

RECIPROCAL USE AGREEMENT

THE STATE OF TEXAS)
COUNTY OF GILLESPIE)

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, UNIVERSITY SAVINGS ASSOCIATION, a Texas savings and loan association, is the owner of a certain tract of land in Gillespie County, Texas, being a portion of a residential subdivision known as WINDCREST, a Planned Development, such portion being described in the plat recorded in Volume 1, Page 71 of the Plat Records of Gillespie County, Texas; such portion to be known as WINDCREST TOWNHOMES, on which tract of land UNIVERSITY SAVINGS ASSOCIATION proposes to construct single-family residential townhomes, as well as recreational facilities (Recreational Facilities) which will consist of a swimming pool, two (2) tennis courts and a community building; and,

WHEREAS, UNIVERSITY SAVINGS ASSOCIATION is the owner of an adjoining tract of land, which is also a portion of WINDCREST, a Planned Development, such portion being described in the plat recorded in Volume 1, Page 72 of the Plat Records of Gillespie County, Texas; such portion to be known as WINDCREST PATIO HOMES, on which tract of land UNIVERSITY SAVINGS ASSOCIATION proposes to construct single-family residential patio homes; and

WHEREAS, the Recreational Facilities to be constructed on WINDCREST TOWNHOMES, and to be owned by WINDCREST TOWNHOMES ASSOCIATION, INC., shall be for the use and enjoyment of the owners of residential units to be located on WINDCREST TOWNHOMES as well as WINDCREST PATIO HOMES, their tenants, guests and invitees, all in accordance with the terms and provisions as hereinafter set forth; said Recreational Facilities to be used for the purpose of enhancing and protecting the value, desirability and attractiveness of the developments and improvements upon or to be placed upon WINDCREST TOWNHOMES and WINDCREST PATIO HOMES, all in accordance with the following terms and conditions:

NOW, THEREFORE, UNIVERSITY SAVINGS ASSOCIATION, as the present owner of WINDCREST TOWNHOMES and WINDCREST PATIO HOMES, does by these presents place and impose the following covenants, conditions and restrictions, which shall be deemed to be covenants running with the land, upon each and all of the properties comprising WINDCREST TOWNHOMES and WINDCREST PATIO HOMES, and it is agreed that all persons or parties claiming or having any interest in either WINDCREST TOWNHOMES or WINDCREST PATIO HOMES through or under UNIVERSITY SAVINGS ASSOCIATION, its successors or assigns, shall be bound by these covenants, conditions and restrictions.

The Recreational Facilities shall, subject to the limitations, terms and provisions hereof, be for the common use, benefit and enjoyment, with full rights of ingress and egress, of each owner or tenant, during his respective occupancy, and their guests and invitees, of any residential unit located on any part of the property comprising WINDCREST TOWNHOMES and WINDCREST PATIO HOMES.

The term "residential unit" shall mean any and all structures, whether townhomes or patio homes, designed for residential use and occupied, or to be occupied, exclusively as a residence on WINDCREST TOWNHOMES and WINDCREST PATIO HOMES, and shall include the lots or building plots upon which such structures are located.

2.

The rights and privileges of all entitled to use the Recreational Facilities shall be subject to the terms, conditions and restrictions as follows:

MAINTENANCE, RIGHTS, AND PRIVILEGES:

(a) WINDCREST TOWNHOMES ASSOCIATION, INC., or its successors, shall have the right and obligation to operate, maintain, repair, regulate, administer, improve and manage such Recreational Facilities, and shall have the sole right to determine what, if any, additional facilities shall be constructed or installed as well as when and how existing facilities shall be maintained and repaired, all expenses for same to be shared as indicated herein.

(b) The rights and privileges of the owners or tenants residing in the residential units located on the property comprising WINDCREST TOWNHOMES and WINDCREST PATIO HOMES shall be subject to such reasonable rules and regulations as WINDCREST TOWNHOMES ASSOCIATION, INC., or its successors, may, from time to time, prescribe for such use. Written copies of such rules and regulations shall be posted on bulletin boards, or other prominent places, or the Recreational Facilities, or shall be furnished to owners or tenants in question as they initially occupy a residential unit entitled to use and benefit of the Recreational Facilities. Such rules and regulations shall control the manner in which the Recreational Facilities shall be used and enjoyed by all of the owners or tenants in the residential units, their guests and invitees, and may be changed from time to time as WINDCREST TOWNHOMES ASSOCIATION, INC., or its successors, shall solely determine.

EXPENSES:

All expenses of operation (including all real estate taxes) administration, accounting, legal, insuring, repairing, replacing and maintenance of the Recreational Facilities shall be borne by the owners of all the residential units located on the property comprising WINDCREST TOWNHOMES and WINDCREST PATIO HOMES, in the same proportion as the total number of residential units owned by each such owner bears to the total number of residential units within WINDCREST TOWNHOMES and WINDCREST PATIO HOMES. WINDCREST TOWNHOMES ASSOCIATION, INC., or its successors, shall keep, or cause to be kept, financial reports which will reflect the operating expenses to be shared hereunder. A determination of the total number of residential units shall be made on December 31st of each year and on that date, all residential units that have been completed and ready for occupancy, whether or not occupied on that date, shall be deemed to have been completed as of January 1st of that year and shall bear their share of the cost of maintaining, equipping and improving the Recreational Facilities.

COVENANTS FOR MAINTENANCE ASSESSMENTS:

The owners of each residential unit located on WINDCREST TOWNHOMES and WINDCREST PATIO HOMES are hereby subjected to, and shall be liable for, the costs, expenses and charges paid or incurred in maintaining and repairing such Recreational Facilities (including the equipment used in connection therewith); and subject to the consent provision hereof, the costs, expenses and charges paid or incurred in constructing any additions, replacements or improvements to the Recreational Facilities.

WINDCREST TOWNHOMES ASSOCIATION, INC. shall on the first day of

January of each year, or as soon thereafter as is practical, levy an assessment equal to the projected amount deemed necessary to meet all costs, expenses and charges for the equipping, operation and maintenance of the Recreational Facilities for the year, provided, however, that such cost for each residential unit shall not exceed \$540.00 per residential unit per year, unless the same has been approved by the vote of the owners of at least 50% of the residential units in WINDCREST

TOWNHOMES AND WINDCREST PATIO HOMES. This assessment shall be due and payable within 30 days after notice of such assessment is mailed to all owners of record in WINDCREST TOWNHOMES and WINDCREST PATIO HOMES. In addition, WINDCREST TOWNHOMES ASSOCIATION, INC. may at any time during the year, if additional funds are required to finance new construction of improvements or replacement of any of the Recreational Facilities which have been authorized by the vote of the owners of at least 75% of the residential units in WINDCREST TOWNHOMES and WINDCREST PATIO HOMES, or to maintain the present Recreational Facilities, assess such additional amounts as are deemed necessary, and any such special assessment shall be due and payable within 30 days after notice of such assessment is mailed to all owners of residential units of record in WINDCREST TOWNHOMES and WINDCREST PATIO HOMES.

(a) It is expressly understood and agreed that the costs, expenses and charges herein imposed, shall be in addition to any costs, expenses and charges imposed by any future Declarations of Covenants, Conditions and Restrictions adopted by UNIVERSITY SAVINGS ASSOCIATION covering WINDCREST WINDCREST TOWNHOMES ASSOCIATION, INC. or WINDCREST PATIO HOMES ASSOCIATION, INC.

LIENS:

Said costs, expenses and charges herein imposed are and shall be secured by a continuing Vendor's Lien which is hereby expressly created and retained against, and shall be a lien running with each residential unit in WINDCREST

TOWNHOMES and WINDCREST PATIO

HOMES. It is hereby expressly provided that the lien herein created shall be and remain subject and subordinate to the present liens covering the property herein described, and to any and all future liens given to finance the purchase of any residential unit in WINDCREST TOWNHOMES and WINDCREST PATIO HOMES, or the improvement there of. Said costs, expenses and charges shall be paid by all residential unit owners in WINDCREST TOWNHOMES and WINDCREST PATIO HOMES to WINDCREST TOWNHOMES

ASSOCIATION, INC., such Association to be custodian and administrator of said funds, with such charges being paid to said Association at such address as it may at any time, and from time to time, designate. Without waiving the foregoing lien, it expressly provided that if an owner of one or more residential units fails to pay an assessment levied within 30 days after the same shall be due, then such owner and all occupants of the residential unit owned by such owner shall be prohibited from using the Recreational Facilities until such time as the assessment is paid.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate often (10%) per cent per annum. WINDCREST TOWNHOMES ASSOCIATION, INC. may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the residential unit. Interest, costs and reasonable attorney's fees incurred in any such action shall be added to the amount of such assessment or charge. Each such owner, by his acceptance of a deed to a residential unit, hereby expressly vests in WINDCREST TOWNHOMES ASSOCIATION, INC., or its agents, the right and power to bring all actions against such owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including non-judicial foreclosure pursuant to Article 3810 of the Texas Revised Civil Statutes, and such owner hereby expressly grants to WINDCREST TOWNHOMES ASSOCIATION, INC. a power of sale in connection with said lien. The lien provided for in this section shall be in favor of WINDCREST TOWNHOMES ASSOCIATION, INC. and shall be for the benefit of all residential unit owners. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Recreational Facilities or abandonment of his residential unit.

Sale or transfer of any residential unit pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer.

No sale or transfer shall relieve such residential unit from liability for any assessments thereafter becoming due or from the lien thereof.

3.

The covenants and agreements contained herein shall not grant any right to the general public to use, enjoy or go upon any of the lands described herein, or to use the Recreational Facilities except as herein provided. The provisions hereof do not create any obligation whatsoever on the owners of the Recreational Facilities to construct any additional improvements, or to install any additional facilities on the lands described herein.

EXECUTED this 27th day of January, A.D., 1981.

UNIVERSITY SAVINGS ASSOCIATION

ATTEST:

Connie S. Crenwelge Secretary

BY: G. K. Maenius
Vice-President

THE STATE OF TEXAS)
COUNTY OF GILLESPIE)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared G. K. Maenius , Vice President , known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said UNIVERSITY SAVINGS ASSOCIATION, a Texas savings and loan association and that he executed the same as the act of such association, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 27th day of January, A.D., 1981.

Linda Welgehausen

Notary Public in and for Gillespie County, Texas.