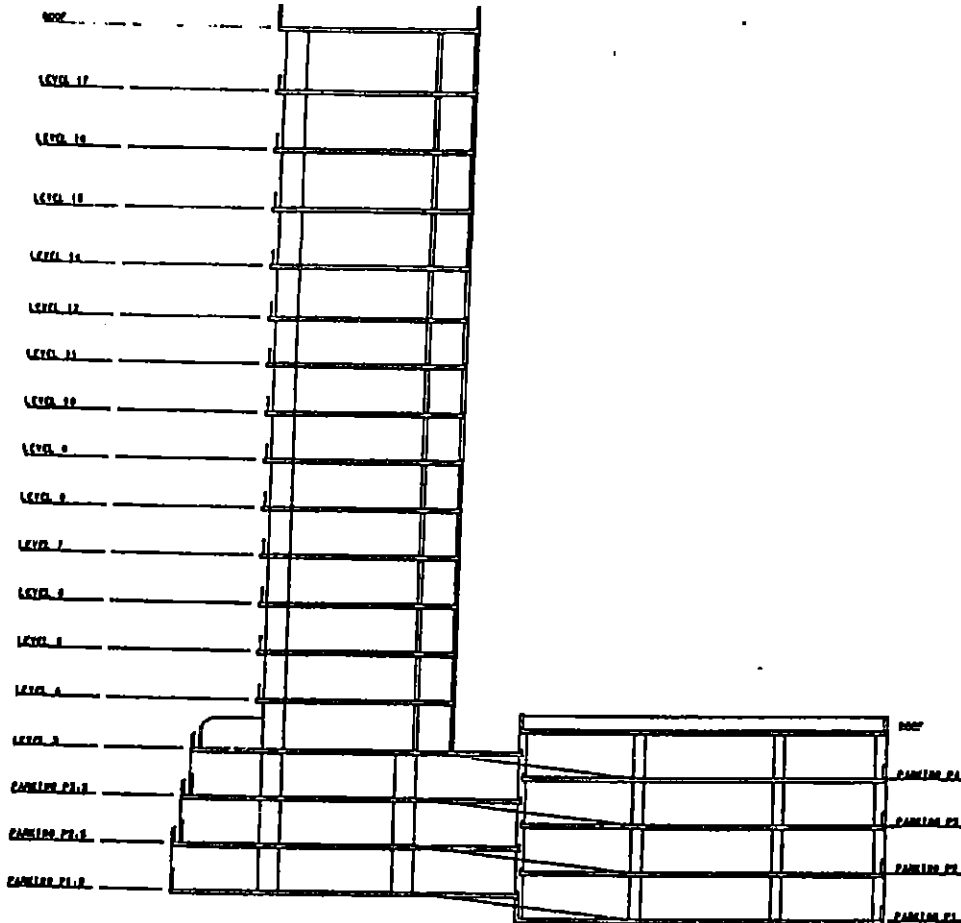
THE SAN LUIS CONDOMINIUM
ON GALVESTON ISLE



MICHAEL B. HOWARD SURVEY, INC.
VOL. 1281 PG 205 GOCR
GALVESTON TEXAS
JULY 1984

EXHIBIT II PAGE 1

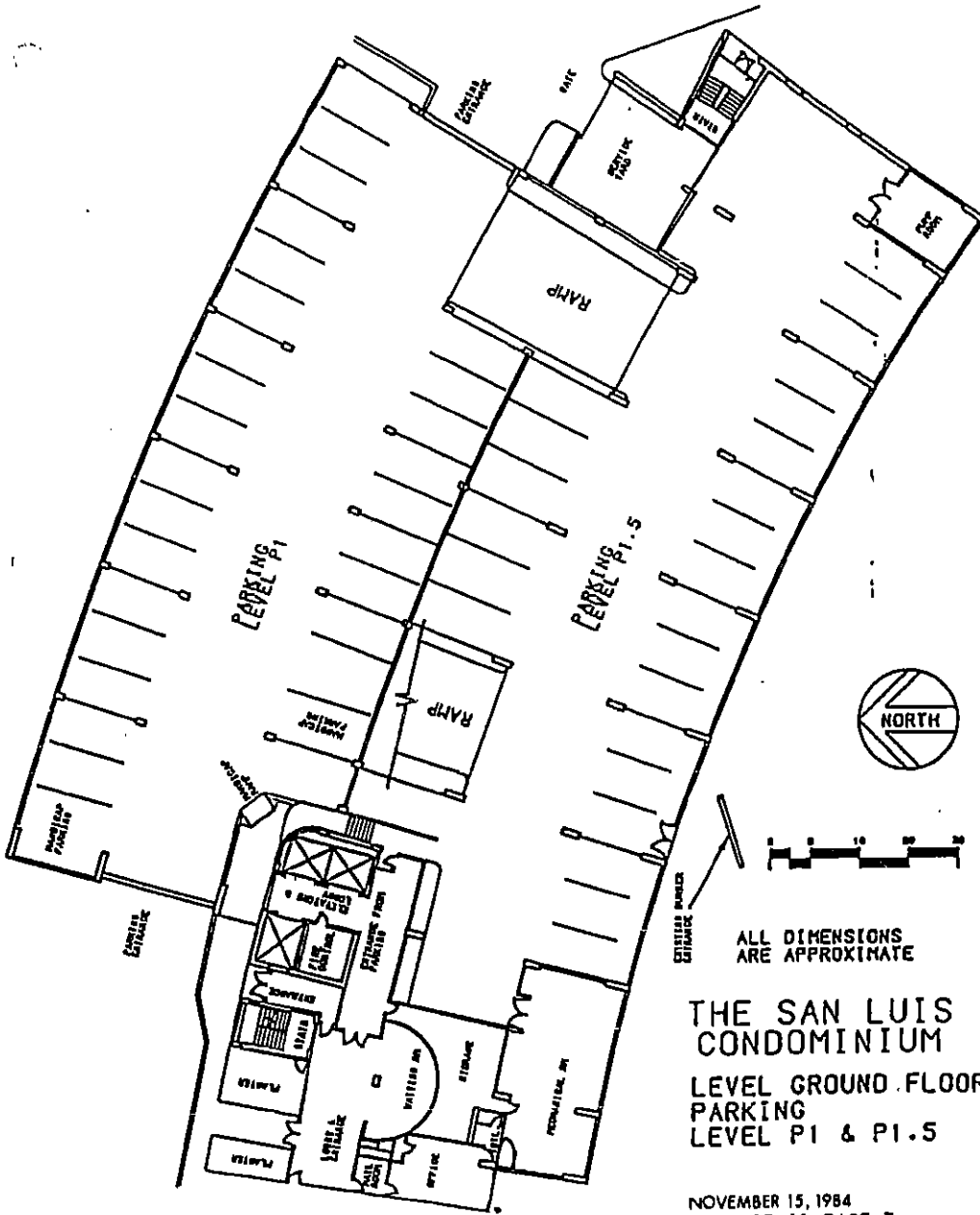
003-60-1481



THE SAN LUIS
CONDOMINIUM

EXHIBIT II - PAGE 2
NOVEMBER 15, 1984

003-60-1482

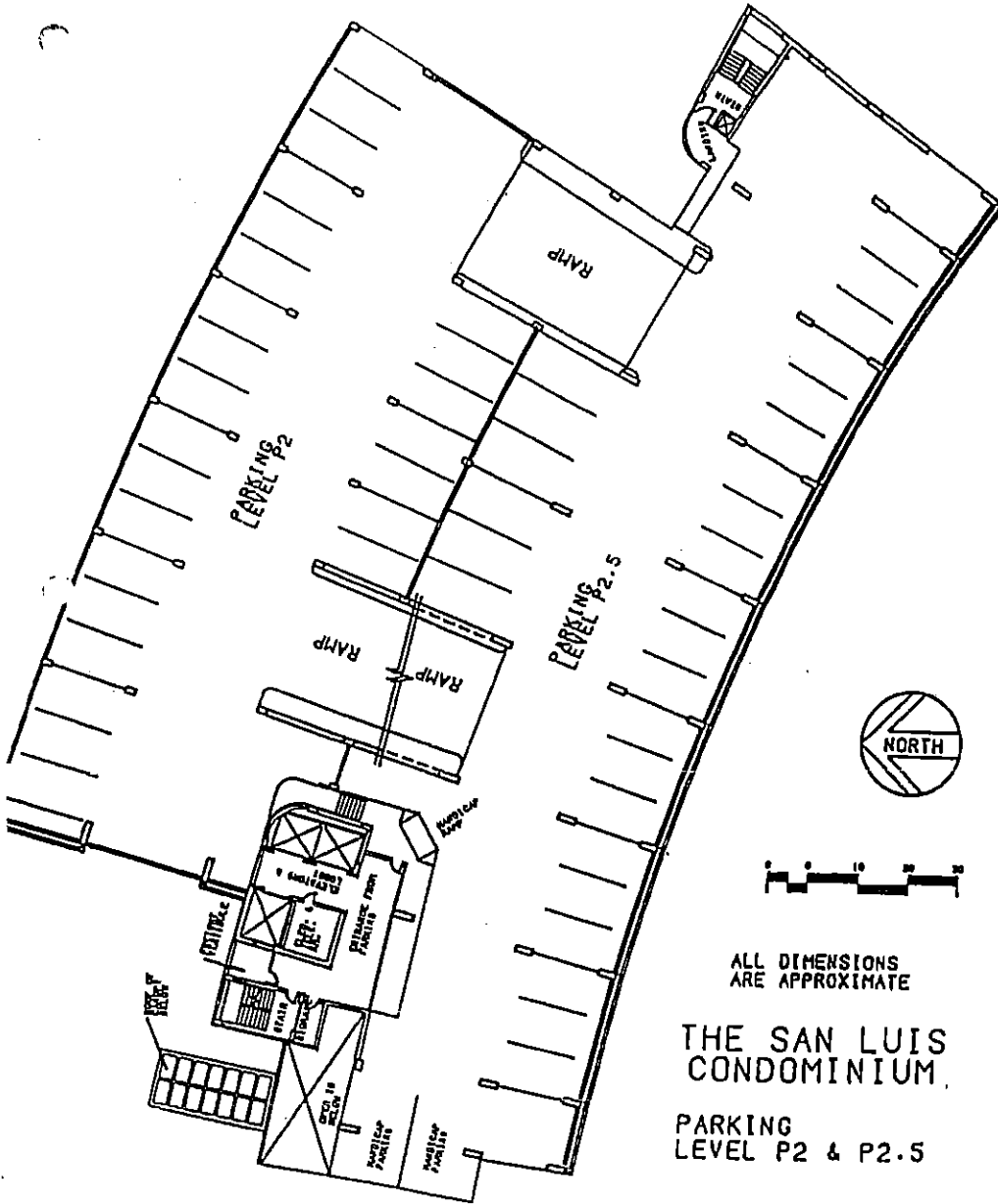


ALL DIMENSIONS ARE APPROXIMATE

THE SAN LUIS
CONDOMINIUM
LEVEL GROUND FLOOR
PARKING
LEVEL P1 & P1.5

NOVEMBER 15, 1984
EXHIBIT II-PAGE 3

003-60-1483



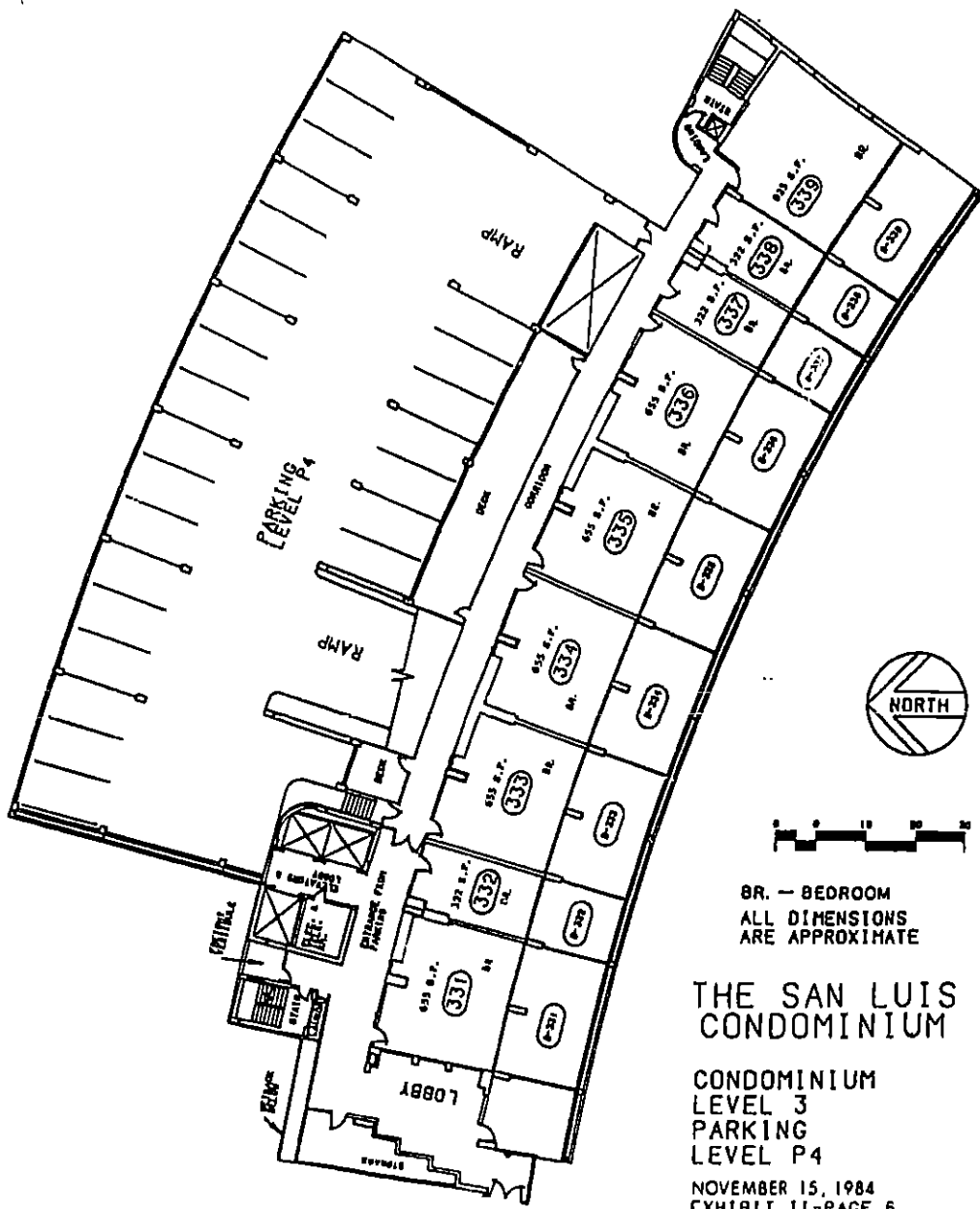
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS CONDOMINIUM

PARKING
LEVEL P2 & P2.5

NOVEMBER 15, 1984
EXHIBIT II-PAGE 4

003-60-1485

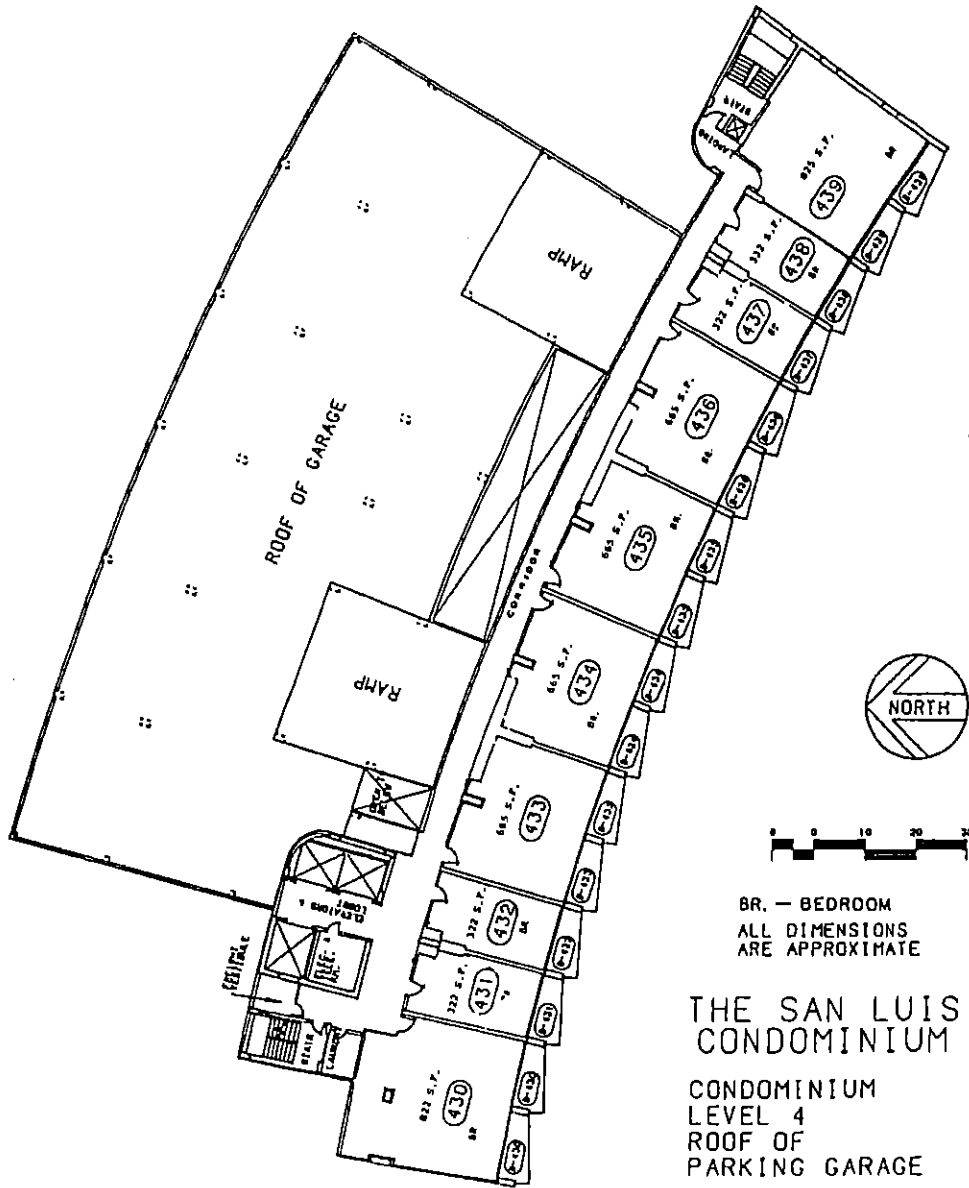


BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS CONDOMINIUM

CONDOMINIUM
LEVEL 3
PARKING
LEVEL P4
NOVEMBER 15, 1984
EXHIBIT II-PAGE 6

003-60-1486



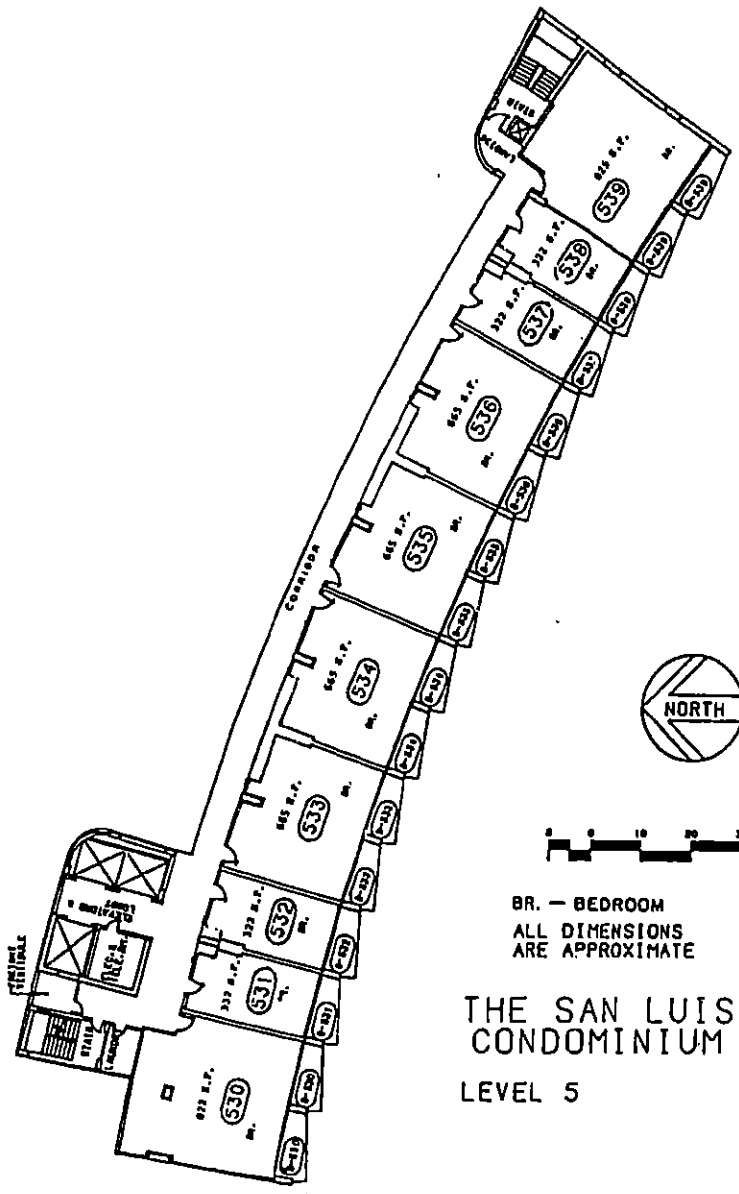
BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS CONDOMINIUM

CONDOMINIUM
LEVEL 4
ROOF OF
PARKING GARAGE

NOVEMBER 15, 1984
EXHIBIT II - PAGE 7

003-60-1487



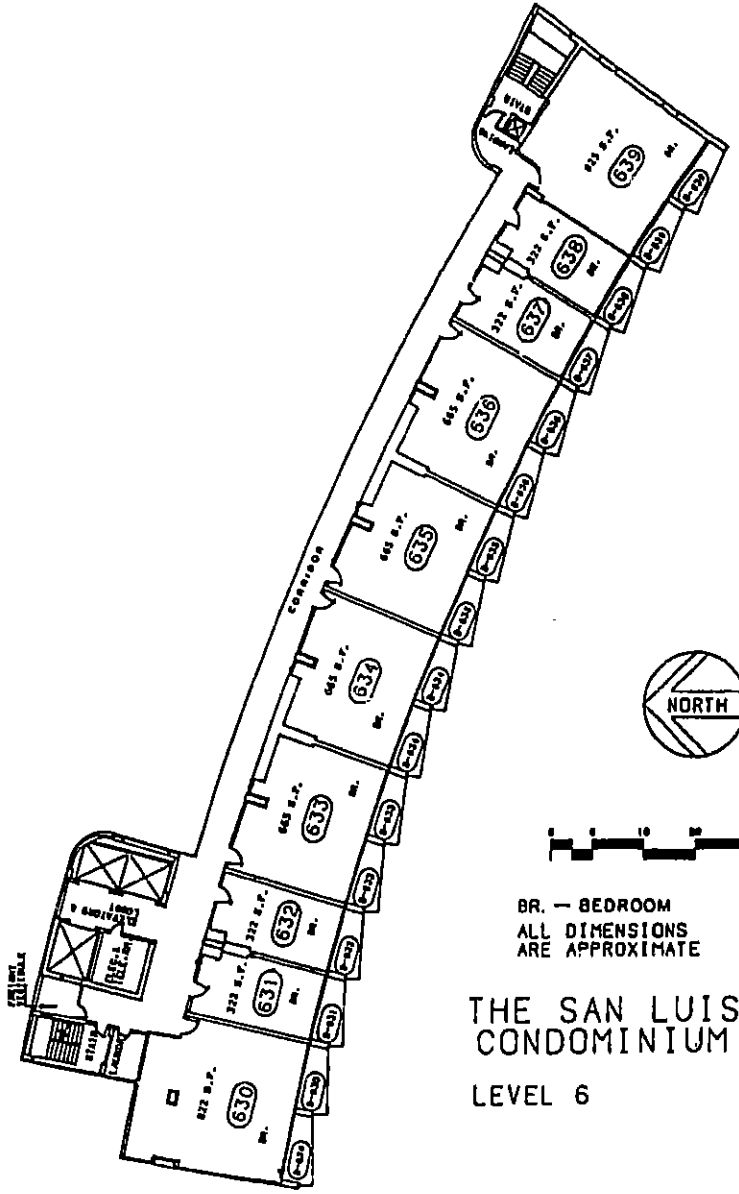
BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS CONDOMINIUM

LEVEL 5

NOVEMBER 15, 1984
EXHIBIT II-PAGE 3

003-60-1488



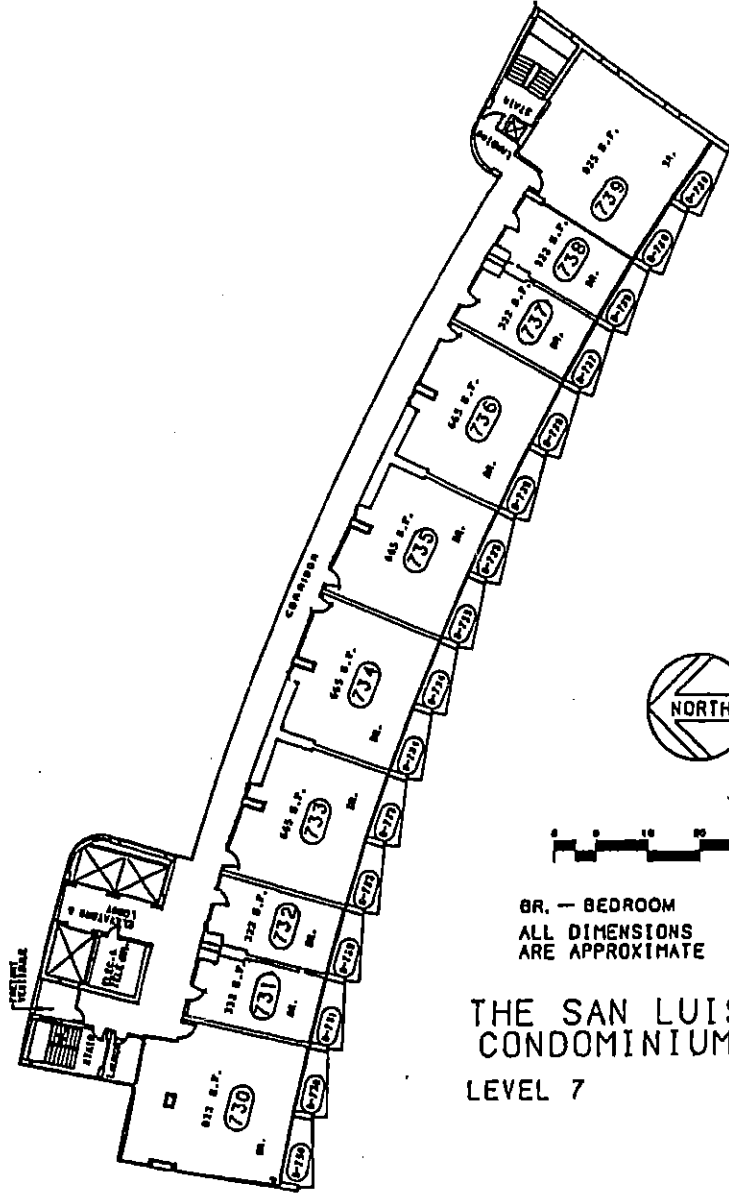
BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS CONDOMINIUM

LEVEL 6

NOVEMBER 15, 1984
EXHIBIT 11-PAGE 9

003-60-1489

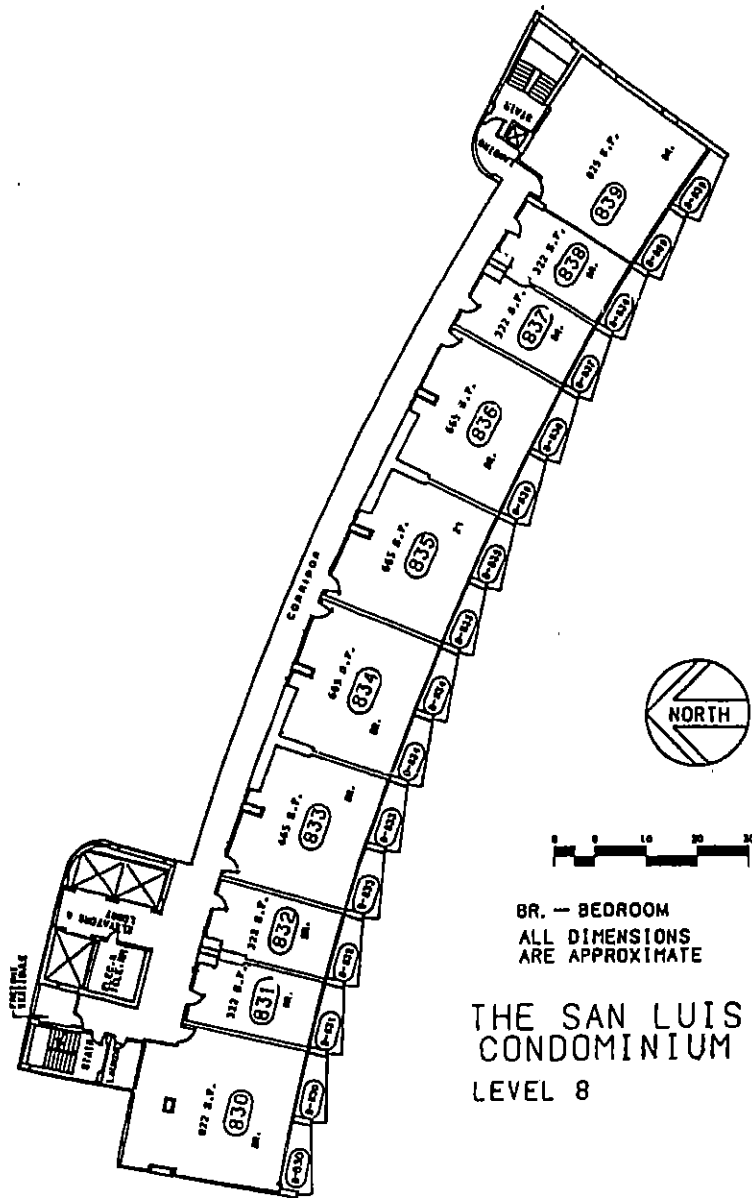


BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS
CONDOMINIUM
LEVEL 7

NOVEMBER 15, 1984
EXHIBIT 11-PAGE 10

003-60-1490

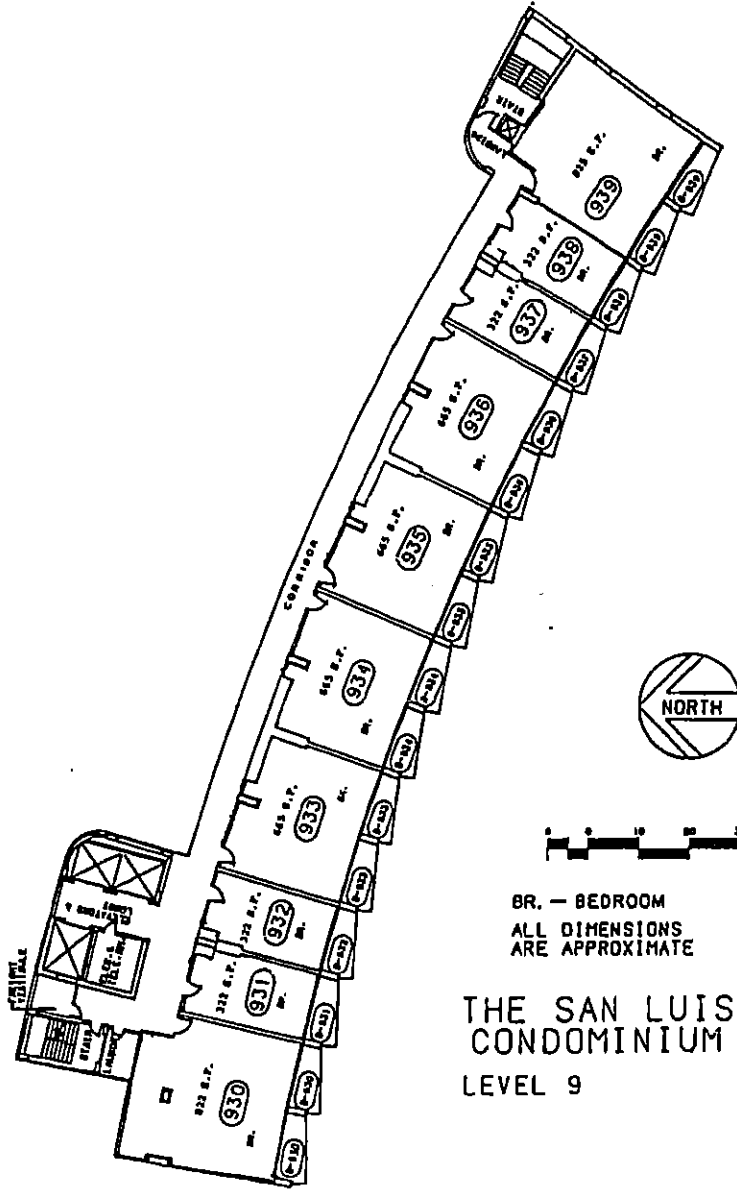


BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS
CONDOMINIUM
LEVEL 8

NOVEMBER 15, 1984
EXHIBIT II-PAGE 11

003-60-1491

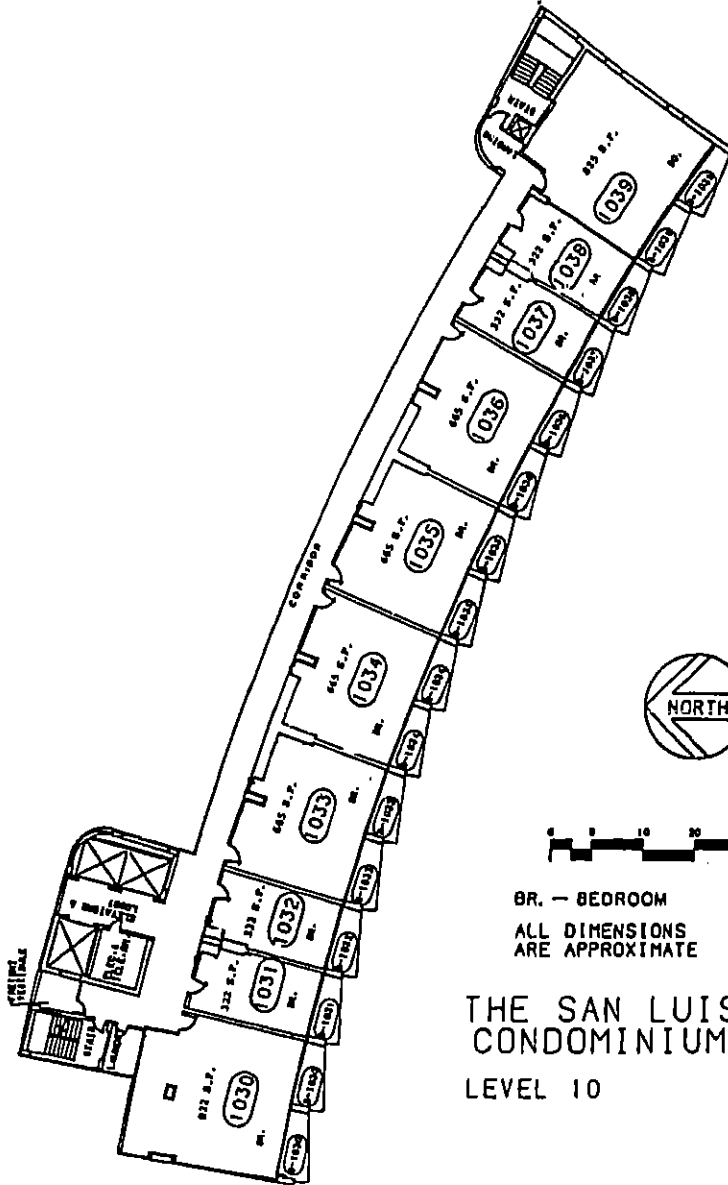


BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS
CONDOMINIUM
LEVEL 9

NOVEMBER 15, 1984
EXHIBIT 11-PAGE 12

003-60-1492

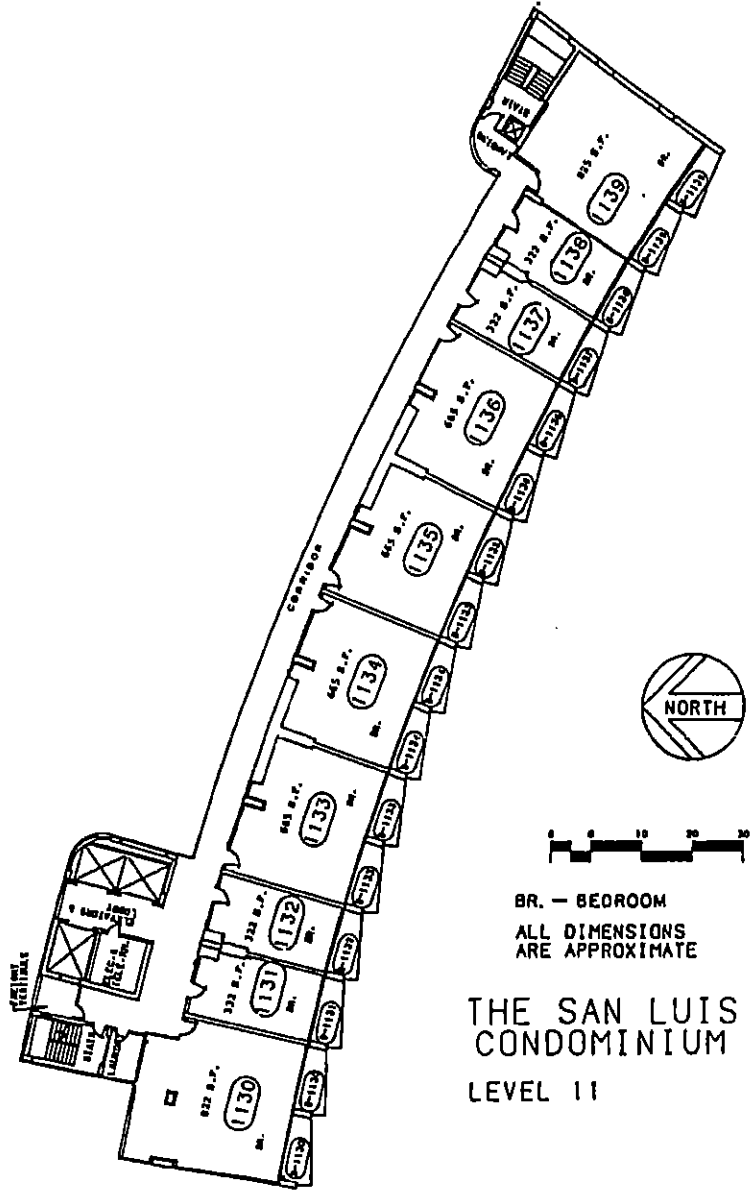


BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS
CONDOMINIUM
LEVEL 10

NOVEMBER 15, 1984
EXHIBIT II-PAGE 13

003-60-1493

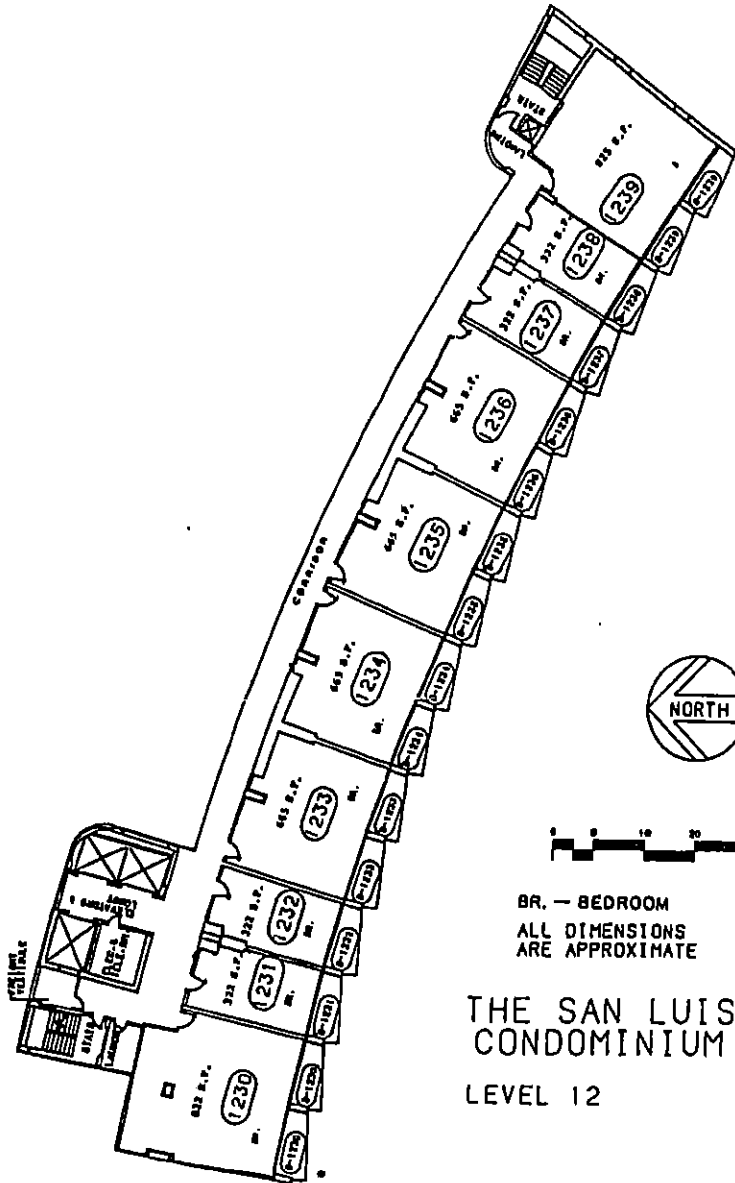


BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS
CONDOMINIUM
LEVEL 11

NOVEMBER 15, 1984
EXHIBIT II-PAGE 14

003-60-1494



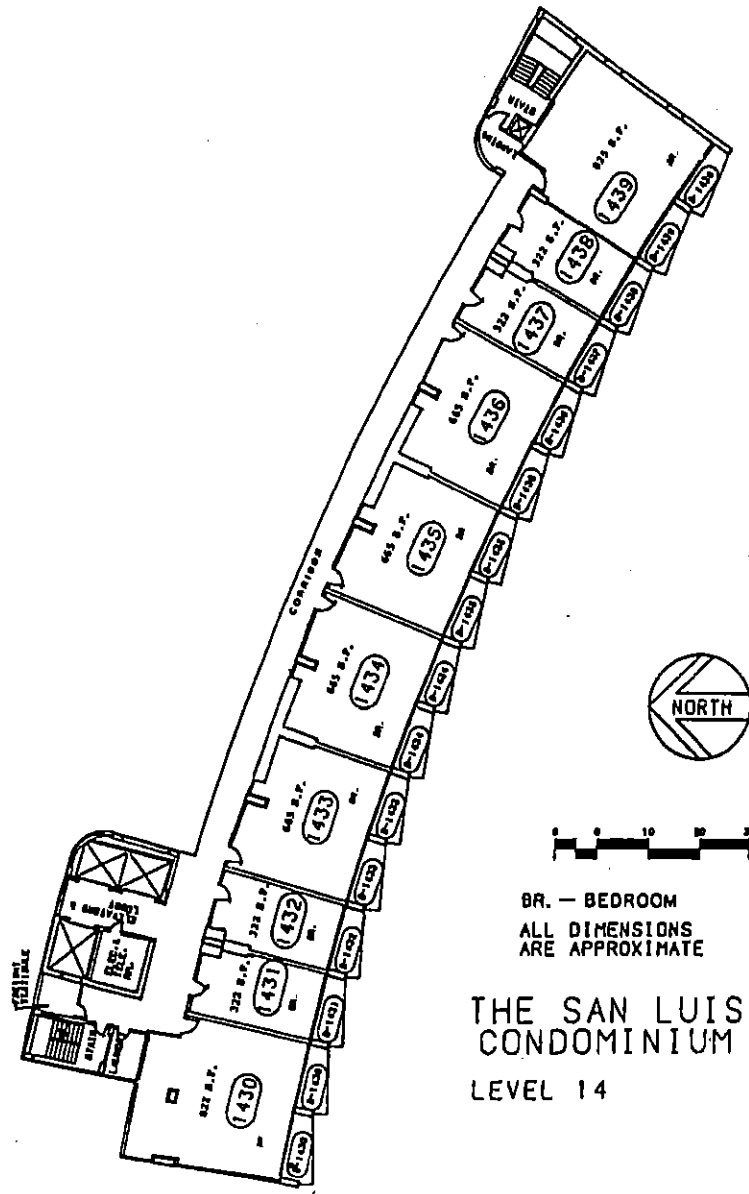
BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS CONDOMINIUM

LEVEL 12

NOVEMBER 15, 1984
EXHIBIT 11-PAGE 15

003-60-1495

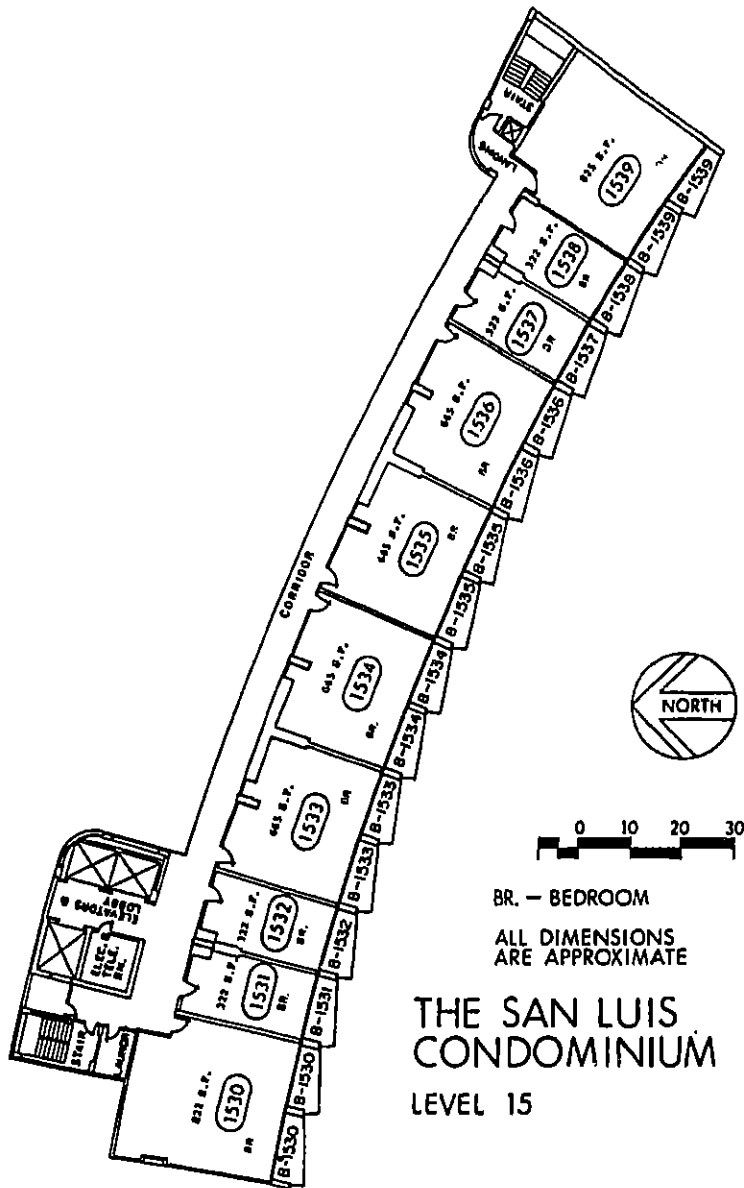


BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS
CONDOMINIUM
LEVEL 14

NOVEMBER 15, 1984
EXHIBIT 11-PAGE 16

003-60-1496



BR. - BEDROOM

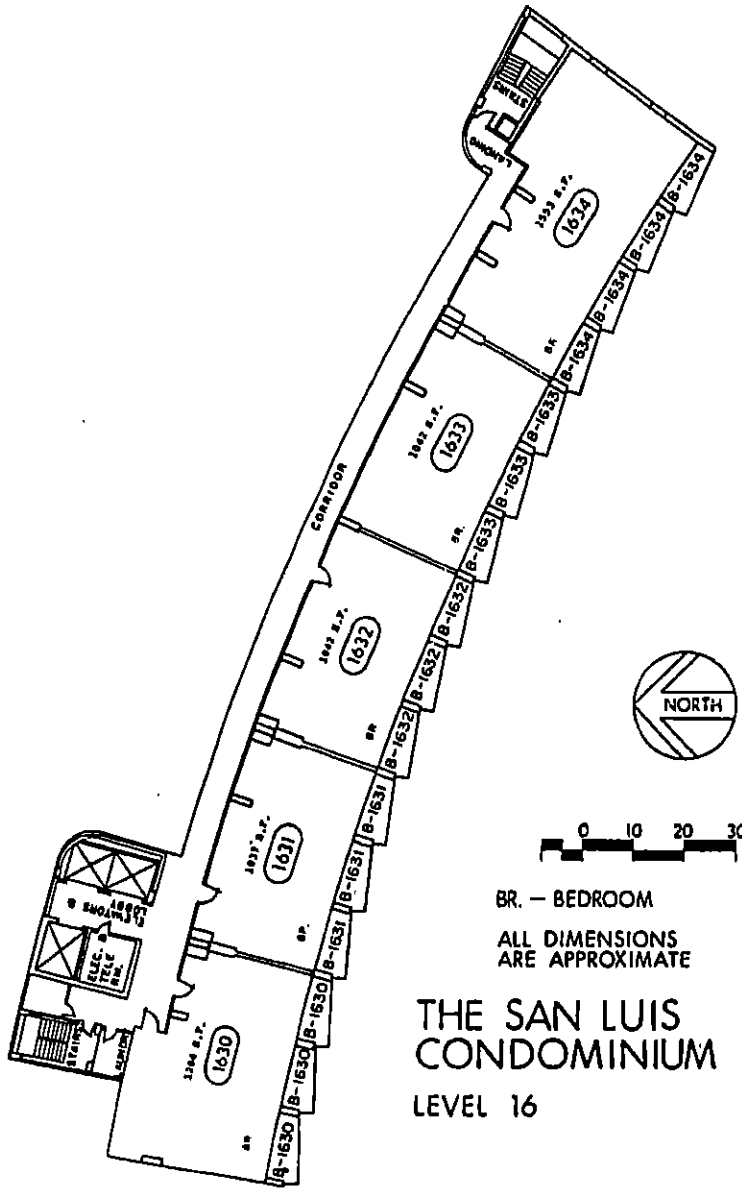
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS CONDOMINIUM

LEVEL 15

NOVEMBER 15, 1984
EXHIBIT II - PAGE 17

003-60-1497

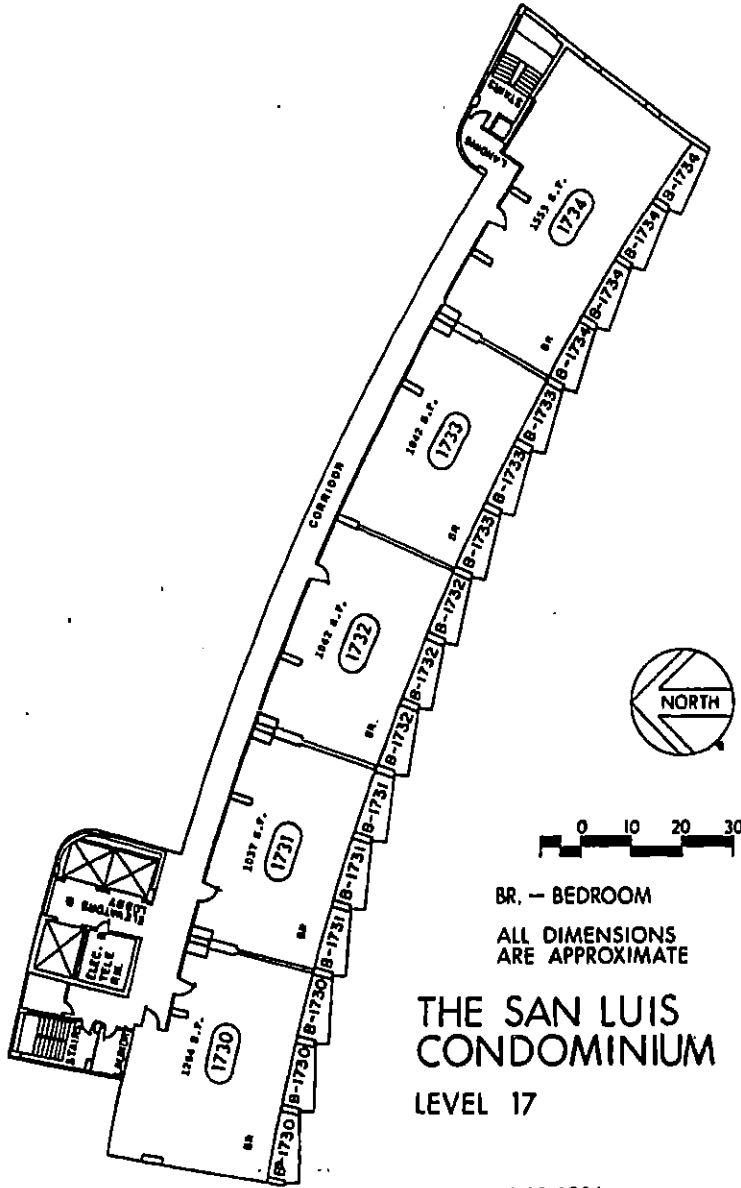


BR. - BEDROOM
ALL DIMENSIONS
ARE APPROXIMATE

THE SAN LUIS CONDOMINIUM LEVEL 16

NOVEMBER 15, 1984
EXHIBIT II - PAGE 18

003-60-1498



THE SAN LUIS CONDOMINIUM

LEVEL 17

NOVEMBER 15, 1984
EXHIBIT II - PAGE 19

003-60-1499

EXHIBIT III

PERCENTAGE OF OWNERSHIP TABLE
 THE SAN LUIS CONDOMINIUM
 November 15, 1984 Rev.

UNIT NO.	PERCENTAGE OF OWNERSHIP	UNIT NO.	PERCENTAGE OF OWNERSHIP	UNIT NO.	PERCENTAGE OF OWNERSHIP
331	0.8358	736	0.8486	1231	0.4109
332	0.4109	737	0.4109	1232	0.4109
333	0.8358	738	0.4109	1233	0.8486
334	0.8358	739	1.0527	1234	0.8486
335	0.8358	830	1.0489	1235	0.8486
336	0.8358	831	0.4109	1436	0.8486
337	0.4109	832	0.4109	1237	0.4109
338	0.4109	833	0.8486	1238	0.4109
339	1.0527	834	0.8486	1239	1.0527
430	1.0489	835	0.8486	1430	1.0489
431	0.4109	836	0.8486	1431	0.4109
432	0.4109	837	0.4109	1432	0.4109
433	0.8486	838	0.4109	1433	0.8486
434	0.8486	839	1.0527	1434	0.8486
435	0.8486	930	1.0489	1435	0.8486
436	0.8486	931	0.4109	1436	0.8486
437	0.4109	932	0.4109	1437	0.4109
438	0.4109	933	0.8486	1438	0.4109
439	1.0527	934	0.8486	1439	1.0527
530	1.0489	935	0.8486	1530	1.0489
531	0.4109	936	0.8486	1531	0.4109
532	0.4109	937	0.4109	1532	0.4109
533	0.8486	938	0.4109	1533	0.8486
534	0.8486	939	1.0527	1534	0.8486
535	0.8486	1030	1.0489	1535	0.8486
536	0.8486	1031	0.4109	1536	0.8486
537	0.4109	1032	0.4109	1537	0.4109
538	0.4109	1033	0.8486	1538	0.4109
539	1.0527	1034	0.8486	1539	1.0527
630	1.0489	1035	0.8486	1630	1.5364
631	0.4109	1036	0.8486	1631	1.3231
632	0.4109	1037	0.4109	1632	1.3294
633	0.8486	1038	0.4109	1633	1.3294
634	0.8486	1039	1.0527	1634	1.9817
635	0.8486	1130	1.0489	1730	1.5364
636	0.8486	1131	0.4109	1731	1.3231
637	0.4109	1132	0.4109	1732	1.3294
638	0.4109	1133	0.8486	1733	1.3294
639	1.0527	1134	0.8486	1734	1.9817
730	1.0489	1135	0.8486		
731	0.4109	1136	0.8486		
732	0.4109	1137	0.4109		
733	0.8486	1138	0.4109		
734	0.8486	1139	1.0527	TOTAL:	100%
735	0.8486	1230	1.0489		

003-60-1500

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

STEWART-DUE

FILED FOR RECORD
JAN 21 12 02 PM '85

Bill Stewart

COUNTY OF GRAYSON
I hereby certify that this instrument was filed on the date and hour stamped herein by me and was duly recorded in the Public Records of Real Property of Grayson County, Texas on

JAN 21 1985



Myron J. Edwards
COUNTY CLERK, Grayson County, Texas

CERTIFICATE OF LEGALITY AND AUTHENTICITY
FOR MICROFILM RECORDS

OFFICIAL PUBLIC RECORDS OF REAL PROPERTY
DIVISION: REAL PROPERTY - RECORDS DEPARTMENT
GALVESTON COUNTY, TEXAS

I, MARY JANE CHRISTENSEN, COUNTY CLERK OF GALVESTON COUNTY, TEXAS, hereby certify that the public records now of record in the office of the County Clerk of Galveston County, Texas, are being microfilmed under and by virtue of the authority of an order passed by Commissioners' Court of Galveston County, Texas, on May 27, 1963, and recorded in Volume 31, Pages 583 and 589, of the Minutes of said Court, said order having been passed under and by virtue of the provisions of Article 6574b, Revised Civil Statutes of Texas (1925), for the purpose of recording, preserving and protecting the same and for the purpose of reducing space required for filing, storing and for safekeeping of the same.

Further, it is hereby certified that, from and after January 5, 1981, Records filed in the Office of the County Clerk of Galveston County, Texas, also, are being recorded on microfilm under and by virtue of Article 1941(a), Vernon's Texas Civil Statutes (1971).

Further, it is hereby certified that the foregoing series of photographs in this roll of microfilm, between the Title Page Guide identifying the kind of record and this Certificate of Legality and Authenticity have been made in accordance with the above authority and are correct, legible and exact copies of the original records in my office, or of the original documents and instruments filed in my office for record, as follows:

OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

DIVISION: REAL PROPERTY - RECORDS DEPARTMENT

Filed On January 30th 1985

File Number 8502787

Starting With 003-60-1318

Film Code No. 003-60-1318

Thru File Number 8502838

Ending with 003-60-1501

Film Code No. 003-60-1501

MARY JANE CHRISTENSEN, COUNTY CLERK
GALVESTON COUNTY, TEXAS

By David M. Quiroga
Deputy

David M. Quiroga

FILM TITLE PAGE FOR
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY
DIVISION: REAL PROPERTY - RECORDS DEPARTMENT
GALVESTON COUNTY, TEXAS

"INSTRUMENTS AFFECTING REAL PROPERTY TITLE WHICH WERE FILMED
IN THE OFFICE OF THE COUNTY CLERK OF GALVESTON COUNTY, TEXAS,
ON 30th DAY January, 1985."
STARTING WITH FILE NUMBER 8502839."

MARY JANE CHRISTENSEN, COUNTY CLERK
GALVESTON COUNTY, TEXAS

By David M. Quiroga Deputy
David M. Quiroga

8809478

005-75-1058

DECLARATION OF CO-OWNERSHIP
FOR
SAN LUIS CONDOMINIUMS

TABLE OF CONTENTS

	<u>Page</u>	
ARTICLE I	Definitions	2
ARTICLE II	Description of Condominiums	6
ARTICLE III	Description of Units	6
ARTICLE IV	Descriptions of Amenities	7
ARTICLE V	Percentage Interest in Timeshare Regime	7
ARTICLE VI	Percentage of Interest in Common Furnishings	8
ARTICLE VII	Annexation	9
ARTICLE VIII	Deannexation	10
ARTICLE IX	San Luis Condominium Council	10
ARTICLE X	Management, Maintenance and Repairs	11
ARTICLE XI	Use Rights and Restrictions	12
ARTICLE XII	Operation Fee and Personal Charges	14
ARTICLE XIII	Remedies for Non-Payment of Operation Fees	18
ARTICLE XIV	Insurance	18
ARTICLE XV	Third Party Liens	20
ARTICLE XVI	San Luis Condominium Association, Inc.	20
ARTICLE XVII	Amendment	21
ARTICLE XVIII	Enforcement Provision	21
ARTICLE XIX	Miscellaneous Provisions	22

005-75-1059

EXHIBIT A	Ground Plan
EXHIBIT B1-B5	Floor Plan of Units
EXHIBIT C	Percentage Interest in Common Furnishings and of Common Expenses
EXHIBIT D	Subsidy Agreement
EXHIBIT E	Use Period

DECLARATION OF CO-OWNERSHIP
FOR
SAN LUIS CONDOMINIUMS

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

This Declaration of Co-Ownership for San Luis Condominiums, is made and executed on this 17th day of March, 1988, by The Woodlands Corporation a Delaware corporation whose principal place of business is 2201 Timberloch Place, The Woodlands, Texas 77380.

W I T N E S S E T H

Whereas, Declarant is the owner of the following described real property and all appurtenances thereto situated in County of Galveston, State of Texas and being known as San Luis Condominiums, to wit:

Unit Nos. 435, 531, 537, 732, 733, 734, 835, 837, 934, 1031, 1035, 1130, 1134, 1135, 1233, 1234, 1235, 1434, 1435, 1530, 1534, 336/337, 438/439, 532/533, 538/539, 636/637, 738/739, 838/839, 936/937, 938/939, 1036/1037, 1038/1039, 1132/1133, 1136/1137, 1138/1139, 1236/1237, 1238/1239, 1432/1433, 1436/1437, 1438/1439, 1532/1533, 1536/1537, 1538/1539 and the space encompassed by the boundaries thereof, together with an undivided interest in and to the common elements of the San Luis Condominium, a condominium project located in the City of Galveston, Galveston County, Texas, according to and as described by the Declaration of Condominium for The San Luis Condominium and exhibits recorded under County Clerk's File No. 8502838, Real Property Records of Galveston County, Texas

Whereas, Declarant desires to submit the above-described Units and all rights and privileges belonging or in any wise pertaining thereto, to a Timeshare Regime pursuant to Texas Condominium Code, §201. et. seq. (Vernon Supp. 1987).

Now, Therefore, Declarant, as the owner of the real property hereinabove described for itself, its successors, grantees and

005-75-1061

assigns, does hereby submit the Condominium to a Timeshare Regime and does hereby declare that the Condominium shall be held, sold, conveyed, encumbered, rented, occupied and used subject to the covenants, conditions, reservations, restrictions and limitations contained herein or incorporated herein by reference. All such covenants, conditions, reservations, restrictions, and limitations shall run with the land and be binding upon and inure to the benefit of Declarant, all Owners, and any other persons or entities having or acquiring any right, title, or interest therein. Declarant may, in its sole and absolute discretion, submit additional units hereto in the manner set forth herein in Article VII herein, and may delete Units from this Timeshare Regime by compliance with the provision of Article VIII herein.

In consideration of receiving and by acceptance of a warranty deed or of any other instrument of transfer, whether from Declarant, its successors or assigns, or from any Owner, each Owner for himself, his heirs, legal representatives, successors, assigns, or any other person or persons holding or occupying by, through, or under such Owner, and whether or not expressly stated therein, covenants, consents, and agrees to be bound by, observe, comply with, and perform the covenants, conditions, reservations, restrictions and limitations contained in this Declaration and in the Articles of Incorporation and Bylaws of San Luis Condominium Council, as each of the aforesaid documents may lawfully be amended and/or supplemented from time to time.

ARTICLE I
DEFINITIONS

The terms used in this Declaration, and all amendments and supplements thereof, shall have the meaning stated in the Act and as follows unless the context otherwise requires or otherwise expressly provides:

1.1. Act shall mean Texas Timeshare Act, Texas Condominium Code, §201 et. seq. (Vernon Supp. 1987).

1.2. Administered Property shall mean Common Furnishing and Units, excluding the Common Elements which is to be maintained by the Association pursuant to the Condominium Declaration.

1.3. Articles of Incorporation shall mean the Articles of Incorporation of the Council.

1.4. Association shall mean the San Luis Condominiums Association, Inc. a Texas non-profit corporation.

005-75-1062

1.5. Board or Board of Directors shall mean the Board of Directors of the Council.

1.6. Bylaws shall mean the bylaws of the Council.

1.7. Common Elements shall mean all the property which is made a part of the Timeshare Regime except for the interior of the Units and without limiting the generality of the foregoing, shall include those items defined as "general common elements" in Texas Property Code §81.002(6).

1.8. Common Expenses shall mean and include all expenses incurred by the Council or its duly authorized agent(s) for the maintenance, repair, replacement, restoration, improvement, operation and administration of the Condominiums, Common Furnishings and the operation and administration of the Council and shall include, but not be limited to, the Common Expenses described in Section 12.1 herein.

1.9. Common Furnishings shall mean all furniture, furnishings, fixtures and equipment or other personal property, including replacements from time to time owned in common by all Owners, the percentage of ownership being set forth on Exhibit C attached hereto.

1.10. Condominium(s) shall mean all Units, Common Elements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in any wise pertaining thereto which are subject to this Declaration.

1.11. Condominium Declaration shall mean that certain Declaration of Condominiums for San Luis Condominium and exhibits recorded under County Clerk's File Number 8502838 in the Real Property Records of Galveston County, Texas, and any amendments thereto.

1.12. Co-Ownership Estates shall mean an undivided one-fourth (1/4) fee simple ownership interest in a Unit and the right to use that estate and the amenities and appurtenances thereto for a specified Use Period.

1.13. Council shall mean San Luis Condominium Council a Texas non-profit corporation.

1.14. Declarant shall mean The Woodlands Corporation, its successors and assigns, provided such successor or assignee is designated in writing by Declarant as a successor or assignee of the rights of Declarant set forth herein.

005-75-1063

1.15. Declaration shall mean this instrument, by which the Condominiums are submitted to the provisions of the Act, as hereinafter provided, and including all amendments and Supplemental Declarations which may from time to time be executed and filed of record.

1.16. Director shall mean any person appointed or elected to the Board of Directors.

1.17. Exchange User shall mean any person who occupies a Unit pursuant to a reciprocal exchange program.

1.18. Maintenance Period(s) shall mean that period designated and shown on the chart of Use Periods in on Exhibit E as the time during which maintenance for a particular Unit is performed.

1.19. Management Agreement shall mean the then-effective agreement between Council and the Manager which provides for the management of the Condominium.

1.20. Manager shall mean the person or entity, its successors and assigns, engaged by the Council to undertake the duties, responsibilities and obligations of managing the Condominium, pursuant to the then-effective Management Agreement.

1.21. Operation Fee(s) shall mean any amount which, from time to time, is levied by the Board of Directors of the Council upon the Owners. The following are the two (2) types of Operation Fees:

(a) Monthly Operation Fee shall mean a fee levied by the Board upon the Owners for their proportionate share of the Common Expenses of the Council; and

(b) Special Operation Fee shall mean a fee levied by the Board upon the Owners in the event that the Monthly Operation Fee is inadequate to meet the Common Expenses of the Council, or other extraordinary or unbudgeted items deemed reasonably necessary by the Board.

1.22. Owner shall mean or refer to the record Owner of any Co-Ownership Estate which is part of this Timeshare Regime, excluding those having such interest merely as security for performance of any obligation. Declarant shall be deemed an Owner for all purposes hereunder unless otherwise indicated.

1.23. Personal Charge(s) shall mean an amount levied by the Board against a particular Owner or Owners as set forth in Section 12.4.

1.24. Rules and Regulations shall mean the Rules and Regulations adopted from time to time by the Manager and approved by the Board of Directors.

1.25. Supplemental Declaration shall mean an instrument recorded by the Declarant when adding additional Units to this Timeshare Regime or deleting Units previously submitted to this Timeshare Regime in the manner set forth in Articles VII and VIII herein.

1.26. Subsidy Agreement shall mean an agreement entered into between Declarant and the Council which shall be substantially the same as the agreement attached hereto as Exhibit D.

1.27. Timeshare Regime shall mean all Condominiums, including the Common Elements, submitted to a Timeshare Regime pursuant to the provisions of the Act and of this Declaration.

1.28. Unit(s) shall mean an enclosed space consisting of one or more rooms occupying part of a floor in the condominium building excluding all Common Elements. Each Unit will be identified by the number assigned to it on the plat attached to the Condominium Declaration.

1.29. Unit Type shall mean collectively all of the following unit configurations:

(a) Seafarer shall mean the units constructed on Units 531, 537, 732, 837, and 1031 as shown on Exhibit B-1.

(b) Tartan shall mean the units constructed on Units 435, 733, 734, 835, 934, 1035, 1134, 1135, 1233, 1234, 1235, 1434, 1435, and 1534 as shown on Exhibit B-2.

(c) Windward shall mean the units constructed on Units 1130 and 1530 as shown on Exhibit B-3.

(d) Martingale shall mean the units constructed on Units 336/337, 532/533, 636/637, 936/937, 1036/1037, 1132/1133, 1136/1137, 1236/1237, 1432/1433, 1436/1437, 1532/1533, and 1536/1537 as shown on Exhibit B-4.

(e) Corsair shall mean the units constructed on Units 438/439, 538/539, 738/739, 838/839, 938/939, 1038/1039, 1138/1139, 1238/1239, 1438/1439, and 1538/1539 as shown on Exhibit B-5.

1.30. Use Period shall mean that specific period of consecutive days during which an Owner is allowed to occupy the Unit as set forth in Exhibit E.

ARTICLE II
DESCRIPTION OF PROPERTY

2.1. The property initially consists of Units 435, 531, 537, 732, 733, 734, 835, 837, 934, 1031, 1035, 1130, 1134, 1135, 1233, 1234, 1235, 1434, 1435, 1530, 1534, 336/337, 438/439, 532/533, 538/539, 636/637, 738/739, 838/839, 936/937, 938/939, 1036/1037, 1038/1039, 1132/1133, 1136/1137, 1138/1139, 1236/1237, 1238/1239, 1432/1433, 1436/1437, 1438/1439, 1532/1533, 1536/1537, 1538/1539 together with an interest in and to the common elements appurtenant thereto. There shall be excluded from the Condominium any Unit deannexed from the Timeshare Regime pursuant to Article VIII herein, and there shall be included in the Condominium any Unit annexed to the Timeshare Regime pursuant to Article VII herein.

2.2. A ground plan indicating the location of the existing building is attached hereto as Exhibit A.

ARTICLE III
DESCRIPTION OF UNITS

3.1. Units 531, 537, 732, 837 and 1031 each consist of 1 bedroom, 1 bath, comprise approximately 406 square feet of space including balcony as more fully shown on Exhibit B-1 attached hereto and incorporated herein.

3.2. Units 435, 733, 734, 835, 934, 1035, 1134, 1135, 1233, 1234, 1235, 1434, 1435 and 1534 consist of 1 bedroom, 1 bath, comprise approximately 813 square feet of space including balcony as more fully shown on Exhibit B-2 attached hereto and incorporated herein.

3.3. Units 1130 and 1530 each consist of 1 bedroom, 1½ bath, comprise approximately 957 square feet of space including a balcony as more fully shown on Exhibit B-3 attached hereto and incorporated herein.

3.4. Units 336/337, 532/533, 636/637, 936/937, 1036/1037, 1132/1133, 1136/1137, 1236/1237, 1432/1433, 1436/1437, 1532/1533, and 1536/1537 each consist of 2 bedrooms, 2 baths, comprise approximately 1219 square feet of space including balcony as more fully shown on Exhibit B-4 attached hereto and incorporated herein.

005-75-1066

3.5. Units 438/439, 538/539, 738/739, 838/839, 938/939, 1038/1039, 1138/1139, 1238/1239, 1438/1439 and 1538/1539 consist of 2 bedrooms, 2½ baths, comprise approximately 1363 square feet of space and including a balcony as more fully shown on Exhibit B-5 attached hereto and incorporated herein.

ARTICLE IV
DESCRIPTIONS OF AMENITIES

4.1. There are no on-site amenities as of the date of this Declaration.

4.2. Pursuant to that certain Shared Facilities Use Agreement dated February 18, 1985, by and between The Fort Crockett Hotel Limited and the Association, each Owner, their guests and invitees have the non-exclusive right to use the swimming pool, landscaped area and rest room facilities located on a tract of land adjacent to the Condominiums, as more fully described in said agreement, until December 16, 2050. The right to use the pool facilities is subject to the terms and conditions of the agreement and to reasonable rules and regulations established by the hotel. The Association is obligated to pay a prorata share of the expenses of maintaining, operating and managing of the pool.

4.3. Pursuant to that certain Common Area and Tennis Court Use Agreement, dated February 18, 1985 by and between Mitchell Development Corporation of the Southwest and the Association, each Owner, their guests and invitees have the non-exclusive right to use certain tennis courts on a tract of land north across Ft. Crockett Boulevard from the Condominiums, as more fully described in the agreement, until December 16, 2050. The right to use the tennis courts is subject to the terms and conditions of the agreement and to reasonable rules and regulations established by Mitchell Development Corporation of the Southwest. The Association is obligated to pay a prorata share of the expenses of maintaining, operating and managing the tennis courts.

ARTICLE V
PERCENTAGE INTEREST IN TIMESHARE REGIME

5.1. The Declarant proposes to convey four (4) undivided fee simple interests in each Unit together with the exclusive right to occupy said Unit for a specific Use Period.

005-75-1067

5.2. Each Co-Ownership Estate represents 25% or $\frac{1}{4}$ of each Unit and .581% or $\frac{1}{172}$ of the entire Timeshare Regime.

5.3. In the event additional Units are annexed to the Timeshare Regime or deannexed from the Timeshare Regime, as the case may be, pursuant to Articles VII and VIII herein, the percentage part that each Co-Ownership Estate bears to the entire Timeshare Regime shall be reallocated, and Section 5.2 above shall be amended to reflect said reallocation.

ARTICLE VI
PERCENTAGE OF INTEREST IN COMMON FURNISHINGS

6.1. Each Owner of a Co-Ownership Estate shall have an undivided percentage interest in the Common Furnishings as set forth in Exhibit C hereto and incorporated by reference. Each Owner shall have the exclusive right to use the Common Furnishings in his Unit during his Use Period. Declarant is obligated to place such Common Furnishings as it deems reasonably appropriate in each Unit prior to the sale of the first Co-Ownership Estate in that Unit.

6.2. An Owner's percentage interest in the Common Furnishings appurtenant to a particular Unit Type will change in the event Units are annexed or deannexed from the Declaration. If Units are annexed or deannexed, the interest in the Common Furnishings shall be reallocated to the remaining Owners in the same manner as the allocation of interests were originally calculated, and the Supplemental Declaration shall amend Exhibit C to state the new percentage of interest each Owner will have in the Common Furnishings. Upon deannexation of a Unit, Owners shall relinquish all right, title and interest in and to the Common Furnishings located within said Unit.

6.3. In the event of any damage or destruction to the Common Furnishings other than by ordinary wear and tear, the Board shall promptly cause such damage to be repaired and shall use any available insurance proceeds for such purpose. If the damage is not covered by insurance, or if the available insurance proceeds are insufficient, the Board shall levy a Special Operation Fee upon each of the Owners. In the event the damage or destruction was caused by the intentional or negligent act or omission of an Owner, a member of his family, his guests, tenants, invitees, or licensees, then the cost of such repair or the amount of such deficiency shall be a Personal Charge to such Owner, to be paid in the manner provided herein.

005-75-1068

ARTICLE VII
ANNEXATION

7.1. Declarant may in its sole and absolute discretion, annex additional unit(s) to the Timeshare Regime at any time or from time to time by filing a Supplemental Declaration in the County Clerk's Office of Galveston County, Texas.

7.2. Said Supplemental Declaration shall contain the following:

(a) A statement that the Condominium is being added or annexed in accordance with the provisions of this Declaration and that the Condominium being annexed shall be developed, held, used, sold and conveyed in accordance with and subject to the provisions of this Declaration;

(b) A statement that all of the provisions of this Declaration shall apply to the Condominium being added or annexed with the same force and effect as if said unit were originally included herein as part of the original development;

(c) A statement that the Condominium being added or annexed is submitted to the jurisdiction of the Council with the same force and effect as if said Condominium were originally included in this Declaration.

(d) An amendment to Section V changing the percentage part each Co-Ownership Estate bears to the entire Timeshare Regime.

(e) An amendment to Exhibit C reallocating the percentage interest each Owner has in the Common Furnishings.

7.3. Nothing in this Declaration shall be construed to represent or imply that Declarant, its successors or assigns, are under any obligation to add or annex additional Condominium to this Timeshare Regime.

7.4. No Condominium may be added or annexed to this Timeshare Regime by any person or entity other than the Declarant.

005-75-1069

ARTICLE VIII
DEANNEXATION

8.1. Any Unit subject to this Timeshare Regime and owned entirely by Declarant may be deannexed from the Timeshare Regime, provided Declarant shall execute a Supplemental Declaration setting forth the Unit number. Said Supplemental Declaration shall be filed in the County Clerk's Office, Galveston County, Texas.

8.2. Said Supplemental Declaration shall contain the following:

(a) A statement that the Unit is being deleted or deannexed in accordance with the provisions of this Declaration;

(b) An amendment to Section V changing the percentage part each Co-Ownership Estate bears to the entire Timeshare Regime;

(c) An amendment to Exhibit C reallocating the percentage interest each Owner has in the Common Furnishings; and

8.3. Any attempted deannexation from this Timeshare Regime other than by Declarant shall be null and void.

ARTICLE IX
SAN LUIS CONDOMINIUM COUNCIL

9.1. Declarant shall cause to be created a non-profit corporation under the Texas Non-Profit Corporation Act which shall be known as San Luis Condominium Council, for the purpose of administering the operation and maintenance of the Units and providing the other functions herein delegated to the Council.

9.2. Each Owner shall be a member of the Council. An Owner's membership shall automatically terminate when he ceases to be an Owner as herein defined. Upon conveyance or transfer of an Owner's interest to a new owner the new owner shall simultaneously succeed to the former Owner's membership in the Council.

9.3. Each Owner shall be entitled to one vote per Co-Ownership Estate. If any Co-Ownership Estate is owned by more than one person, the voting rights of such Owners shall not be divided but shall be exercised as if the Owner consisted of only

005-75-1070

one person. The Board has the right to suspend an Owner's right to vote upon violation of the Bylaws, Rules and Regulations or with any obligation of Owners hereunder, including but not limited to failure to pay Operation Fees.

9.4. The Board of Directors of the Council shall be appointed or elected in accordance with the provisions of the Bylaws.

9.5. The Council may exercise any and all rights and powers granted to it by law, by its Articles of Incorporation, its Bylaws or this Declaration as amended or supplemented.

ARTICLE X
MANAGEMENT, MAINTENANCE AND REPAIRS

10.1. Responsibility for the maintenance and repair of the Common Elements is vested in the Association pursuant to the provisions of the Condominium Declaration.

10.2. Exclusive control and responsibility over the maintenance, repair, modification, replacement, restoration, alteration, operation and administration of all the Administered Property is vested in the Council. No Owner shall make any repairs, modifications, alterations, additions, redecorations, or replacements to any of the Administered Property without the prior written consent of the Council. Each Owner, during his Use Period shall keep his Unit in a clean, sanitary and attractive condition, and shall be personally liable for any damage or destruction thereto caused by such Owner, the members of his family, his guests, tenants, invitees or licensees. The Council shall at all times maintain and keep the Administered Property in good condition and repair. The Council shall have complete discretion to determine the interior color scheme, the decor and the furnishings of each Unit, as well as the timing, extent and nature of all redecorations, repairs and replacements thereof.

10.3. The Council, acting through the Manager or such other person or persons as they shall designate, shall have an irrevocable right of access to each Unit, without liability for trespass, during reasonable hours, as may be necessary to perform and carry out their respective rights, duties and responsibilities as set forth herein, in the Bylaws, in the Rules and Regulations and in the Management Agreement, including but not limited to:

- (a) Making emergency repairs therein;

005-75-1071

(b) Abating any nuisance or any dangerous, unauthorized, prohibited or unlawful activity in such Unit;

(c) Protecting the Condominium rights and general welfare of the Owners; and

(d) Any other purpose reasonably related to the Council and/or the Manager of their respective duties and responsibilities under this Declaration and the Bylaws.

Such right and authority to enter any Unit shall be exercised in such manner as to avoid any unreasonable or unnecessary interference with the possession, use and/or enjoyment of any Unit by any occupant thereof, and shall be preceded by reasonable notice to the occupant whenever the circumstances permit. No Owner may at any time change a lock on the entrance to any Unit. If an Owner changes any such lock, the Council may replace such lock and assess the cost thereof as a Personal Charge to the responsible Owner.

10.4. The Council shall reserve a period each year as the Maintenance Period for such Unit. The Council and its agents shall have free access to each Unit during its designated Maintenance Period for the purpose of effecting any necessary or appropriate maintenance, repairs, modifications, alterations, replacements and additions to such Unit and to the Common Furnishings therein.

ARTICLE XI
USE RIGHTS AND RESTRICTIONS

11.1. Each Owner shall be designated as Owner A, B, C or D in the deed conveying a one-fourth interest in a Unit, and shall have the exclusive right to occupy and use said Unit, to use and enjoy the Common Furnishings and to exercise the rights appurtenant thereto and to authorize others so to do (including placing the Unit in a vacation exchange program) during the Use Period specified in Exhibit E attached hereto and incorporated herein.

11.2. No Owner shall occupy the Unit, or exercise any other rights of ownership in respect to the Unit or Common Elements during any other Owner's Use Period unless expressly so authorized by the Owner entitled to occupy the Unit during that Use Period.

11.3. Each Owner shall keep the Unit, Common Elements and Common Furnishings in good condition and repair during his Use Period, vacate the Unit at expiration of his Use Period in

005-75-1072

accordance with Section 11.1 above, remove all persons and personal Condominium excluding Common Furnishings therefrom, leave the Unit in good and sanitary condition and repair and otherwise comply with such reasonable checkin and checkout and other procedures as may from time to time be contained in the then-current Rules and Regulations.

11.4. Each Owner or Exchange User shall be liable for the uninsured cost and expense of any maintenance, repair, or replacement of the Units, Common Elements or Common Furnishings necessitated by his negligence or intentional act or omission. The negligent or intentional act or omission of an Owner's family members, guest, tenants, licensees or invitees (excluding Exchange Users) shall be deemed to be the act of the Owner, and such persons shall be held jointly and severally liable with such Owner. The Manager shall submit a bill to the responsible Owner or Exchange User for all amounts payable to the Council under this Section, which amounts shall be enforceable as a claim for money damages against an Exchange User and shall constitute a Personal Charge to an Owner secured by a lien against the Owner's Co-Ownership Estate. Any loss, damage or destruction to the extent not covered by insurance or recovered shall become a Common Expense.

11.5. No Owner shall cause or permit any unlawful, improper, or offensive use of any Unit, Common Element or Common Furnishing, nor shall any Owner permit any portion of the Unit to be used in any manner contrary to or not in accordance with the provisions of the Condominium Declaration or this Declaration. Furthermore, no Owner shall cause or permit anything to be done or kept in a Unit which will increase the rate of any of the Council's insurance coverage, or which will obstruct or interfere with the rights of the Owners or annoy them by unreasonable noises or otherwise, nor shall any Owner commit or permit any nuisance, objectionable or disruptive behavior or illegal acts in or about the Unit or Common Elements.

11.6. If any Owner fails to vacate the Unit at the conclusion of Use Period in accordance with the terms hereof, or any other rules or regulations as may be adopted by the Council, or otherwise uses or occupies the Unit during a Use Period assigned to another Owner, or prevents another Owner from using or occupying the Unit during such Owner's Use Period, the Owner in wrongful possession shall: (a) be subject to immediate removal, eviction and ejection from the Unit wrongfully occupied; (b) be deemed to have waived any notices required by law with respect to any legal proceedings regarding the removal, eviction or ejection of such Owner in wrongful possession, to the extent that such notice may be waived under law; (c) pay to the Owner entitled to use the Unit during such wrongful occupancy, as liquidated

005-75-1073

damages for the wrongful use of the Unit and the appropriation of such other Owner's use, a sum equal to two hundred percent (200%) of the fair rental value per day of the Unit that is wrongfully occupied for each day or portion thereof, including the day of surrender, during which the Owner in wrongful possession occupies the Unit; (d) reimburse the Owner entitled to use the Unit during the wrongful occupancy of the Unit, for all costs and expenses, including but not limited to, court costs and reasonable attorneys' fees, incurred in connection with the ruling, evicting or ejecting of the Owner in wrongful possession of the Unit; and (e) until all aforementioned sums are paid, the Owner in wrongful possession shall be denied the use of his Unit.

11.7. Declarant, for itself and its successors, assigns, agents, employees, contractors, subcontractors and other authorized personnel, reserves, for an exclusive easement in, over and through the Units and the Common Elements for the purposes of: (a) marketing and selling the Units; (b) maintaining customer relations and providing post-sales service to Owners; (c) displaying signs and erecting, maintaining and operating, for sales and administrative purposes, model Units and a customer relations, customer service and sales office complex at the Condominium; and (d) showing the Units and common area to prospective purchasers; provided, however, that use of such easement shall not interfere with or diminish the rights of Owners to use and occupy the premises in accordance with this Declaration.

ARTICLE XII
OPERATION FEE AND PERSONAL CHARGES

12.1. Each Owner, including Declarant subject to the provision of Section 12.3 below, shall be required to pay an Operation Fee for each Co-Ownership Estate owned. The Monthly Operation Fee shall be levied by the Council, through the Board of Directors, to meet Common Expenses; provided however, until three (3) years following the date of this Declaration, the Board shall not adopt a budget requiring an increase in the Monthly Operation Fee in an amount exceeding the percentage increase in the Houston, Texas Consumer Price Index for all Urban consumers (as defined by the U.S. Department of Labor, Bureau of Labor Statistics) for the previous year unless such budget is approved by a majority of the Owners. The liability for payment of the Common Expenses will be apportioned among Owners according to the Unit Type owned as set forth on Exhibit C attached hereto and incorporated herein by reference. The total expenses applicable to a Unit Type will be set forth in the annual budget which is approved by the Board of Directors. In the event the Board shall not approve an annual budget or shall fail to determine a new

005-75-1074

Monthly Operation Fee for any year, each Owner shall continue to pay each month the amount of his Monthly Operation Fee as last determined. The Common Expenses shall include, but shall not be limited to, the costs of the following items:

(a) Taxes and any other fees or assessments levied against the Council by a governmental authority;

(b) The maintenance, repair, modification, alteration and redecoration of the Units;

(c) The maintenance, repair, modification, alteration, and redecoration of the Common Furnishings;

(d) Utility charges;

(e) Basic telephone service;

(f) Cable television service;

(g) Insurance coverage, as provided for herein;

(h) Domestic services, including cleaning and maid service, the frequency of which is to be determined by the Board or the Manager, furnished to or on behalf of the Owners;

(i) The purchase, repair and replacement of any furniture, fixtures and equipment which may be owned or leased by the Council;

(j) Assessments owed to the Association pursuant to the Condominium Declaration;

(k) Administrative costs;

(l) Reserves for the replacement, repair and acquisition of Common Furnishings;

(m) Management fees;

(n) Legal and accounting fees; and

(o) Any other costs incurred by the Council in connection with the maintenance, repair, replacement, restoration, redecoration, improvement, operation and administration of the Condominium, and in connection with the operation and administration of the Council.

005-75-1075

The Monthly Operation Fee shall be due and payable by an Owner on or before the 1st day of each month unless and until the Board of Directors at its sole discretion institutes a different payment schedule by providing written notice thereof to each Owner.

12.2. In the event that the Monthly Operation Fee collected from the Owners are at any time inadequate to meet the costs and expenses incurred by or imposed upon the Council for any reason, including but not limited to (i) the non-payment by any Owner of any Operation Fee or Personal Charge, (ii) a judgment has been filed against the Council, or (iii) there are other extraordinary or unbudgeted items deemed reasonably necessary by the Board, the Board shall immediately determine the approximate amount of such inadequacy, prepare a supplemental budget and levy a Special Operation Fee upon each Owner in such amounts as the Board determines to be necessary in order to pay the Council's costs and expenses. Such Special Operation Fee shall be allocated to the Owners according to the Unit Type and percentage interest owned as set forth on Exhibit C. Any Special Operation Fee shall be due and payable within thirty (30) days after the date upon which a written notice of such Special Operation Fee is mailed to the Owner, unless the Board determines that installment payments shall be permitted and provides each Owner with an approved payment schedule, in which case each Owner's payments must be made no later than is specified in such payment schedule. In the event that the Board authorizes the payment of any Special Operation Fee in installments, no notice of the due date of each individual installment payment shall be required to be given, other than the aforesaid Special Operation Fee notice.

12.3. Notwithstanding any provision to the contrary contained herein, Declarant shall not be required to pay to the Council any Operation Fee attributable to any Co-Ownership Estate of which it is deemed the Owner during any period of time in which Declarant has entered into and is not in breach of a Subsidy Agreement with the Council in a form substantially the same as the Subsidy Agreement attached hereto as Exhibit D.

12.4. Each Owner shall be responsible for paying to the Council all Personal Charges which are any expenses incurred as a result of the act or omission to act of that Owner during his Use Period or at any other time or of any other persons occupying such Owner's Unit during his Use Period (except an Exchange User), including but not limited to the cost of:

- (a) Long distance telephone charges;

005-75-1076

(b) Additional cleaning and maid services as reasonably may be requested by an Owner;

(c) Any expenses arising from an intentional or negligent act or omission of an Owner, a member of his family, his guests, tenants, invitees or licensees (to the extent not covered by insurance) or resulting from his or their breach of any of the provisions of this Declaration; and

(d) Any reasonable late fees, attorneys' fees and other amounts which are incurred by the Council to collect any Operation Fees or Personal Charges.

Personal Charges from an Owner shall be due and payable within thirty (30) days from the date upon which a notice of such Personal Charges is mailed to the responsible Owner.

12.5. No Owner may exempt himself, his successors or assigns, from his obligation to pay any Operation Fee by his waiver of the use and enjoyment of his Unit or of the Common Furnishings, by his failure to occupy the Unit during his assigned Use Period or by the abandonment of his Co-Ownership Estate.

12.6. In the event that the Board determines at any time during the Council's fiscal year that the aggregate amount of Operation Fees is, or will be, in excess of the amounts needed to meet the Common Expenses such excess amount shall appear as a line item on the Council's budget for the immediately succeeding fiscal year, and shall be applied to reduce the amount assessed to meet the Common Expenses, as appropriate, for such fiscal year. Any such excess shall not relieve any Owner from his obligation to pay any delinquent amounts which he owes the Council, nor shall any Owner be entitled to a refund of all or any portion of any Operation Fee previously paid on account of such excess.

12.7. Notwithstanding the foregoing provisions of this Declaration, the Board shall from time to time establish one or more reserves as are necessary for the operation and improvement of the Timeshare Regime by including amounts intended for such purpose in the Council's budget or by levying Special Operation Fees upon all of the Owners in such amount as the Board determines to be necessary and appropriate.

12.8. All Operation Fees or Personal Charges which are not paid when due shall be delinquent, shall be increased by a reasonable late charge as imposed by the Board, and shall bear interest from the date of delinquency at the highest rate allowable by law.

005-75-1077.

ARTICLE XIII
REMEDIES FOR NON-PAYMENT OF OPERATION FEES

13.1. Each such Operation Fee, Personal Charge and any late fees, interest and costs of collection, including reasonable attorneys' fees, shall be a personal debt of the Owner against whom they are assessed. All such foregoing Operation Fees, Personal Charges and other related sums owed or incurred by Owner shall also be a charge on the land and shall be secured by a continuing lien on the Owner's interest in a Unit and his Co-Ownership Estate which lien shall be superior to all other liens and security interests except only for mortgages granted to secure purchase price by such Owner against his Co-Ownership Estate.

13.2. Such lien shall be in favor of the Council for the benefit of all Owners and may be enforced by the Council by all methods available for enforcement of such liens including foreclosure of such lien by an action brought in the name of the Council in a like manner as a mortgage or deed of trust lien on real Condominium and such Owner hereby expressly grants to the Council a power of sale in connection with said lien, same to be exercised in compliance with the terms of Article 3810 of the Texas Civil Statutes. In any such lien foreclosure, the Owner shall be required to pay to the Council its costs and expenses incurred by such foreclosure, including without limitation its attorney's fees. The Council, acting on behalf of the Owners, shall have the power to bid the interest of Owner at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Notwithstanding any provision hereof to the contrary, the Council shall also have the right to recover a money judgment against such defaulting Owner without foreclosing or waiving the lien securing such debt, all remedies of the Council being cumulative of each other.

ARTICLE XIV
INSURANCE

14.1. The Council shall, at its sole cost and expense, keep all of the Units and the Common Furnishings, as well as any property of the Council, insured for the benefit of all Owners and the Council for the total amount, after application of deductibles, of the replacement value thereof against loss or damage by fire and lightning, and other perils included under a Standard Texas Fire and Extended policy form applicable for properties located in coastal areas. If such insurance includes

005-75-1078

a windstorm exclusion, the Council, to the extent obtainable, shall obtain coverage through the Texas Catastrophe Property Insurance Association, or other association or insurance company underwriting windstorm coverage on coastal properties. All Condominium insurance shall include a waiver of subrogation in favor of The Woodlands Corporation and the Association.

14.2. The Council shall, at its sole cost and expense, procure and maintain, for the mutual benefit of the Council and all Owners, a general liability insurance policy against third party claims for personal injury, death or property damage arising out of or in connection with the use, ownership or maintenance of the Units or the Common Furnishings. Such insurance shall afford protection to such limits as the Board may deem reasonable and appropriate and include in addition to Council and Owner, The Woodlands Corporation and the Association as named insured.

14.3. If reasonably available, in the judgment of the Council, the Council shall procure and maintain a policy of Directors' and Officers' liability insurance in such amount as the Board may decide.

14.4. The Council may also procure insurance against such additional risks as the Board deems advisable for the protection of the Owners and the Council. Owners may carry other insurance for their benefit, and at their expense, provided that liability of the carriers issuing insurance obtained by the Council shall not be affected or diminished by reason of any such additional insurance carried by Owner.

14.5. All policies of insurance provided for in this article shall name the Council and each of the Owners, as insured, as their respective interest may appear. The policy or policies described in Section 14.1 shall inure to the benefit of the holder of any mortgage, as the interest of any such mortgagee may appear, by standard policy or policies described in Section 14.1, shall be adjusted with the insurance company or companies by the Council. Each such policy shall, to the extent obtainable, contain a provision that no act or omission of Declarant, the Council, the Board, or any Owner shall void such policy or affect or limit the obligation of the insurance company to pay the amount of any loss sustained. Each such policy issued by the insurer shall, to the extent reasonable obtainable, contain an agreement by the insurer that such policy shall not be cancelled without at least thirty (30) days' prior written notice to Declarant and Owner.

14.6. For so long as Declarant retains a legal or equitable interest in any Unit, the Condominium may, at Declarant's

005-75-1079

election, be insured under such blanket insurance policies as may be available to Declarant from time to time, unless prohibited by law. The procurement of such coverage shall be deemed to constitute full compliance with the insurance requirements contained herein, provided that the coverage afforded the Council by the blanket insurance policy includes protection against each of the perils enumerated herein, with reasonable limits. The blanket insurance policy premium shall be allocated between the Council and Declarant.

**ARTICLE XV
THIRD PARTY LIENS**

15.1. Any liens against an Owner's interest in a Unit shall be limited to the interest of such Owner in his Co-Ownership Estate only, and shall not entitle any lienholder to assert any claim against the interest or Co-Ownership Estate of any other Owner, the Common Furnishings or any Condominium of the Council.

15.2. Each Owner shall furnish written notice to the Council of every lien upon his Co-Ownership Estate within seven (7) days after the Owner receives notice thereof.

**ARTICLE XVI
SAN LUIS CONDOMINIUM ASSOCIATION, INC.**

16.1. This Declaration incorporates by reference and is made subject to the terms and conditions of the Condominium Declaration.

16.2. The Condominium Declaration provides for an annual assessment to be set by the board of directors of the Association to be assessed against each Unit, as well as for special assessments as determined by the board of directors of the Association. Each Owner shall be deemed to have assumed and agreed to pay one-fourth (¼) of the assessment applicable to such Owner's Unit. The Board of Directors of the Council shall include the annual, any supplemental and any special assessment imposed by the board of directors of the Association upon the Owners as an item in the annual budget and shall be responsible for the payment of all such assessments upon collection of the Operation Fee from the Owners.

16.3. The Condominium Declaration provides that each member of the Association shall have certain voting rights. Each Owner hereby irrevocably appoints the Board of Directors of the Council

005-75-1080

as his Attorney-in-Fact in his name, place and stead for the purpose of voting his interest in the affairs of the Association.

16.4. The Association is an entirely separate organization apart from the Council. All Owners will be members of two (2) non-profit corporations (i) the Council and (ii) the Association.

ARTICLE XVII
AMENDMENT

17.1. This Declaration may be amended or modified by vote of three-fourths (3/4) of all of the Owners of Co-Ownership Estates provided, however, that no such amendment may affect or alter the right of any Owner to occupy his Unit during his assigned Use Period unless such Owner shall expressly so consent; provided further that notwithstanding the foregoing so long as Declarant remains the Owner of one or more Co-Ownership Estates this Declaration shall not be amended so as to adversely affect the Declarant, including but not limited to increasing any obligation or decreasing any right of Declarant hereunder, without the Declarant's consent. Subject to the foregoing provision, any amendment shall be binding upon every Owner whether the burdens thereon are increased or decreased. It can also be amended by Declarant only, without vote of the other Owners of Co-Ownership Estates, if so required by the Texas Real Estate Commission.

17.2. Any such amendments to this Declaration shall become effective upon the recording in the County Clerk's Office, Galveston County, Texas, of any instrument executed solely by Board of Directors or Declarant as the case may be. Amendments executed by Board of Directors must set forth a list of all Owners who voted for the amendment.

ARTICLE XVIII
ENFORCEMENT PROVISION

18.1. In the event that any Owner should fail to comply with any of the provisions of this Declaration, the Declarant, the Council and/or any Owner may bring action for damages, to enjoin the violation, or specifically enforce the provisions of this Declaration. In any such legal proceeding, the prevailing party shall be entitled to costs and reasonable attorneys' fees. All sums payable hereunder by any Owner shall bear interest at

005-75-1081

eighteen percent (18%) from the date due. Nothing contained herein, however, shall authorize the collection of interest in excess of the highest rate allowed by law.

18.2. The remedies set forth herein shall be cumulative and in addition to all other remedies which may be available at law or in equity; provided, however, that no breach of any provision hereof by any Owner or by Declarant or failure of any Owner to comply with any provision hereof shall permit or empower any other Owner to terminate any such provision or excuse any such breach or failure, and each Owner shall continue to perform and comply with and hold his Co-Ownership Estate subject to all of the provisions of this Declaration notwithstanding any such breach or failure.

ARTICLE XIX
MISCELLANEOUS PROVISIONS

19.1. Neither the Declaration nor any of the deeds conveying a Co-Ownership Estate shall be deemed to evidence a joint venture, partnership or any other similar arrangement, and no party shall have the right to participate in the individual profits, if any, of any other party arising out of the rental of the Unit.

19.2. The captions used in this Declaration and in any exhibits annexed thereto are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of the provisions thereof.

19.3. Whenever the context so requires, the use of any gender in the Declaration shall be deemed to include both genders, and the use of the singular shall be deemed to include the plural and the plural shall include the singular.

19.4. The provisions hereof shall be deemed to be independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision shall not affect the validity or enforceability of any other provision hereof.

19.5. No restriction, condition, obligation or provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

19.6. This Declaration shall be construed in accordance with the laws of the State of Texas.

005-75-1082

IN WITNESS WHEREOF, Declarant has duly executed this Declaration this 17th day of March, 1988.

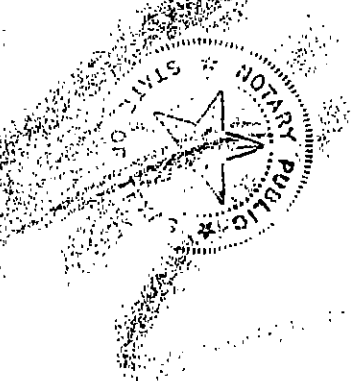
THE WOODLANDS CORPORATION

By: [Signature]
Name: Roger L. Galatas
Title: President

dkw

THE STATE OF TEXAS §
COUNTY OF GALVESTON §

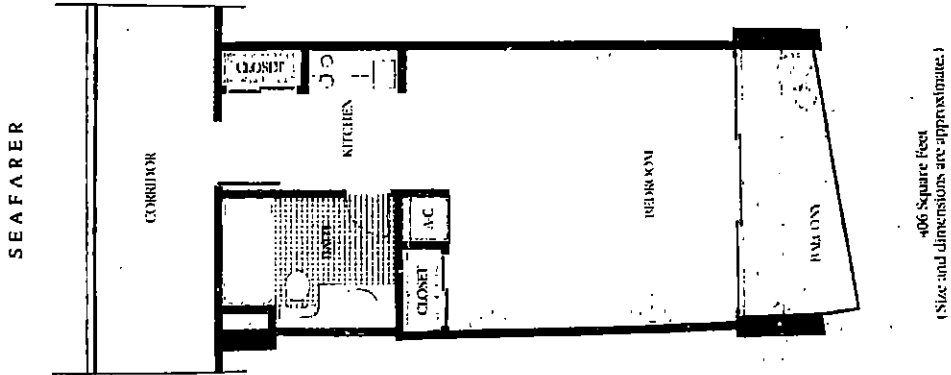
This instrument was acknowledged before me this 17th day of March, 1988, by Roger L. Galatas, President, of The Woodlands Corporation, a Delaware corporation, on behalf of said corporation.



[Signature]
Printed Name: Jennifer Amason
Notary Public, State of Texas
My Commission Expires: 6/12/89

JENNIFER AMASON
Notary Public In and for State of Texas
My Commission Expires 6/12/89

005-75-1084

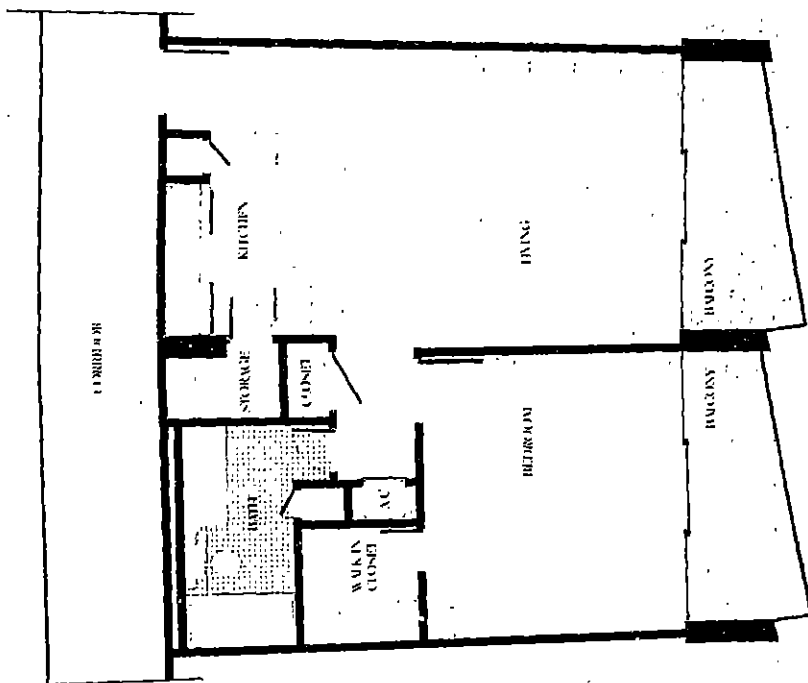


406 Square Feet
(Size and dimensions are approximate.)

EXHIBIT "B-1"

005-75-1085

TARTAN

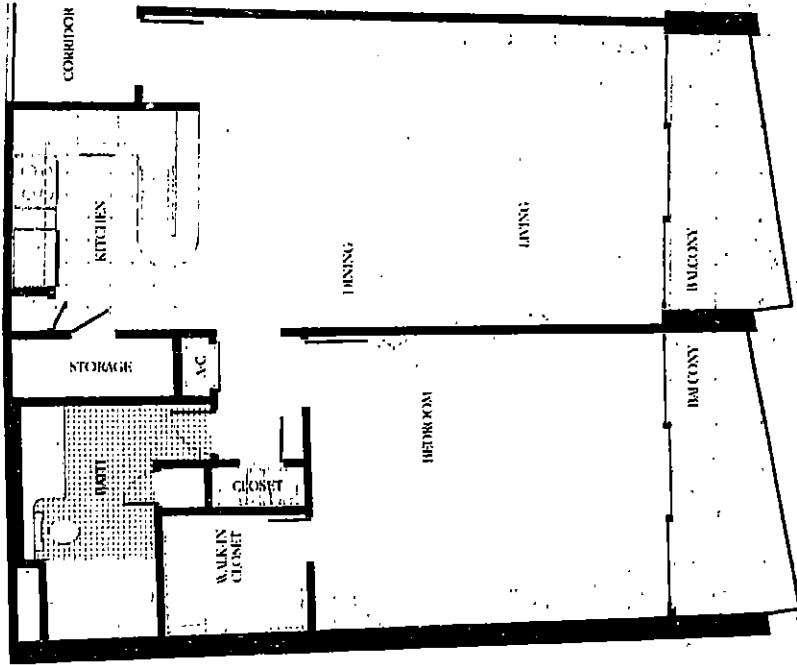


813 Square Feet
(Size and dimensions are approximate.)

EXHIBIT B-2"

005-75-1086

WINDWARD

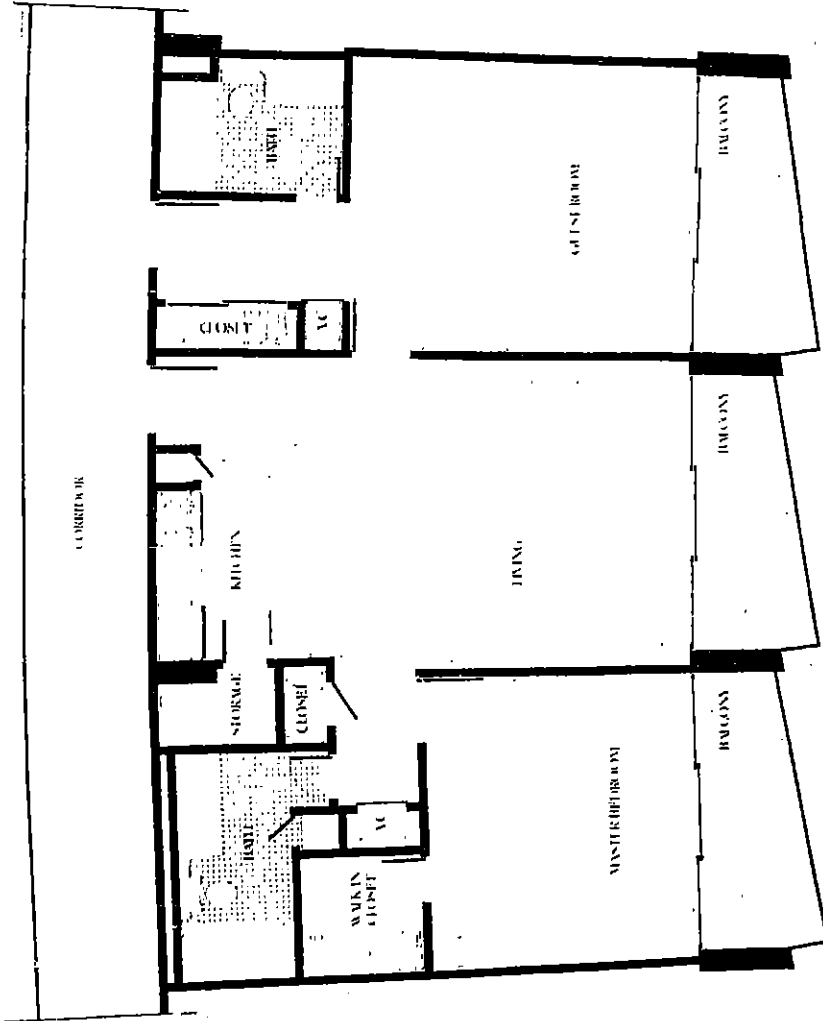


957 Square Feet
(Size and dimensions are approximate)

EXHIBIT "B-3"

005-75-1087.

MARTINGALE

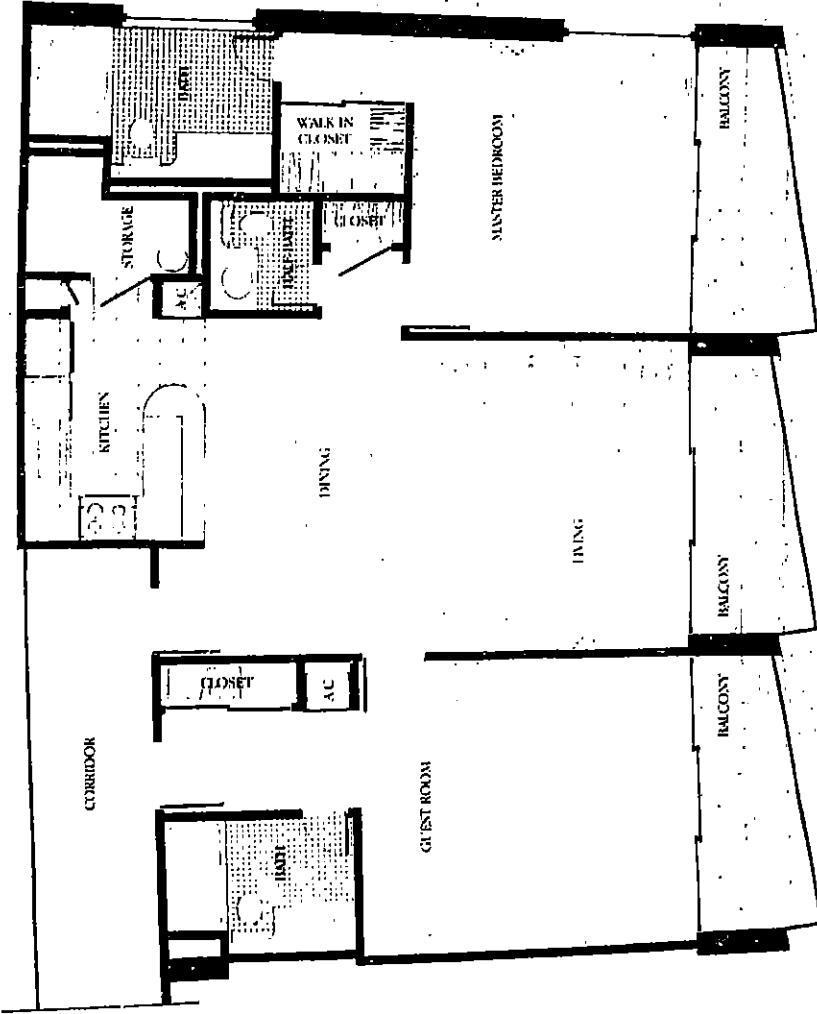


1219 Square Feet
(Size and dimensions are approximate.)

EXHIBIT "B-4"

005-75-1088

CORSAIR



1363 Square Feet
(Size and dimensions are approximate.)

EXHIBIT "B-5"

005-75-1089

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	S.F.	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
336337 A	304.75	0.6992%
336337 B	304.75	0.6992%
336337 C	304.75	0.6992%
336337 D	304.75	0.6992%
435 A	203.25	0.4663%
435 B	203.25	0.4663%
435 C	203.25	0.4663%
435 D	203.25	0.4663%
438439 A	340.75	0.7818%
438439 B	340.75	0.7818%
438439 C	340.75	0.7818%
438439 D	340.75	0.7818%
531 A	101.50	0.2329%
531 B	101.50	0.2329%
531 C	101.50	0.2329%
531 D	101.50	0.2329%
532533 A	304.75	0.6992%
532533 B	304.75	0.6992%
532533 C	304.75	0.6992%
532533 D	304.75	0.6992%
537 A	101.50	0.2329%
537 B	101.50	0.2329%
537 C	101.50	0.2329%
537 D	101.50	0.2329%
538539 A	340.75	0.7818%
538539 B	340.75	0.7818%
538539 C	340.75	0.7818%
538539 D	340.75	0.7818%
636637 A	304.75	0.6992%
636637 B	304.75	0.6992%
636637 C	304.75	0.6992%
636637 D	304.75	0.6992%
732 A	101.50	0.2329%
732 B	101.50	0.2329%
732 C	101.50	0.2329%
732 D	101.50	0.2329%
733 A	203.25	0.4663%
733 B	203.25	0.4663%
733 C	203.25	0.4663%
733 D	203.25	0.4663%
734 A	203.25	0.4663%
734 B	203.25	0.4663%
734 C	203.25	0.4663%
734 D	203.25	0.4663%
738739 A	340.75	0.7818%
738739 B	340.75	0.7818%

EXHIBIT C -

005-75-1090

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

UNIT NUMBER	S. F.	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
738739 C	340.75	0.7818%
738739 D	340.75	0.7818%
835 A	203.25	0.4663%
835 B	203.25	0.4663%
835 C	203.25	0.4663%
835 D	203.25	0.4663%
837 A	101.50	0.2329%
837 B	101.50	0.2329%
837 C	101.50	0.2329%
837 D	101.50	0.2329%
838839 A	340.75	0.7818%
838839 B	340.75	0.7818%
838839 C	340.75	0.7818%
838839 D	340.75	0.7818%
934 A	203.25	0.4663%
934 B	203.25	0.4663%
934 C	203.25	0.4663%
934 D	203.25	0.4663%
936937 A	304.75	0.6992%
936937 B	304.75	0.6992%
936937 C	304.75	0.6992%
936937 D	304.75	0.6992%
938939 A	340.75	0.7818%
938939 B	340.75	0.7818%
938939 C	340.75	0.7818%
938939 D	340.75	0.7818%
1031 A	101.50	0.2329%
1031 B	101.50	0.2329%
1031 C	101.50	0.2329%
1031 D	101.50	0.2329%
1035 A	203.25	0.4663%
1035 B	203.25	0.4663%
1035 C	203.25	0.4663%
1035 D	203.25	0.4663%
10381037 A	304.75	0.6992%
10381037 B	304.75	0.6992%
10381037 C	304.75	0.6992%
10381037 D	304.75	0.6992%
10381039 A	340.75	0.7818%
10381039 B	340.75	0.7818%
10381039 C	340.75	0.7818%
10381039 D	340.75	0.7818%
1130 A	239.25	0.5489%
1130 B	239.25	0.5489%
1130 C	239.25	0.5489%
1130 D	239.25	0.5489%

EXHIBIT C

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

005-75-1091

UNIT NUMBER	S.F.	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
11321133 A	304.75	0.6992%
11321133 B	304.75	0.6992%
11321133 C	304.75	0.6992%
11321133 D	304.75	0.6992%
1134 A	203.25	0.4663%
1134 B	203.25	0.4663%
1134 C	203.25	0.4663%
1134 D	203.25	0.4663%
1135 A	203.25	0.4663%
1135 B	203.25	0.4663%
1135 C	203.25	0.4663%
1135 D	203.25	0.4663%
11361137 A	304.75	0.6992%
11361137 B	304.75	0.6992%
11361137 C	304.75	0.6992%
11361137 D	304.75	0.6992%
11381139 A	340.75	0.7818%
11381139 B	340.75	0.7818%
11381139 C	340.75	0.7818%
11381139 D	340.75	0.7818%
1233 A	203.25	0.4663%
1233 B	203.25	0.4663%
1233 C	203.25	0.4663%
1233 D	203.25	0.4663%
1234 A	203.25	0.4663%
1234 B	203.25	0.4663%
1234 C	203.25	0.4663%
1234 D	203.25	0.4663%
1235 A	203.25	0.4663%
1235 B	203.25	0.4663%
1235 C	203.25	0.4663%
1235 D	203.25	0.4663%
12361237 A	304.75	0.6992%
12361237 B	304.75	0.6992%
12361237 C	304.75	0.6992%
12361237 D	304.75	0.6992%
12381239 A	340.75	0.7818%
12381239 B	340.75	0.7818%
12381239 C	340.75	0.7818%
12381239 D	340.75	0.7818%
14321433 A	304.75	0.6992%
14321433 B	304.75	0.6992%
14321433 C	304.75	0.6992%
14321433 D	304.75	0.6992%
1434 A	203.25	0.4663%
1434 B	203.25	0.4663%

EXHIBIT C

SAN LUIS CONDOMINIUM
CO-OWNERSHIP PROGRAM

005-75-1092

UNIT NUMBER	S. F.	PERCENTAGE OF COMMON FURNISHINGS COMMON EXPENSES
1434 C	203.25	0.4663%
1434 D	203.25	0.4663%
1435 A	203.25	0.4663%
1435 B	203.25	0.4663%
1435 C	203.25	0.4663%
1435 D	203.25	0.4663%
14361437 A	304.75	0.6992%
14361437 B	304.75	0.6992%
14361437 C	304.75	0.6992%
14361437 D	304.75	0.6992%
14381439 A	340.75	0.7818%
14381439 B	340.75	0.7818%
14381439 C	340.75	0.7818%
14381439 D	340.75	0.7818%
1530 A	239.25	0.5500%
1530 B	239.25	0.5500%
1530 C	239.25	0.5500%
1530 D	239.25	0.5500%
15321533 A	304.75	0.6992%
15321533 B	304.75	0.6992%
15321533 C	304.75	0.6992%
15321533 D	304.75	0.6992%
1534 A	203.25	0.4663%
1534 B	203.25	0.4663%
1534 C	203.25	0.4663%
1534 D	203.25	0.4663%
15361537 A	304.75	0.6992%
15361537 B	304.75	0.6992%
15361537 C	304.75	0.6992%
15361537 D	304.75	0.6992%
15381539 A	340.75	0.7818%
15381539 B	340.75	0.7818%
15381539 C	340.75	0.7818%
15381539 D	340.75	0.7818%
TOTAL	172	100.0000%
	43,684.00	

EXHIBIT (1)

005-75-1093

SUBSIDY AGREEMENT

THIS SUBSIDY AGREEMENT is entered into this 17th day of March, 1988, by and between The Woodlands Corporation a Delaware corporation (the "Declarant") and SAN LUIS CONDOMINIUM COUNCIL, a Texas non-profit corporation (the "Council").

W I T N E S S E T H:

WHEREAS, Declarant is the owner in fee simple of certain real property and improvements which have been submitted to a Timeshare regime pursuant to that certain Declaration of Co-Ownership for San Luis Condominiums, recorded or to be recorded in the County Clerk's Office, Galveston County, Texas, and all amendments and supplements thereto (the "Declaration");

WHEREAS, pursuant to Section XII of the Declaration, each Owner, including Declarant, with respect to any Co-Ownership Estate of which it is deemed the Owner, is required to pay any Operation Fee which may from time to time be levied upon his Co-Ownership Estate;

WHEREAS in lieu of the payment of any the Monthly Operation Fees by Declarant which are attributable to any Co-Ownership Estate owned by Declarant, Section 12.3 of the Declaration entitles Declarant to enter into this Subsidy Agreement; and

WHEREAS by their execution hereof, Declarant and the Council intend to establish a method whereby Declarant will subsidize, in accordance with the terms hereof, certain specified amounts which arise in connection with the costs and expenses of operating and administering the Timeshare Regime.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties hereto hereby agree as follows:

1. **DEFINITIONS.** Unless otherwise defined herein, the terms used in this Subsidy Agreement shall be defined as said terms are defined and used in the Declaration.

"Adjusted Common Expenses" shall mean the actual Common Expenses incurred or payable or paid less the amounts included in the Budget for the Common Furnishings Reserves.

"Adjusted Operation Fees" shall mean the Monthly Operation Fees provided for in each annual Budget assessed against and payable by each Co-Ownership Estate not owned by Declarant.

EXHIBIT D

005-75-1094

"Budget" shall mean the annual Budget adopted by the Council.

"Common Furnishings Reserves" shall mean a reserve fund established to repair and replace the Common Furnishings on a timely basis.

"Declarant's Share of Common Furnishings Reserve" as to each Unit, shall mean that portion of the Common Furnishings Reserves applicable to each Co-Ownership Estate of such Unit owned by Declarant after Declarant has sold the first Co-Ownership Estate in such Unit.

"Deficiency" shall mean, for each calendar month for each year for which the Council has adopted a Budget, the amount, if any, by which the Adjusted Common Expenses exceed the Adjusted Operation Fees for that month.

2. ADOPTION OF ANNUAL BUDGET. Prior to the beginning of each year, the Council agrees to adopt for such year an annual Budget to cover all anticipated Common Expenses, including a Common Furnishings Reserve, and providing for a Monthly Operation Fee sufficient to pay all costs included in such annual Budget without a deficit in any month.

3. PAYMENT OF DEFICIENCIES. During each year in which the Council has adopted a Budget as provided for in paragraph 2 above, Declarant agrees to pay the following:

(a) On or before the tenth (10th) day of the following month, the Deficiency for the preceding month;

(b) On or before 30 days following the end of each fiscal year, the Declarant's Share of the Common Furnishings Reserves for the preceding year;

(c) All Special Operation Fees levied by the Council against the Co-Ownership Estates owned by Declarant, as and when they become due.

4. REIMBURSEMENT TO DECLARANT. Notwithstanding anything to the contrary contained herein, Declarant shall never be required to pay to Council any amount over that amount which would otherwise have been payable by Declarant in the absence of this Subsidy Agreement. Within sixty (60) days following the end of any fiscal year of the Council during the term hereof, the Council shall reimburse Declarant for the amount, if any, by which the total of all subsidy payments made by Declarant during such fiscal year in accordance with the provisions hereof exceeds

-2-

EXHIBIT (1)

005-75-1095

the cumulative total of Monthly Operation Fees which would otherwise have been payable by Declarant for such fiscal year in the absence of this Subsidy Agreement. To the extent that the Council levies a Special Operation Fee against the Owners in order to provide the necessary funds for such reimbursement, Declarant shall be entitled to receive a credit against its proportionate share of such Special Operation Fee for any sums due to it.

5. EFFECT OF THIS SUBSIDY AGREEMENT UPON DECLARANT'S OBLIGATION TO PAY OPERATION FEES. Provided Declarant shall not be in default in the performance of any of its obligations hereunder, Declarant shall not be required to pay to the Council any Monthly Operation Fee attributable to any Co-Ownership Estate of which it is the Owner. In the event Declarant fails to perform any material obligation required to be performed by it hereunder, and should Declarant not cure any such failure within twenty (20) days from the date upon which it receives written notice of the alleged breach from the Council, then Declarant shall be in default hereunder, in which event: (a) the obligation of Declarant to pay Monthly Operation Fees attributable to those Co-Ownership Estates of which it is the Owner shall resume, as of the date of such default, and (b) in the event of the non-payment of Monthly Operation Fees, the Council shall be entitled to exercise each and all of the rights and remedies afforded it, pursuant to Article XIII of the Declaration; provided, however, that notwithstanding Declarant's failure to cure any default hereunder within the time period specified, Declarant shall have the right thereafter to cure such default, and upon so doing, Declarant may notify the Council of Declarant's future intention to comply with all of the terms and provisions of this Subsidy Agreement, in which case all of the rights, duties and obligations of Declarant and the Council hereunder shall continue unabated, and any Operation Fees theretofore paid by Declarant shall be applied to Declarant's future Subsidy Payments hereunder.

6. TERM. The term of this Subsidy Agreement shall commence on the Starting Date and shall expire on the earlier to occur of: (a) the date as of which title to ninety percent (90%) of all of the Co-Ownership Estates which have been authorized for sale pursuant to the Declaration have been conveyed by Declarant to third persons or entities; or (b) the date which is thirty (30) days following the date upon which Declarant elects, at its sole option, by written notice to the Council, to terminate this Subsidy Agreement.

7. EFFECT OF TERMINATION. When this Subsidy Agreement is terminated pursuant to paragraph 6 above, the Declarant shall be required to pay Monthly Operation Fees on Co-Ownership Estates owned by it.

-3-

EXHIBIT D

005-75-1096

8. MISCELLANEOUS.

(a) Notices. Any notice, request, demand, instruction or other information or document to be given hereunder shall be in writing and shall be deemed to have been duly given and effective when personally delivered or five (5) business days after being deposited in the United States mail as registered or certified mail, postage prepaid, return receipt requested or by overnight courier service and addressed as follows:

If to the Council:

SAN LUIS CONDOMINIUM COUNCIL
2201 Timberloch Place
The Woodlands, Texas 77380

If to the Declarant:

THE WOODLANDS CORPORATION
2201 Timberloch Place
The Woodlands, Texas 77380

In the event either of these addresses changes, the appropriate party is required to notify the other party in writing of such change.

(b) Waiver. No restriction, condition, obligation or provision contained herein shall be deemed to have been abrogated or waived by reason of any failure to enforce same, irrespective of the number of violations or breaches thereof which may occur.

(c) Entire Agreement. This agreement constitutes the entire agreement between the parties with respect to the sub-sidization program contemplated herein and replaces any prior negotiations, representations, agreements and understandings, both oral and written. Any modification to this agreement shall not be effective unless such modification is set forth in a written instrument which is signed by each of the parties hereto.

(d) Captions. The captions used in this Agreement are inserted solely as a matter of convenience and shall not be relied upon and/or used in construing the effect or meaning of the provisions hereof.

(e) Survival of Agreement. This agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto.

-4-

EXHIBIT D

005-75-1097

(f) Severability. The provisions hereof shall be deemed to be independent and severable, and the invalidity or partial invalidity of any one provision shall not affect the validity or enforceability of any other provision hereof.

(g) Attorneys' Fees. In the event any controversy, claim or dispute between the parties hereto arising out of or relating to this agreement or the breach thereof results in arbitration or litigation, the prevailing party in such proceeding (s) shall be entitled to recover from the losing party, reasonable expenses, attorneys' fees and other costs.

(h) Governing Law This agreement is made and entered into in the State of Texas and shall be governed, interpreted and construed under the laws of the State of Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Subsidy Agreement as of the date first written above.

"DECLARANT"
THE WOODLANDS CORPORATION

By: [Signature]
Name: Robert L. Galatas
Title: President

"COUNCIL"
SAN LUIS CONDOMINIUM COUNCIL

By: [Signature]
Name: Tim Welkes
Title: Vice President

akw

EXHIBIT D

EXHIBIT "E"

005-75-1098

USE PERIODS: FOR YEARS 1988 TO 2047

1988, 2008, 2028,Owner A Week	1992, 2012, 2032, Owner B Week	1996, 2016, 2036, Owner C Week	2000, 2020, 2040, Owner D Week	2004, 2024, 2044, 1*
2*	3	4	1*	
5	7	9	11	
6	8	10	12	
13	15	17	19	
14	16	18	20	
21	23	25	27	
22	24	26	28	
29	31	33	35	
30	32	34	36	
37	39	41	43	
38	40	42	44	
45	47	49	51	
46	48	50	52	

1989, 2009, 2029, Owner A Week	1993, 2013, 2033, Owner B Week	1997, 2017, 2037, Owner C Week	2001, 2021, 2041, Owner D Week	2005, 2025, 2045, 2*
1*	2*	3	4	
11	5	7	9	
12	6	8	10	
19	13	15	17	
20	14	16	18	
27	21	23	25	
28	22	24	26	
35	29	31	33	
36	30	32	34	
43	37	39	41	
44	38	40	42	
51	45	47	49	
52	46	48	50	

1990, 2010, 2030, Owner A Week	1994, 2014, 2034, Owner B Week	1998, 2018, 2038, Owner C Week	2002, 2022, 2042, Owner D Week	2006, 2026, 2046, 2*
4	1*	2*	3	
9	11	5	7	
10	12	6	8	
17	19	13	15	
18	20	14	26	
25	27	21	23	
26	28	22	24	
33	35	29	31	
34	36	30	32	
41	43	37	39	
42	44	38	40	
49	51	45	47	
50	52	46	48	

1991, 2011, 2031, Owner A Week	1995, 2015, 2035, Owner B Week	1999, 2019, 2039, Owner C Week	2003, 2023, 2043, Owner D Week	2007, 2027, 2047, 1*
3	4	1*	2*	
7	9	11	5	
8	10	12	6	
15	17	19	13	
16	18	20	14	
23	25	27	21	
24	26	28	22	
31	33	35	29	
32	34	36	30	
39	41	43	37	
40	42	44	38	
47	49	51	45	
48	50	52	46	

*Weeks 1 and 2 are extended maintenance periods - no occupancy rights