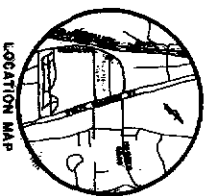
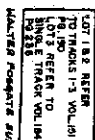


GUADALUPE RIVER CONDOMINIUMS RESTRICTIONS

Volume 5, Page 32, Plat Records of Kerr County, Texas; Volume 1, Page 313, Condominium Records of Kerr County, Texas, BUT OMITTING ANY COVENANT OR RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

OTHER EXCEPTIONS

- Easement dated December 4, 1929 to Texas Power & Light Company, recorded in Volume 51, Page 188, Deed Records of Kerr County, Texas.
- Easement dated March 13, 1951 to L.C.R.A., recorded in Volume 1, Page 299, Easement Records of Kerr County, Texas. (AS PER LOT 1 "hotel tract" ONLY)
- Easement and Right Of Way dated January 26, 1965 to L.C.R.A., recorded in Volume 4, Page 194, Easement Records of Kerr County, Texas.
- Flood Easement dated May 1, 1978 to Upper Guadalupe River Authority, recorded in Volume 9, Page 774, Easement Records of Kerr County, Texas; said easement having been corrected by Flood Easement Of Correction recorded in Volume 12, Page 116, Easement Records of Kerr County, Texas. (AS PER LOT 3 ONLY)
- Building Set Back Lines as per the Plat recorded in Volume 5, Page 32, Plat Records of Kerr County, Texas.
- Terms, covenants, conditions, provisions, running with the land, and binding forever any person having at any time an interest or estate in a unit, according to the Declaration of Condominium recorded in Volume 1, Page 313, Condominium Records of Kerr County, Texas, including, but not limited to provisions for maintenance charges and homeowners association fees due, and all future assessments and charges of Guadalupe River Council Of Owners.
- All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.
- Any visible and/or apparent roadways or easements over or across the subject property.
- Rights of Parties in Possession. (AS PER OWNER POLICY ONLY)



LOCATION MAP

• IRON PIN
• CONCRETE MONUMENT

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FINAL PLAT INN OF THE HILLS

KENRVILLE, TEXAS
10:32 - 00100

MOTHERAL INDUSTRIES

2008 2009

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Exhibit B.1.3

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KERR COUNTY Vol: 5 Page: 32 IN OF THE HILLS

DECLARATION OF CONDOMINIUM

02541 GUADALUPE RIVER CONDOMINIUMS

For the purpose of establishing a condominium regime subject to the provisions of the Texas Condominium Act, Article 1301a of the Texas Revised Civil Statutes, GUADALUPE CENTER, INC., a Texas business corporation (herein called Developer), for itself, its successors, grantees and assigns, hereby makes this Declaration of Condominium, and for such purpose Developer does hereby make the declarations hereinafter set forth, and Developer hereby submits (and declares its desire to submit) the land described in Exhibit A together with all buildings and improvements thereon erected, or to be erected and completed, and all rights appurtenant to such land, (specifically including rights under a Shared Facilities Agreement recorded in the deed records of Kerr County, Texas), to the condominium form of ownership in accordance with the provisions of the Texas Condominium Act and the provisions of this Declaration, as follows:

I. NAME, DEFINITIONS AND DESCRIPTION OF PROJECT.

1.1 Name. The Project shall have the name of GUADALUPE RIVER CONDOMINIUMS.

1.2 Definitions. As used herein the terms below shall have the meanings set forth below:

(a) "Board". The board of directors elected by the Owners pursuant to the Bylaws to govern and manage the affairs of the Council.

(b) "Buildings". The Buildings situated on the land described in Exhibit A and designated on Exhibit C.

(c) "Bylaws". All bylaws and other governing rules and regulations adopted by the Council if acting as an unincorporated association, and the articles of incorporation and bylaws and rules and regulations of the Council as a non-profit corporation.

(d) "Common Expense". The expenses of the Project and operation thereof to be borne and shared in common by all of the Owners proportionately as set forth herein.

(e) "Common Fund". All funds of the Council or of all Owners collectively administered by the Council.

(f) "Council". The collective organization or association (whether incorporated or unincorporated) of all of the Owners, known in the Texas Condominium Act as the Council of Co-Owners.

(g) "Declaration". This instrument by which the property described herein is submitted to the provisions of the Texas Condominium Act.

(h) "Developer". GUADALUPE CENTER, INC., or its successors in interest.

(i) "General Common Elements". All parts of the Project which are not owned separately and which are owned in common including, but not limited to, the items specifically designated as such in this Declaration, together with such other property as shall be designated as such from time to time by written instrument recorded in the Condominium Records of Kerr County, Texas, signed by the Council and by the owner of the property so designated.

(j) "Limited Common Elements". The parts of the General Common Elements herein reserved, or which are agreed upon by all of the Owners to be reserved, for the exclusive use of the Owners of one or more units to the exclusion of the Owners of other units.

(k) "Majority of Owners". The Owners with fifty-one (51%) percent or more of the votes weighted so as to coincide with their Percentage Interests in the entire condominium regime.

(l) "Owner". A person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof, who owns one or more units within the Project.

(m) "Percentage Interest". The share of the General Common Elements and the entire Condominium regime incident to ownership of a Unit, as specified in Exhibit B.

(n) "Project". All of the real property described in Exhibit A and all improvements constructed or to be constructed thereon, and rights appurtenant to such land including specifically the Shared Facilities Agreement.

(o) "Unit". An enclosed space in a Building designed for independent residential use and designated on Exhibit B as a separate Unit, which will be owned individually and not owned in common with the other owners of the Project.

(p) Other Terms. All terms defined in the Texas Condominium Act are used herein in the sense and meaning so defined except as limited, substituted or amplified as set forth herein.

1.3 Description of Project and Development Plan. The Condominium Project is described and established as follows:

(a) Survey and Plot Plan: A plot plan of the land showing the Buildings and other improvements thereon is attached as Exhibit C.

(b) Reserved Easements: Easements are reserved through the Project as may be required for utility services to adequately serve the Project and the adjacent property known as the Inn of the Hills. An easement is reserved for ingress and egress by pedestrian traffic over the pathway between buildings 2 and 3 providing access from the property known as the Inn of the Hills to the water front abutting the project, which easement shall inure to the benefit of the owners, guests and employees and invitees of the Inn of the Hills. Easements bordering and serving the project shall also be established pursuant to the Shared Facilities Agreement, attached hereto as Exhibit D, designed to serve the aforesaid Inn of the Hills and future condominium projects constructed adjacent to the project, all as set forth in Exhibit D.

(c) Improvements: The Condominium Project includes the three residential Buildings plus other facilities located on the property depicted on Exhibit C. The residential Buildings are intended to be used as multi-unit apartment buildings. The three residential Buildings contain 105 Units as described in Exhibit B. The Percentage Interest which each Unit bears to the entire condominium regime is set forth in Exhibit B attached hereto and each Owner shall have a Percentage Interest in the General Common Elements and the entire condominium regime equal to the aggregate of the Percentage Interests of the Units owned by such Owner.

(d) Council: The Council is to be formed as a Corporation organized under the Texas Non-Profit Corporation Act under the name "Guadalupe River Council of Owners" as evidenced by articles of incorporation on file with the Secretary of State of Texas.

1.4 General Provisions. The Project comprises the Units, the General Common Elements, and the Limited Common Elements as follows:

(a) Units and Boundaries: Each Unit consists of that part of the residential Building containing the Unit which lies within the boundaries of the Unit, exclusive of interior load-bearing walls and pillars, and any pipes, wires, conduits, ducts, vents and other service and utility lines which are utilized for or serve more than one Unit. The vertical boundaries of each Unit shall be boundaries as shown on the attached Exhibit B. Where the Unit is bounded by a wall, the wall shall be considered to include any door, window or other closure therein in the closed position, and the boundary shall be the unfinished surface of such wall on the Unit side, to the end that the Unit shall include the paint, wallpaper, enamel, stain or other finishings on such surface. Where the Unit consists in whole or in part of an unenclosed space, the boundary defining such space is the boundary as shown on Exhibit B. The horizontal boundaries of each Unit shall be the top of the unfinished surface of the concrete floor below the Unit, and the bottom of the unfinished surface of the ceiling above the Unit (as extended to define the top and bottom of patios and balconies; except that where there is a stairway or other opening in the floor or ceiling of a Unit, the boundary shall be the surface resulting from extensions of the nearest adjacent unfinished surfaces of the top of the floor or the bottom of the ceiling above the unit, as the case may be. Horizontal partitions may be constructed within any Unit even though such may result in the creation of enclosed living areas within such Unit, and in that event the upper-most ceiling of the Unit shall still constitute its upper boundaries and, conversely, only the floors depicted on Exhibit B shall constitute the lower boundary of a Unit.

(b) General Common Elements. The General Common Elements consist of the entire property within the Project other than the Units

(including all parts of the Buildings which are outside the boundaries of the Units), including without limitation, the following:

(1) the land described in Exhibit A together with rights appurtenant thereto, including specifically rights under the Shared Facilities Agreement;

(2) the foundations, bearing walls, columns, roofs, halls, walkways, terraces, planted areas, fencing, elevators, equipment and storage rooms, lobbies, stairways, entrances and exits or communication ways, gates and doors, tennis courts, plaza, waterfront and marina, storage facilities, outdoor lighting facilities, hot and cold water system, swimming pool, storage facilities, parking garage, guest parking areas, trash collector areas, and all other like elements;

(3) the Common Fund;

(4) the special cross easements and use rights in respect to adjacent tracts of land (including the benefits and burdens thereof) as set forth in the Shared Facilities Agreement described in Section 1.6; and

(5) all other parts of the Project, and all apparatus and installations existing in the Buildings or on the property, for the common use, or necessary or convenient to the existence, maintenance or safety of the property and the Project.

(c) Limited Common Elements. Portions of the General Common Elements are hereby limited in use for the benefit of certain Owners to the exclusion of others and so are called Limited Common Elements. Certain of the numbered parking spaces and each of the storage units in the area depicted on the attached Exhibit B is set aside and reserved for the exclusive use of the Owner of the Unit to which such space is assigned in Exhibit B. The halls, foyers, walkways, yard areas, and terraces adjacent to or within a residential Building are set aside and reserved for the exclusive use of the Owners of Units from which direct access to such hall, foyer, walkway, yard area or terrace is afforded only if so specified in Exhibit B. With the agreement of all of the Owners, additional portions of the General Common Elements may be set aside and reserved for the exclusive use of individual Owners as Limited Common Elements. Such

Limited Common Elements shall be used in connection with the particular Unit or Units to which assigned to the exclusion of the use thereof by the Owners.

1.5 Easements. Each Owner shall have an easement in all pipes, wires, ducts, cables, conduits, public utility lines and other General Common Elements located in whole or in part in any of the other Units or common areas but serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other general common elements serving other units but located in such Unit.

1.6 Burdens Of Project. The Project is subject to, and the ownership of each Unit and interest in the General Common Elements is subject to, all provisions of this Declaration and the Council's articles of incorporation, if any, bylaws, and rules and regulations, and to the restrictions, zoning, covenants, conditions and easements, including right-of-way and utility easement, and all oil, gas and mineral leases, rights and all outstanding royalty lease and mineral interests applicable to or affecting the project recorded in Kerr County, Texas. The Project is specifically subject to the terms and provisions of a Shared Facilities Agreement providing cross easements and use rights in respect to recreational facilities among the occupants of three adjacent tracts of land (one of which is the Project), which agreement is recorded in the Office of the County Clerk of Kerr County, Texas and attached hereto as Exhibit D.

1.7 Encroachments Permitted. If any portion of a Unit or the General Common Elements to be built encroaches when completed upon any other Unit or upon any portion of the General Common Elements, or if any such encroachment shall occur hereafter as a result of settling or shifting of a Building, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the Building shall stand. In the event any improvements shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachment of part of the General Common Elements upon any Unit or of any Unit upon any other Unit or upon any

portion of the General Common Elements due to such rebuilding shall be permitted and valid easements for such encroachments and maintenance thereof shall exist so long as the Building shall stand, provided such encroachment does not materially adversely affect the value or use of the property encroached upon.

1.8 Access. The Council shall have the right of access to each Unit to inspect the same and to remove violations of governmental regulations, this declaration or rules and regulations established by the council and to maintain, repair and replace the General Common Elements contained therein or elsewhere in the Buildings.

II. COUNCIL OF OWNERS

2.1 Council. The General Common Elements shall be administered and the Project shall be governed by the Council which is hereby established as a membership association. Each Owner is a member of the Council having a share of the aggregate members voting rights in such Council equal to his Percentage Interest. The Council shall act for the benefit of all Owners to provide for the protection, preservation, maintenance and repair of the General Common Elements, and to govern, operate, and administer the Project as hereby established and its property, including the Common Fund. The Council and its affairs shall be administered and managed by a board of directors (the Board) elected by the members of the Council in the manner specified for election of directors under the Bylaws.

2.2 Incorporation. The Council is incorporated under the name of GUADALUPE RIVER COUNCIL OF OWNERS as a membership corporation under the provisions of the Texas Non-Profit Corporation Act as evidenced by articles of incorporation on file with the Secretary of State of Texas. The Council shall subsequently be operated as an unincorporated membership association if the corporation shall at any time be dissolved. The affairs of the Council, whether or not incorporated, shall be governed by the provisions of this Declaration, the articles of incorporation (if incorporated) and the Bylaws adopted by the Board. The Project (including the property and the Owners thereof) shall be subject to and

governed by all such instruments and by such rules and regulations as shall be adopted and published by the Board from time to time.

2.3 Directors. The Board of the Council shall consist of three directors or such other number of directors as may be specified in the articles of incorporation or bylaws of the Council. The Board shall have the powers, duties, authority and responsibility specified herein and in the articles of incorporation and bylaws of the Council. The initial members of the Board of the Council shall be the persons designated in the articles of incorporation of the Council.

2.4 Membership In Council; Voting Rights. Each Owner of one or more Units (including Developer if and so long as Developer owns at least one Unit) shall automatically be a member of the Council. Each Owner shall remain a member of the Council until such time as he ceases to own at least one Unit, at which time his membership automatically shall cease. Upon any transfer of ownership of any Unit, the new Owner shall succeed to such membership in the Council. The aggregate number of votes for all members of the Council shall equal 100, which shall be divided among the Owners of Units in proportion to their Percentage Interests.

2.5 Articles Of Incorporation And By-Laws. The initial articles of incorporation and bylaws shall be adopted by the Developer as sole Owner of the Project property and sole member of the Council, for the purpose of organizing the Council as a corporation. The articles of incorporation and bylaws may be amended from time to time in the manner therein provided or as provided by law.

2.6 Council Owned Units. Any voting rights attributable to Units which have been acquired by the Council shall not, while owned by the Council, be exercised and such voting rights shall not be considered outstanding in determining the existence of a quorum.

III. DUTIES OF COUNCIL AND OWNERS

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

(a) Units:

(1) By the Council. The council shall maintain, repair and replace, at the expense of the owners through the Common Fund:

(i) all portions of each Unit (except interior surfaces) contributing to the support of the Buildings, which portions shall include, but not be limited to, the outside walls of the building and all fixtures on the exterior thereof, boundary walls of Units, structural floors and ceilings, load-bearing columns and load-bearing walls;

(ii) all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which are contained in the portions of each Unit which service part or parts of the Project other than the Unit within which contained;

(iii) all incidental damage caused to any Unit by such work;

(iv) exterior portions of exterior doors and windows and balconies and patios of Units, except that replacement of broken windows and doors and repair of damaged balconies or patios of a Unit shall be performed by the council at the expense of the Unit Owner.

(2) By the Owner. Each Owner shall be responsible:

(i) to maintain, repair and replace at his expense all portions of his Unit except the portions to be maintained, repaired and replaced by the council. Such shall be done without disturbing the rights of other Owners. Without limitation, each Owner shall be responsible for maintenance and repair of all appliances, fixtures, heating and air conditioning systems serving such Owner's Units including condensing units situated without such Owner's unit and serving only his unit;

(ii) not to paint or otherwise decorate or change the appearance of any portion of the exterior of the Building, including exterior of front entrance doors, balconies and patios;

(iii) to promptly report to the Council any defect or need for repairs, the responsibility for the remedying of which is that of the Council; and

(iv) to pay the cost of all repairs to a General Common Element necessitated by the negligence, misuse or neglect by such Owner or such Owner's guests or invitees, including tenants.

(3) Alteration and Improvement. Neither an Owner nor the Council shall make any alteration in the portions of any Unit which are to be maintained by the Council, or remove any portions thereof, or make any additions thereto, or do anything which would jeopardize the safety or soundness of the Building, or impair any easement, without first obtaining approval in writing of all Owners directly affected thereby (which approval shall not be unreasonably withheld) and the approval of the Board. A copy of detailed plans for all of such work shall also be filed with the Council prior to requesting such approval.

(b) General Common Elements:

(1) By the Council. The maintenance and operation of the General Common Elements (which includes the Limited Common Elements) shall be the responsibility of the Council at the expense of the co-owners through the common fund.

(2) Alteration and Improvement of General Common Elements. There shall be no alteration nor further improvements of General Common Elements without prior approval of the members of the Council by vote of a Majority of Owners or such greater number as shall be specified in the Council bylaws, except as expressly provided in Section 7.1. A copy of detailed plans for all such work shall be filed with the Council with such request for approval. Improvements of the General Common Elements shall, moreover, be subject to such restrictions and provisions, if any, as shall be set forth in the by-laws.

3.2 Utilities. Each Owner shall be individually responsible for and shall pay for all telephone, electricity and all other utility services furnished to his Unit which are separately metered or billed by the respective utility companies or other party furnishing same. In this respect it is understood that Developer or the Council may cause hot and cold water service for domestic use and for heating and air conditioning to be provided to each Unit by the Council under arrangement whereby the cost

of providing such service (exclusive of maintaining, repairing and replacing common equipment) shall be allocated among the various Units on the basis of usage determined by reasonable, reliable metering devices, in which event each Unit shall pay its pro rata part of the cost of such service as determined by such means as though the same were provided by an independent utility. The Council will have the same rights and remedies in respect to any unpaid bills for such service as the Council possesses in respect to assessments made in accordance with Article IV hereof including the right to recover interest, attorney's fees and foreclose liens. Utilities, which are not separately metered or billed to the individual Units shall be a part of the Common Expenses, and each Owner shall pay his pro rata part thereof as in the case of other Common Expenses.

3.3 Blanket Insurance. The Council shall have the authority and responsibility to, and shall, obtain and continue in effect blanket property insurance to insure the Buildings, structures and Units in or on the Project, and the Owners thereof, against risks of loss or damage by fire and other hazards as are covered under standard extended coverage provisions in such amount, not less than eighty percent (80%) of the full insurable replacement value of the Project, as the Board shall deem advisable, and insurance against other risks of whatever character as the Board shall deem advisable, without prejudice to the right of each Owner to insure his individual Unit on his own account and for his own benefit. Such blanket insurance shall be written in the name of, and the proceeds may be payable to the Council, or to any person designated by the Council as trustee for the Owners in proportion to their Percentage Interests. Each Owner, and his mortgagee, if any, shall be a beneficiary of such insurance in proportion to his Percentage Interest even though not expressly named in the policy of insurance as an insured or beneficiary subject to the provisions of 3.6. All costs, charges and premiums for such blanket insurance shall be a Common Expense and each Owner shall pay his pro rata part thereof as in the case of other Common Expenses, or, at the Council's option, the portion of the cost of the blanket insurance attributable to each individually owned Unit (but not the cost of the insurance attributable to

the General Common Elements for such Unit) shall be paid directly by each Owner in such manner as the Council may direct. The proceeds from all blanket insurance shall be held by the designated beneficiary as a part of the Common Fund and shall be used and paid out as hereinafter provided. Council shall furnish notice to Owners of the policy limits of insurance coverage carried so that each Owner may increase personally the insurance coverage on his Unit as desired.

3.4 Individual Insurance. Each Owner shall be responsible at his own personal expense and cost for his own personal insurance on the contents of his own unit and his additions and improvements thereto, and decorations, furnishings and personal property therein, and his personal property stored elsewhere on the Project property and his personal liability not covered by liability insurance for all the Owners obtained as a part of the Common Expenses.

3.5 Public Liability And Other Insurance. The Council shall have the authority to and shall obtain comprehensive public liability insurance and such other types of insurance in such limits as it shall deem desirable, insuring each Owner and the Council and its Board from and against liability in connection with the General Common Elements. All costs, charges and premiums for all such insurance shall be a Common Expense. Each Owner shall pay his pro rata share of such insurance premiums as in the case of other Common Expenses.

3.6 Repair Or Reconstruction After Fire Or Other Casualty. Except as provided below, in the event of damage to or destruction of a Building as a result of fire or other casualty, the Council shall arrange for the prompt repair and restoration of the Building (including any damage to Units, except wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Owners individually) and the Council shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Council may assess all of the Owners for such deficit.

If two-thirds (2/3rds) or more of the Buildings shall be destroyed or substantially damaged, and if all the Owners do not voluntarily, within ninety (90) days thereafter make provision for reconstruction and restoration to the original condition, the Council will forthwith record a notice setting forth such facts, and upon such recording of notice, the Project shall be sold by the Council or its designated representative, as trustee, free and clear of the interests of the Owners and of the provisions contained in this Declaration, the plat and the bylaws. The insurance settlement proceeds, and the proceeds from sale of the Project shall, thereupon be collected by such trustee and after payment of expenses of the sale, such proceeds shall be divided according to each Owner's interest based in proportion to their respective Percentage Interests, and upon such division such trustee shall hold the share of each Owner in a separate trust account. From each separate account the trustee shall use and disburse the total amount of each account toward the full payment of the following for and on behalf of the Owner for whom each account is held:

- (a) the payment of taxes and special assessment liens on such in favor of any taxing entity;
- (b) the payment of any balance of any first mortgage lien on such Owner's Unit;
- (c) the payment of junior liens on such unit in the order and extent of their priority;
- (d) the payment of such Owner's share of unpaid Common Expenses and assessments of the Council;
- (e) the balance remaining, if any, to the Owner.

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

IV. ASSESSMENTS AND LIENS

4.1 Liability For Common Expenses. Each Owner shall be liable for a proportionate share of the Common Expenses, such share being the same as such Owner's Percentage Interest. Common Expenses shall be assessed against the Owners from time to time by the Council. The Common Expenses shall include, but not be limited to, all expenses incurred by the Council in performing its duties, obligations and services as authorized or required hereby or by the members of the Council, administrative expenses of the Council, all expenses or expenditures incurred by the Council for repair, replacement, construction, acquisition, improvement, acquisition, maintenance or operation of the Project or any property within the Project, (including sums due under the Shared Facilities Agreement), reserves for proper Council purposes, costs of enforcing this Declaration, applicable bylaws, rules and regulations or the rights of the Council or its members, professional fees, insurance premiums, utilities and such other expenses as shall be authorized by the Council (including cost of acquisition of Units).

4.2 Assessments. The Council shall have the power to assess the Owners of the Units for their respective shares of Common Expenses, and otherwise as herein provided, which assessments shall be reduced by revenue received (if any) by the Council from all other sources other than assessments. The making and collection of assessments against Owners for Common Expenses shall be subject to the bylaws and to the following provisions:

(a) Share of Common Expense: Each Owner shall be liable for and shall pay a proportionate share of the Common Expenses to the extent that the same shall be assessed against the Owners from time to time by the Council, and shall share in the Common Fund, if any, such shares being the same as the Percentage Interest of such Owner.

(b) Interest; Application of Payments: Assessments and installments thereon paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the highest rate permitted by law or if there should be no legal limit, 5% in excess of the prime rate of the

largest national bank (in deposits) in Kerrville, Texas (or such other rate as may be allowed by law and adopted by resolution of the Board with notice to the Owners) from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due.

(c) Attorney's Fees: If the Council shall incur any legal expenses, including attorney's fees, to enforce any rights of the Council against a Owner, including but not limited to collection of delinquent assessments, such Owner shall be liable to the Council for such expenses, and the Council may recover the same.

(d) Commencement of Assessments: The assessments provided for herein shall commence for all record owners of Units within a Building at such time as the first Unit of the Building is occupied.

4.3 Lien For Assessments. The Council shall have a lien upon each Unit and the interests in the General Common Elements and Common Fund appurtenant thereto to secure the payment by the Owner of such Unit of his proportionate share of all assessments required or permitted to be levied hereunder or by law, and any other sums which shall become due and owing from such Owner to the Council, and such lien for assessments shall also secure all other expenses including reasonable attorney's fees incurred by the Council incident to the collection of such assessment or enforcement of such lien.

4.4 Foreclosure Of Assessment Liens. All liens for assessments made by the Council, or by the Board when authorized to do so as aforesaid, shall be superior to other liens, except that such liens for assessments shall be subordinate, secondary and inferior, and the same are hereby expressly made subordinate, secondary and inferior to: (a) all liens for taxes or special assessments levied by the city, county and state governments or any political subdivision or special district thereof; and (b) liens securing amounts due or to become due under any first mortgage, vendor's lien or deed of trust filed for record prior to the date payment of such assessment for Common Expenses becomes due (it being understood that such lien for assessments shall be prior to any such mortgage lien or

deed of trust which is secondary and inferior to another mortgage, vendor's lien or deed of trust). The claim of the Council for assessments and the lien securing such claims shall be freely assignable. Such lien for assessments herein provided for may be foreclosed, without prejudice and subject to the aforesaid prior liens, by the holder thereof in the same manner as either a vendor's lien, or as is provided for foreclosure of a contractual deed of trust lien on real property under Article 3810 of the Texas Revised Civil Statutes. No such foreclosure shall affect or impair any such prior liens. The Council shall have power to bid in the Unit foreclosed on at any foreclosure sale, and to acquire, hold, lease, mortgage and convey the same in behalf of the Council. The purchaser acquiring title to such Unit at any such foreclosure sale, whoever he may be, and his successors and assigns, shall not be liable for the share of the unpaid Common Expenses or assessments by the Council chargeable to such Unit which became due prior to acquisition of such title at such foreclosure sale, but such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from all of the Owners, including such purchaser or acquirer, his successors and assigns, in proportion to their Percentage Interests to the extent not recovered from the proceeds of such foreclosure sale.

4.5 Status After Sale. Sale of a unit shall not result in the extinguishment of unpaid common expenses or assessments against the unit sold unless such sale is made by private or public sale in foreclosure or pursuant to power of sale granted in a first mortgage, vendor's lien or deed of trust filed for record prior to the date payment of such assessment becomes due.

4.6 Certificate Of Assessment. Any prospective purchaser or encumbrancer of a unit, upon written request, shall be entitled to a certificate from the Board as to the amount of unpaid Common Expenses, if any, of the subject Unit, and such unit shall not be liable or subject to any lien for any unpaid assessment in excess of the amount set forth in said certificate for the period of time specified therein. If such request for a certificate is not complied with within twenty (20) days after receipt of such

request, the prospective purchaser or encumbrancer shall not be liable for, nor shall the subject Unit thereafter be subject to a lien for, any unpaid Common Expenses or assessments due prior to the date of such request.

4.7 Common Fund. All funds collected by reason of assessments or otherwise received from the Owner, and all funds received for the use and benefit of, or the account of, the Owner (whether derived from insurance proceeds or any other source, and including common element lease revenues, use charges, and so forth) shall constitute the Common Fund and shall be held, administered and accounted for by the Council as trustee for, the benefit of all of the Owners as set forth herein. The Common Fund is the property of the Owners as set forth herein in proportion to their Percentage Interests and constitutes a part of the General Common Elements appurtenant to the Units of the Project. The Common Fund shall be administered and disbursed by the Board according to the terms of this Declaration and as determined by the Board from time to time. In addition to other uses authorized herein or by the Board, the Common Fund may be expended in payment of the Common Expenses and in reimbursement of the expense of the Board. The funds constituting a part of the Common Fund shall be held in a separate account or accounts in one or more depositories selected by the Board. If the condominium regime for the Project shall be terminated and if the Council shall at such time own any assets in its own right (as distinguished from funds or property of the Owners administered by the Board) in excess of its liabilities, then any such excess of assets shall be added to the Common Fund and administered as such.

V. RESTRICTIONS, RENTAL, USE, AND NON-PARTITION

5.1 Restrictions.

(a) General Common Elements: The General Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the Units.

(b) Nuisances: Except as required by the Shared Facilities Agreement, no nuisances shall be allowed upon the Project, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its

occupants. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No Owner shall permit any use of his Unit or make any Use of the General Common Elements which will constitute a nuisance or annoyance to the occupants of other units.

(c) Lawful Use: No immoral, improper, offensive or unlawful use shall be made of the Project nor any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting requirements of governmental bodies which require maintenance, modification or repair of portions of the Project shall be borne by the party responsible for the maintenance and repair of the property concerned.

(d) Regulations: Reasonable rules, regulations, and usage fees concerning the condominium property within the Project may be made and amended from time to time by the Board.

5.2 Rental. Each Owner shall have an absolute right to lease or rent his Unit upon such terms as he shall approve, subject to all provisions and restrictions applicable to the project, including specifically the provisions of 5.1 above and the right of the Board to approve a rental agent.

5.3 Use. The Units shall be used and occupied only for residential or hotel purposes. Each Unit shall be used and occupied only for purposes which are consistent with and appropriate to the design of the Buildings and for which adequate stairs, ventilation, air conditioning, heating, plumbing, electrical and similar facilities exist. The Board may implement this section by adopting rules and regulations containing specific prohibitions, but such shall not be deemed to limit the general application of this section. In no event shall an Owner of a Unit suffer or permit to be done anything in any Unit which would increase the rate or result in the cancellation of insurance applicable to the Project.

5.4 Non-Partition. The General Common Elements shall remain undivided and shall not be the object to an action for partition or division of the co-ownership so long as suitable for a condominium regime unless the Owners of all Units shall otherwise consent in writing.

VI. TRANSFERS

6.1 No Severance Of Ownership. The appurtenant interests, including interests in the general common elements, shall not be severable from the ownership of the Unit to which appurtenant, and no attempted or purported severance of such ownership shall be effective. No Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the appurtenant interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein, or even if a portion thereof shall be purported to have been expressly excluded. No part of the appurtenant interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the appurtenant interests of all Units.

VII. SUBDIVISION, ETC. OF UNITS

7.1 Subdivision, Etc. Notwithstanding any other provision of the Declaration or other condominium documents, the Owner(s) of any Units shall have the right, without further authorization from the Owners of the other Units or the Board or Council, to combine, subdivide or otherwise realign Units owned by such Owner(s) in order to facilitate their use. In no event, however, shall such combination, subdivision or realignment:

(a) alter or diminish the undivided interests in the common elements and voting rights and Percentage Interests of Units not then owned by the Owner(s) making such combination, subdivision or realignment; or

(b) change any General Common Elements, for instance, exterior door locations;

(c) diminish the total undivided interests in the common elements and Percentage Interests previously allocated to the Units undergoing such combination, subdivision or realignment.

7.2 Amendment. The Owner(s) making a combination, subdivision or realignment pursuant to Section 7.1 shall have the right, without further authorization from the unit owners or the Board or the Council, to execute and record amendments to this Declaration necessary to reflect any subdivision, combination or realignment of units made pursuant to Section 7.1; however, if such Owner(s) so requests, each Owner of a Unit shall be obligated to join in the execution of any such amendment.

VIII. RESERVED RIGHT OF DEVELOPER

Notwithstanding any other provision herein contained, for so long as Developer or its shareholders continue to own any of the Units the Developer or its shareholders shall have the unrestricted right to sell, assign, mortgage or lease such Units and to post signs on the condominium property advertising the same and to use one or more Units as demonstration or model units or as a sales office.

IX. MISCELLANEOUS

9.1 Amendments. This Declaration shall not be changed or amended except with the written consent of two-thirds (2/3rds), by percentage interest, of the Owners and the written consent of two-thirds (2/3rds), by number, of the mortgagees of such Units. No amendment changing the Percentage Interests of the Owners in the General Common Elements or voting rights may be made without the unanimous consent of all of the Owners and mortgagees affected thereby, except as provided in Section 7.1 hereof. Notwithstanding any other provisions to the contrary contained in this Article IX, the provisions of this Declaration (so long as same is required by the Texas Condominium Act) may be amended only by a meeting of the Owners at which the amendment is approved by the holders of at least sixty-seven per cent (67%) in interest of the Percentage Interests in the General Common Elements; and no amendment to this Declaration may alter or destroy a Unit or a Limited Common Element without the consent of the Owners affected and such Owner's mortgagees. Any mortgagee who receives a written request to approve additions or amendments to the Declaration or By-Laws, and who does not deliver or post to the requesting party a negative response within thirty (30) days, shall be deemed to have approved such request.

9.2 Notices. Notices provided for in this Declaration or by the bylaws shall be in writing and shall be addressed to the Board at the address of the Board as such address may be established from time to time. Notices to the Owners shall be mailed or delivered to the mailing address of their respective units or to such other address which any Owner may designate by notice thereof in writing to the board.

9.3 Severability. If any provision of this Declaration or the bylaws or any part thereof, or the application thereof in any circumstances, shall be held invalid or unenforceable, the validity or enforceability of the remainder of the Declaration or bylaws or the application of any such provision or part thereof in any other circumstances shall not be affected thereby.

9.4 Perpetuities. If any provision of this Declaration or by-laws either existing or hereafter amended would otherwise violate the rule against perpetuities of any other rule, statute of law imposing time limits, and notwithstanding anything herein said, bylaws to the contrary, then, and to such extent only, such provision shall be deemed to remain in effect only until twenty-one (21) years after the death of all of the descendants of Joseph P. Kennedy (being the father of the late President John F. Kennedy), who are living on the date of execution of this declaration.

9.5 Correction of Errors. Declarant reserves and shall have the continuing right during a three (3) year period from and after the date of this Declaration, without the consent of the other Owners or any mortgagee, to amend this Declaration or the By-Laws for the purpose of clarifying or correcting any of the Exhibits attached hereto arising from material discrepancies or errors on the original Exhibits that do not become known or appear until after completion of construction of all Units and/or resolving or clarifying any ambiguities or conflicts herein, or correcting any inadvertent misstatements, errors or omissions herein.

9.6 Covenant. The provisions of this declaration shall constitute a covenant and easement running with the land described above and shall bind Developer and all Owners, their heirs, successors and assigns.

EXECUTED this 22nd day of March, 1985. ^{file}

Attest:

Charlotte Thompson
Secretary
Charlotte Thompson

GUADALUPE CENTER, INC.

By: Fred O. Brownson
Fred O. Brownson, President

STATE OF TEXAS §

COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, on this day personally appeared Fred O. Brownson, President of GUADALUPE CENTER, INC., a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

Given under my hand and seal of office on this, the 22nd day of March, 1985.



Ann Robertson
Notary Public, State of Texas
Ann Robertson

FIRST PHASE CONDOMINIUM TRACT

FIELD NOTES FOR LOT "2"

August 1983

INN OF THE HILLS SUBDIVISION -
Kerrville, Texas

BEING all that certain tract or parcel of land lying and being situated in the County of Kerr, State of Texas, comprising 2.6642 acres of land out of Original Survey No. 120, Walter Fosgate, Abstract No. 138, and being more particularly described by mates and bounds as follows, to-wit:

BEGINNING at a fence corner post and iron pipe found where the Northeast Right-of-Way line of Guadalupe Street (formerly Highway 27) intersects the Northwest line of the middle 1/3 of Original Survey No. 120, Walter Fosgate, for the West corner of this tract, said corner being located 172.66 feet N44°59'E from the West corner of said middle 1/3 of Survey No. 120, Walter Fosgate, which was marked by a 36-inch diameter forked cypress tree stump;

THENCE with old fence along the Northwest line of the middle 1/3 of said Original Survey No. 120, Walter Fosgate, N45°E, 232.75 feet to an iron stake found for the North corner of this tract, from which the West corner of that 1.4181 acre tract which was conveyed from Roy D. Spears Corporation to G. E. Lehmann by deed dated August 1, 1968, of record in Volume 134, at Page 505 of the Deed Records of Kerr County, bears N45°E, 45.05 feet;

THENCE S44°49'23"E, 391.59 feet to an iron stake found for the East corner of this tract, from which the South corner of said 1.4181 acre tract bears N45°E, 43.0 feet;

THENCE with old fence S45°W, 360.0 feet to an iron pipe found at a corner in the Northeast line of Guadalupe Street, for the South corner of this tract;

THENCE with the Northeast line of Guadalupe Street N26°50'18"W, 412.12 feet to the PLACE OF BEGINNING and containing 2.6642 acres of land more or less.

Being a portion of the property which was first conveyed from James C. Rees and Ida Rees to Rudolf Bittle by deed dated February 21, 1914, of record in Volume 33 at Page 300 of the Deed Records of Kerr County, and subsequently from Rex McElroy to G. E. Lehmann by deed dated June 19, 1968, of record in Volume 134 at Page 554 and from G. E. Lehmann to Bessie Mae Lehmann Magee, et al by deed dated August 13, 1968, of record in Volume 134 at Page 557 of the Deed Records of Kerr County, Texas.

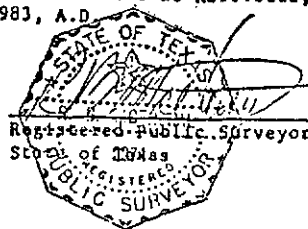
STATE OF TEXAS I

COUNTY OF KERR I

KNOW ALL MEN BY THESE PRESENTS:

I, R. B. Motheral, Registered Public Surveyor, do hereby certify that I did during the month of April 1983, survey on the ground the above described tract and that said description is true and correct to the best of my knowledge and belief.

TO CERTIFY WHICH, WITNESS my hand and seal at Kerrville, Kerr County, Texas, this the 5th day of August, 1983, A.D.



R. B. Motheral
Registered Public Surveyor, No. 2874

FIRST PHASE CONDOMINIUM TRACT

GUADALUPE CENTER SUBDIVISION
LOT #3

FIELD NOTES

August 1983

BEING 1.50 acres of land, more or less, out of the 9.43 acres described in Vol. 221, Pg. 362 of the Deed Records, Kerr County, Texas, out of the original Survey No. 120, Walter Fosgate, Abstract No. 138, which is more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pin at the Southeast corner of the 3.16 acres designated as Lot #2 of the Guadalupe Center Subdivision, the same being a point in the Northwest right-of-way line of Guadalupe Street;

THENCE with the Guadalupe Street right-of-way, S2°35'40"E, 448.72 feet to a 2-inch pipe;

THENCE with the Southwest line of the adjoining property of the Inn of the Hills, Inc., S44°59'00"W, 62.84 feet to an iron pin;

THENCE with the Northeast line of Lot #4 of the Guadalupe Center Subdivision, N31°23'02"W, 112.52 feet; N16°30'44"W, 100.38 feet; N47°53'46"W, 97.69 feet; N33°42'43"W, 46.57 feet; N41°30'28"E, 120.70; N7°36'06"W, 64.51 feet; N32°59'08"W, 39.34 feet to an iron pin being a point at the intersection of Lots #2 and 4;

THENCE with the Southeast line of Lot #2 of the Guadalupe Center Subdivision N86°49'39"E, 159.76 feet to the PLACE OF BEGINNING.

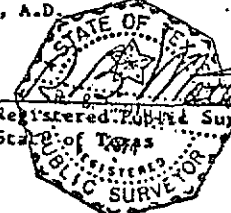
STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF KERR

I, R. B. Motheral, Registered Public Surveyor, do hereby certify that I did during the month of July, 1981, survey on the ground the above described tract and that said description is true and correct to the best of my knowledge and belief.

TO CERTIFY WHICH, WITNESS my hand and seal at Kerrville, Kerr County, Texas, this the 10th day of July, 1981, A.D.

 R. B. Motheral
Registered Public Surveyor, No. 2874
State of Texas



MOTHERAL INDUSTRIES INCORPORATED

816 West First Street • Austin, Texas 78703

312 2 41N-5744

FIRST PHASE CONDOMINIUM TRACT

FIELD NOTES FOR LOT "3"

August 1983

INN OF THE HILLS SUBDIVISION -
Kerrville, Texas

BEING 0.5 acres of land, more or less, in Kerr County, Texas, out of Original Survey No. 120, Walter Fosgate, Abstract No. 138, which is more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron stake at the 1622 foot Mean Sea level elevation, same being the North corner of a 0.42 acre tract of land conveyed by Inn of the Hills, Ltd. to Upper Guadalupe River Authority, said point being in the Northwest line of a 1.507 acre tract conveyed to Inn of the Hills, Ltd. by deed recorded in Volume 184, page 236 of the Deed Records of Kerr County, Texas, said beginning point is located 47.0 feet N44°59'E from the upper or West corner of the central or middle 1/3 of said Survey No. 120, Walter Fosgate, on the Northeast bank of the Guadalupe River;

THENCE with the Northwest line of the middle 1/3 of said Survey No. 120, Walter Fosgate, N44°59'E, 62.84 feet to a 2-inch iron pipe in the Southwest Right-of-Way line of Guadalupe Street'

THENCE with the Southwest Right-of-Way line of Guadalupe Street, S26°50'18"E, 412.12 feet to an iron stake in the Southeast line of said 1.507 acre tract;

THENCE with the Southeast line of said 1.507 acre tract, S45°W, 49.20 feet to an iron stake set in the 1622 foot elevation line;

THENCE with the meanders of the 1622 foot elevation line, approximately N28°39'27"W, 408.06 feet to the PLACE OF BEGINNING.

STATE OF TEXAS I
COUNTY OF KERR I

KNOW ALL MEN BY THESE PRESENTS:

I, R. B. Motheral, Registered Public Surveyor, do hereby certify that I did during the month of April, 1983, survey on the ground the above described tract and that said description is true and correct to the best of my knowledge and belief.

TO CERTIFY WHICH, WITNESS my hand and seal at Kerrville, Kerr County, Texas this the 5th day of August, 1983, A.D.



R. B. Motheral
Registered Public Surveyor, No. 2874



MOTHERAL INDUSTRIES INCORPORATED

2105 Justin Lane, Suite 111 - Austin, Texas 78757

512 / 451-5212

FIELD NOTES FOR LOT "1"

HOTEL TRACT

August 1983

INN OF THE HILLS SUBDIVISION
Kerrville, Texas

BEING all that certain tract or parcel of land lying and being situated in Kerr County, State of Texas, comprising 7.1749 acres of land out of the original Survey No. 120, Walter Fosgate, Abstract No. 138, and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pin found as the west corner of this tract, same being in the Northwest line of the 1.4181 acre tract conveyed from Roy D. Spears Corporation to G. E. Lehmann by deed dated August 1, 1968, of record in Volume 134, at Page 505 of the Deed Records of Kerr County, the North corner of said 1.4181 acre tract bears N45°E, 45.05 feet, same being in the Northwest line of the middle 1/3 of the Walter Fosgate Survey No. 120;

THENCE along the Northwest line of this tract and the Southeast line of the Jack Moore tract, and same being the Northwest line of the middle 1/3 of the Walter Fosgate Survey No. 120, N45°E, 45.05 feet to an iron pin found;

THENCE along said Northwest line of this tract N45°E, 156.3 feet to an iron pin found;

THENCE along said Northwest line of this tract N44°43'E, 550.0 feet to an iron pin found in the South Right-of-Way of State Highway No. 27;

THENCE along the said South Right-of-Way of State Highway No. 27, S60°26'E, 400.0 feet to an iron pin found as the East Corner of this tract;

THENCE S44°43'W, 654.5 feet along the Southeast line of this tract to an iron pin;

THENCE S43°03'W, 161.6 feet along the Southeast line of this tract to an iron pin;

THENCE S45°W, 43.0 feet along the Southeast line of this tract to an iron pin found as the South corner of the tract, and the East corner of Lot 2 of Inn of the Hills Subdivision.

THENCE N44°49'23"W, 391.59 feet along the South line of Lot 1 and the North line of Lot 2 to the PLACE OF BEGINNING and containing 7.1749 acres of land more or less.

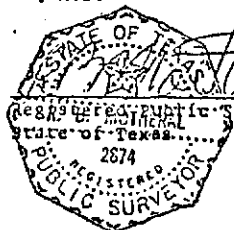
STATE OF TEXAS I

COUNTY OF KERR I

KNOW ALL MEN BY THESE PRESENTS:

I, R. B. Motheral, Registered Public Surveyor, do hereby certify that I did during the month of April 1983, survey on the ground the above described tract and that said description is true and correct to the best of my knowledge and belief.

TO CERTIFY WHICH, WITNESS my hand and seal at Kerrville, Kerr County, Texas, this the 5th day of August, 1983, A.D.



R. B. Motheral

Registered Public Surveyor, No. 2874

UNITSCHEDULE

1187

3/18/85

VOL 1 PAGE 339

EXHIBIT B: DECLARATION OF CONDOMINIUM

PAGE 1 OF 3

GUADALUPE CENTER CONDOMINIUMS

SCHEDULE OF UNITS

UNIT DESIGNATION	BUILDING	FLOOR	APPROX. AREA OF UNIT IN SQ. FT.	ASSIGNED SPACES SEE EXHIBIT B2 PARKING STORAGE	PERCENTAGE OWNERSHIP IN COMMON ELEMENTS
A	1	1	1238	1 67	1.48
G1	1	1	334	-- --	0.40
B	1	1	897	2 66	1.07
C	1	1	897	5 65	1.07
G2	1	1	432	-- --	0.52
D	1	1	1171	4 64	1.40
G3	1	1	606	3 --	0.72
A	1	2	1238	6 63	1.48
G1	1	2	334	-- --	0.40
B	1	2	897	7 62	1.07
C	1	2	897	8 3	1.07
G2	1	2	432	-- --	0.52
D	1	2	1171	9 5	1.40
G3	1	2	606	10 --	0.72
A	1	3	1238	13 59	1.48
G1	1	3	334	-- --	0.40
B	1	3	897	14 58	1.07
C	1	3	897	23 57	1.07
G2	1	3	432	-- --	0.52
D	1	3	1171	16 56	1.40
G3	1	3	606	17 --	0.72
A	1	4	1238	20 55	1.48
G1	1	4	334	-- --	0.40
B	1	4	897	21 54	1.07
C	1	4	897	22 53	1.07
G2	1	4	432	-- --	0.52
D	1	4	1171	12 52	1.40
G3	1	4	606	11 --	0.72
A	2	1	1238	15 51	1.48
G1	2	1	334	-- --	0.40
B	2	1	897	25 50	1.07
C	2	1	897	24 49	1.07
G2	2	1	432	-- --	0.52
D	2	1	1171	19 48	1.40
G3	2	1	606	18 --	0.72
A	2	2	1238	26 47	1.48
G1	2	2	334	-- --	0.40
B	2	2	897	27 46	1.07
C	2	2	897	28 45	1.07
G2	2	2	432	-- --	0.52

EXHIBIT B: DECLARATION OF CONDOMINIUM

PAGE 2 OF 3

GUADALUPE CENTER CONDOMINIUMS

SCHEDULE OF UNITS

UNIT DESIGNATION	BUILDING	FLOOR	APPROX. AREA OF UNIT IN SQ. FT.	ASSIGNED SPACES SEE EXHIBIT B2 PARKING	STORAGE	PERCENTAGE OWNERSHIP IN COMMON ELEMENTS
A	2	3	1238	30	43	1.48
G1	2	3	334	--	--	0.40
B	2	3	897	31	42	1.07
C	2	3	897	32	41	1.07
G2	2	3	432	--	--	0.52
D	2	3	1171	57	40	1.40
G3	2	3	606	56	--	0.72
A	2	4	1238	36	39	1.48
G1	2	4	334	--	--	0.40
B	2	4	897	35	38	1.07
C	2	4	897	29	37	1.07
G2	2	4	432	--	--	0.52
D	2	4	1171	50	36	1.40
G3	2	4	606	49	--	0.72
A	2	5	1238	51	35	1.48
G1	2	5	334	--	--	0.40
B	2	5	897	52	34	1.07
C	2	5	897	53	33	1.07
G2	2	5	432	--	--	0.52
D	2	5	1171	33	32	1.40
G3	2	5	606	34	--	0.72
A	3	1	1238	98	6	1.48
G1	3	1	334	--	--	0.40
B	3	1	897	88	7	1.07
C	3	1	897	41	29	1.07
G2	3	1	432	--	--	0.52
D	3	1	1171	40	28	1.40
G3	3	1	606	39	--	0.72
A	3	2	1238	58	27	1.48
G1	3	2	334	--	--	0.40
B	3	2	897	90	26	1.07
C	3	2	897	89	25	1.07
G2	3	2	432	--	--	0.52
D	3	2	1171	59	24	1.40
G3	3	2	606	60	--	0.72
A	3	3	1238	91	23	1.48
G1	3	3	334	--	--	0.40
B	3	3	897	92	22	1.07
C	3	3	897	93	21	1.07
G2	3	3	432	--	--	0.52
D	3	3	1171	94	20	1.40
G3	3	3	606	61	4	0.72

EXHIBIT B: DECLARATION OF CONDOMINIUM

VOL. 1 PAGE 341

PAGE 3 OF 3

GUADALUPE CENTER CONDOMINIUMS

SCHEDULE OF UNITS

UNIT DESIGNATION	BUILDING	FLOOR	APPROX. AREA OF UNIT IN SQ. FT.	ASSIGNED SPACES SEE EXHIBIT B2 PARKING	STORAGE	PERCENTAGE OWNERSHIP IN COMMON ELEMENTS
A	3	4	1238	95	19	1.48
G1	3	4	334	--	--	0.40
B	3	4	897	96	18	1.07
C	3	4	897	97	17	1.07
G2	3	4	432	--	--	0.52
D	3	4	1171	37	16	1.40
G3	3	4	606	38	--	0.72
A	3	5	1238	113	15	1.48
G1	3	5	334	--	--	0.40
B	3	5	897	114	14	1.07
C	3	5	897	115	13	1.07
G2	3	5	432	--	--	0.52
D	3	5	1171	116	12	1.40
G3	3	5	606	117	--	0.72
A	3	6	1238	122	11	1.46
G1	3	6	334	--	--	0.40
B	3	6	897	120	10	1.07
C	3	6	897	121	9	1.07
G2	3	6	432	--	--	0.52
D	3	6	1171	119	8	1.40
G3	3	6	606	118	--	0.72
TOTAL			83625			100.00

LIMITED COMMON AREAS (SEE EXHIBITS B1a AND B1b)

1. ON EACH FLOOR, THE ADJOINING "A" AND "G1" UNITS SHARE AS A LIMITED COMMON AREA THE FOYER BETWEEN THE HALL DOOR AND THEIR RESPECTIVE ENTRY DOORS.
2. ON THE FIRST FLOOR, THE EXTENDED PATIO AND YARD AREAS ARE LIMITED COMMON AREAS ASSIGNED TO THE ADJOINING UNITS.

ATTACHED

1157

3/16/83

EXHIBIT B: DECLARATION OF CONDOMINIUM

PAGE 1 OF

GARDEN LIFE CENTER CONDOMINIUMS

SCHEDULE OF UNITS

UNIT DESIGNATION	BUILDING	FLOOR	APPROX. GROSS SQ. FT. IN UNIT IN	APPROX. GROSS SQ. FT. IN UNIT IN	APPROX. GROSS SQ. FT. IN UNIT IN	APPROX. GROSS SQ. FT. IN UNIT IN
			SQ. FT.	PARTIAL	STORAGE	FLOORING
A	1	1	1236	1	67	1.40
B1	1	1	334	---	---	0.40
B	1	1	897	2	66	1.07
C	1	1	897	5	65	1.07
G2	1	1	432	---	---	0.50
D	1	1	1171	4	61	1.40
G3	1	1	606	3	---	0.72
A	1	2	1236	1	67	1.40
B1	1	2	334	---	---	0.40
B	1	2	897	7	61	1.07
C	1	2	897	8	5	1.07
G2	1	2	432	---	---	0.50
D	1	2	1171	9	5	1.40
G3	1	2	606	10	---	0.72
A	1	3	1236	10	66	1.40
B1	1	3	334	---	---	0.40
B	1	3	897	14	58	1.07
C	1	3	897	23	57	1.07
G2	1	3	432	---	---	0.50
D	1	3	1171	16	56	1.40
G3	1	3	606	17	---	0.72
A	1	4	1236	20	65	1.40
B1	1	4	334	---	---	0.40
B	1	4	897	21	54	1.07
C	1	4	897	22	53	1.07
G2	1	4	432	---	---	0.50
D	1	4	1171	12	52	1.40
G3	1	4	606	11	---	0.72
A	1	1	1236	15	51	1.40
B1	1	1	334	---	---	0.40
B	2	1	897	25	50	1.07
C	2	1	897	24	12	1.07
G2	2	1	432	---	---	0.50
D	2	1	1171	19	48	1.40
G3	2	1	606	18	---	0.72
A	2	2	1236	26	47	1.40
B1	2	2	334	---	---	0.40
B	2	2	897	27	46	1.07
C	2	2	897	26	45	1.07
G2	2	2	432	---	---	0.50
D	2	2	1171	54	44	1.40
G3	2	2	606	55	---	0.72

RECORDER'S MEMO. LEGIBILITY OF
WRITING, TYPING OR PRINTING
UNSATISFACTORY
IN THIS DOCUMENT WHEN RECORDED

EXHIBIT B: DECLARATION OF CONDOMINIUM

CORONA LIFE CENTER CONDOMINIUM

5. DETAILS OF UNITS

UNIT DESIGNATION	BUILDING	FLOOR	APPROX. AREA OF UNIT IN SQ. FT.	APPROX. NO. OF SOL. ENLIGHTENING ELEMENTS	APPROX. NO. OF PARKING SPACES	APPROX. NO. OF STORAGE ELEMENTS
A	2	3	1238	30	43	1.48
G1	2	3	334	—	—	0.46
B	2	3	897	31	42	1.07
C	2	3	897	32	41	1.07
G2	2	3	432	—	—	0.52
D	2	3	1171	57	40	1.46
G3	2	3	606	56	—	0.71
A	3	4	1238	36	35	1.48
G1	3	4	334	—	—	0.46
B	3	4	897	35	38	1.07
C	3	4	897	29	37	1.07
G2	3	4	432	—	—	0.52
D	3	4	1171	50	36	1.46
G3	3	4	606	49	—	0.71
A	2	5	1238	31	33	1.48
G1	2	5	334	—	—	0.46
B	2	5	897	32	34	1.07
C	2	5	897	33	33	1.07
G2	2	5	432	—	—	0.52
D	2	5	1171	33	32	1.46
G3	2	5	606	34	—	0.71
A	3	1	1238	38	—	1.48
G1	3	1	334	—	—	0.46
B	3	1	897	33	—	1.07
C	3	1	897	41	29	1.07
G2	3	1	432	—	—	0.52
D	3	1	1171	40	28	1.46
G3	3	1	606	39	—	0.71
A	3	2	1238	38	27	1.48
G1	3	2	334	—	—	0.46
B	3	2	897	30	26	1.07
C	3	2	897	39	35	1.07
G2	3	2	432	—	—	0.52
D	3	2	1171	39	34	1.46
G3	3	2	606	40	—	0.71
A	3	3	1238	31	23	1.48
G1	3	3	334	—	—	0.46
B	3	3	897	32	27	1.07
C	3	3	897	31	21	1.07
G2	3	3	432	—	—	0.52
D	3	3	1171	34	20	1.46
G3	3	3	606	31	—	0.71

RECORDER'S MEMO, LEGIBILITY OF
WRITING, TYPING OR PRINTING
UNSATISFACTORY
IN THIS DOCUMENT WILL BE RECEIVED

EXHIBIT B: DETAILATION OF COMMON AREAS

PAGE 2 OF 2

SHORELINE CENTER CONDOMINIUMS

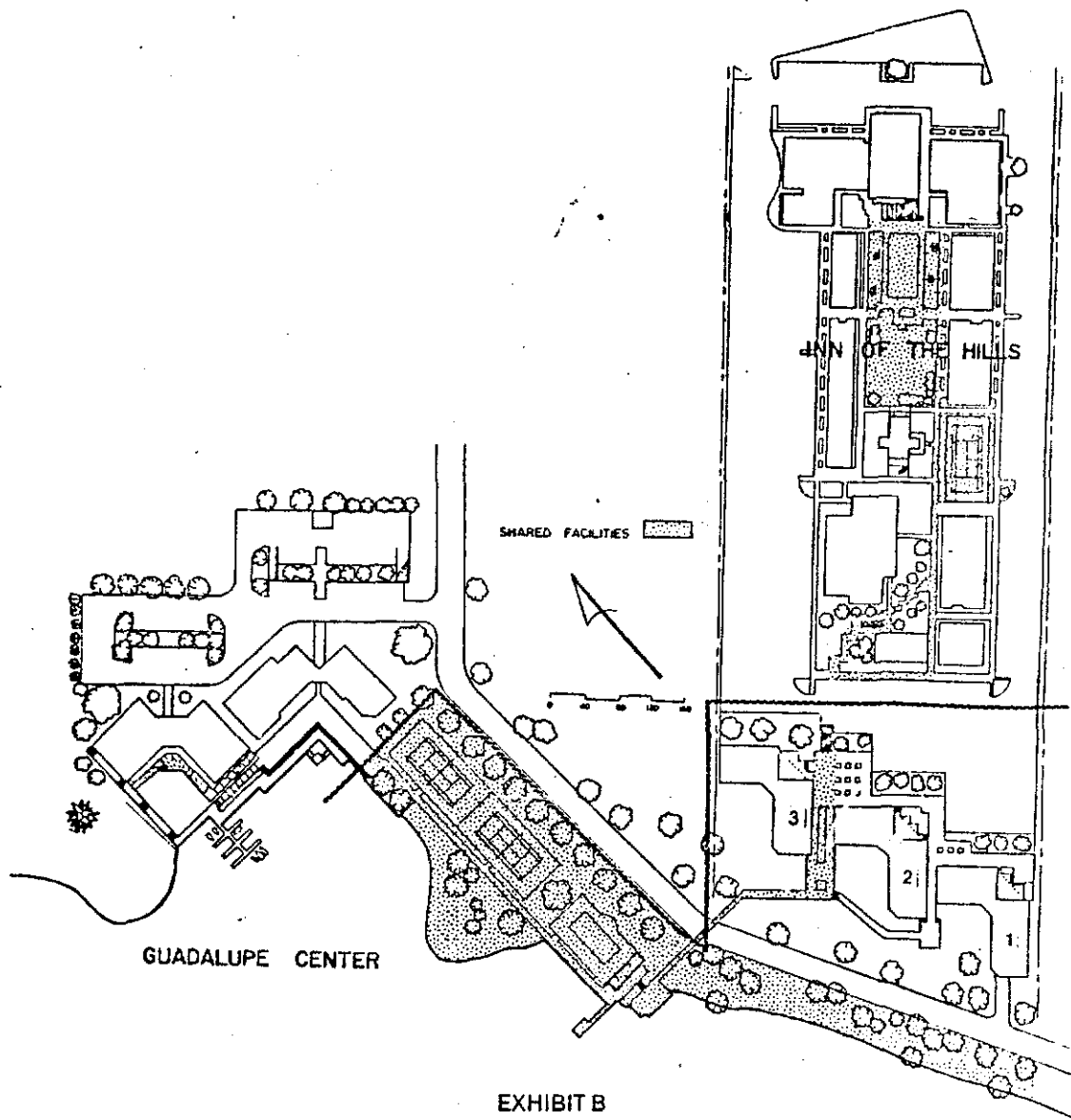
SCHEDULE OF UNITS

UNIT DESIGNATION	BUILDING	FLOOR	APPROX. AREA OF UNIT IN SQ. FT.	ASSIGNED PARKING SEE EXHIBIT A2	ASSIGNED STORAGE	ASSIGNED ELEMENTS
A	3	4	1238	95	19	1.4
G1	3	4	334	—	—	0.4
B	3	4	897	96	18	1.0
C	3	4	897	97	17	1.0
G2	3	4	432	—	—	0.5
D	3	4	1171	37	16	1.4
G3	3	4	606	38	—	0.7
A	3	5	1238	113	15	1.0
G1	3	5	334	—	—	0.4
B	3	5	897	114	14	1.0
C	3	5	897	115	13	1.0
G2	3	5	432	—	—	0.5
D	3	5	1171	116	12	1.4
G3	3	5	606	117	—	0.7
A	3	6	1238	122	11	1.4
G1	3	6	334	—	—	0.4
B	3	6	897	120	10	1.0
C	3	6	897	121	9	1.0
G2	3	6	432	—	—	0.5
D	3	6	1171	119	8	1.4
G3	3	6	606	118	—	0.7
TOTAL			83625			100.0

LIMITED COMMON AREAS (SEE EXHIBITS B1a AND B1b)

- ON EACH FLOOR, THE ADJOINING "A" AND "G1" UNITS SHARE ON A LIMITED COMMON AREA THE FOYER BETWEEN THE HALL DOOR AND THEIR RESPECTIVE ENTRY DOORS.
- ON THE FIRST FLOOR, THE EXTENDED PATIO AND YARD AREAS ARE LIMITED COMMON AREAS ASSIGNED TO THE ADJOINING UNITS.

RECORDER'S MEMO. LEGIBILITY OF
WRITING, TYPING OR PRINTING
UNSATISFACTORY
IN THE DOCUMENT WHEN RECEIVED



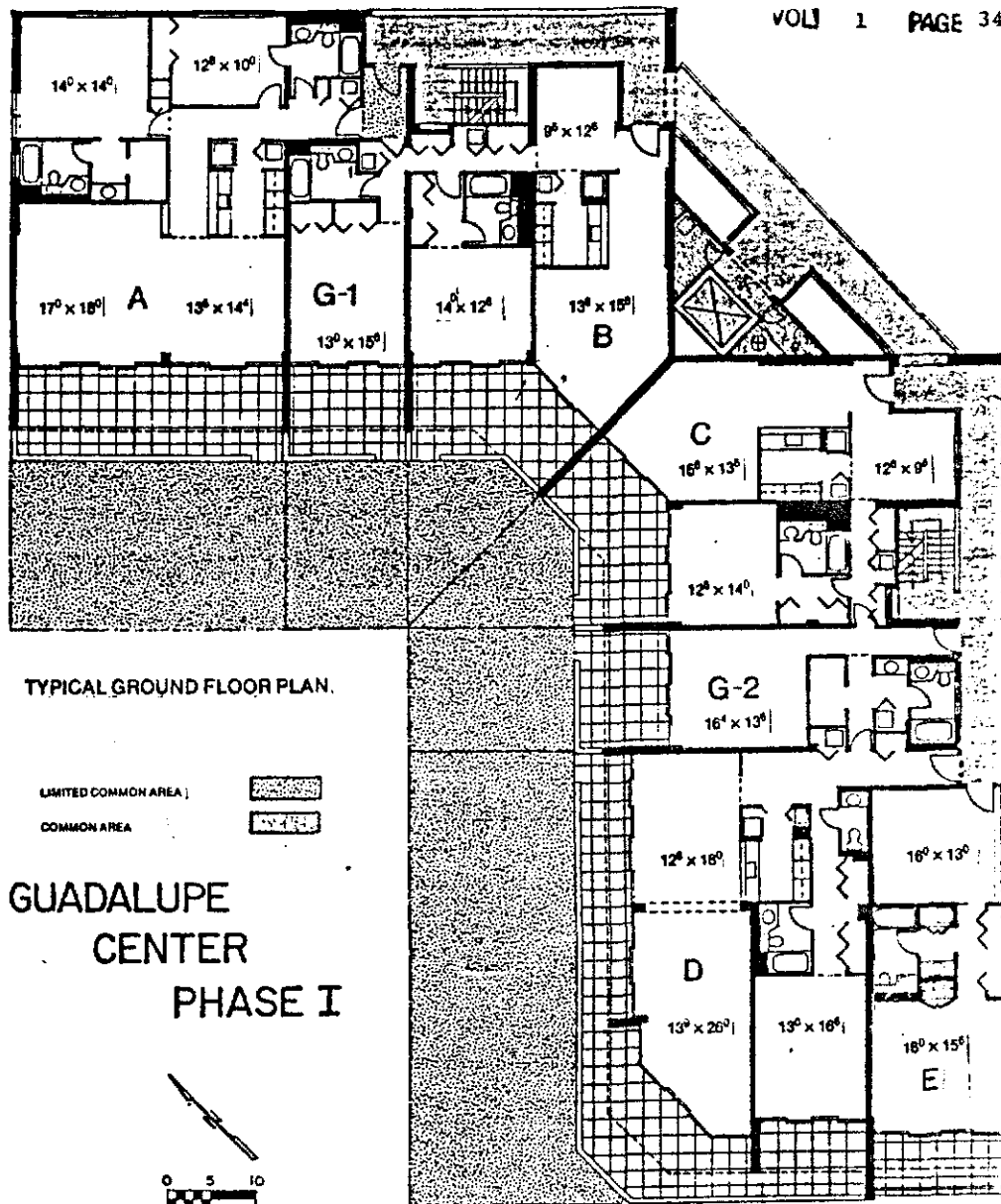


EXHIBIT B1a

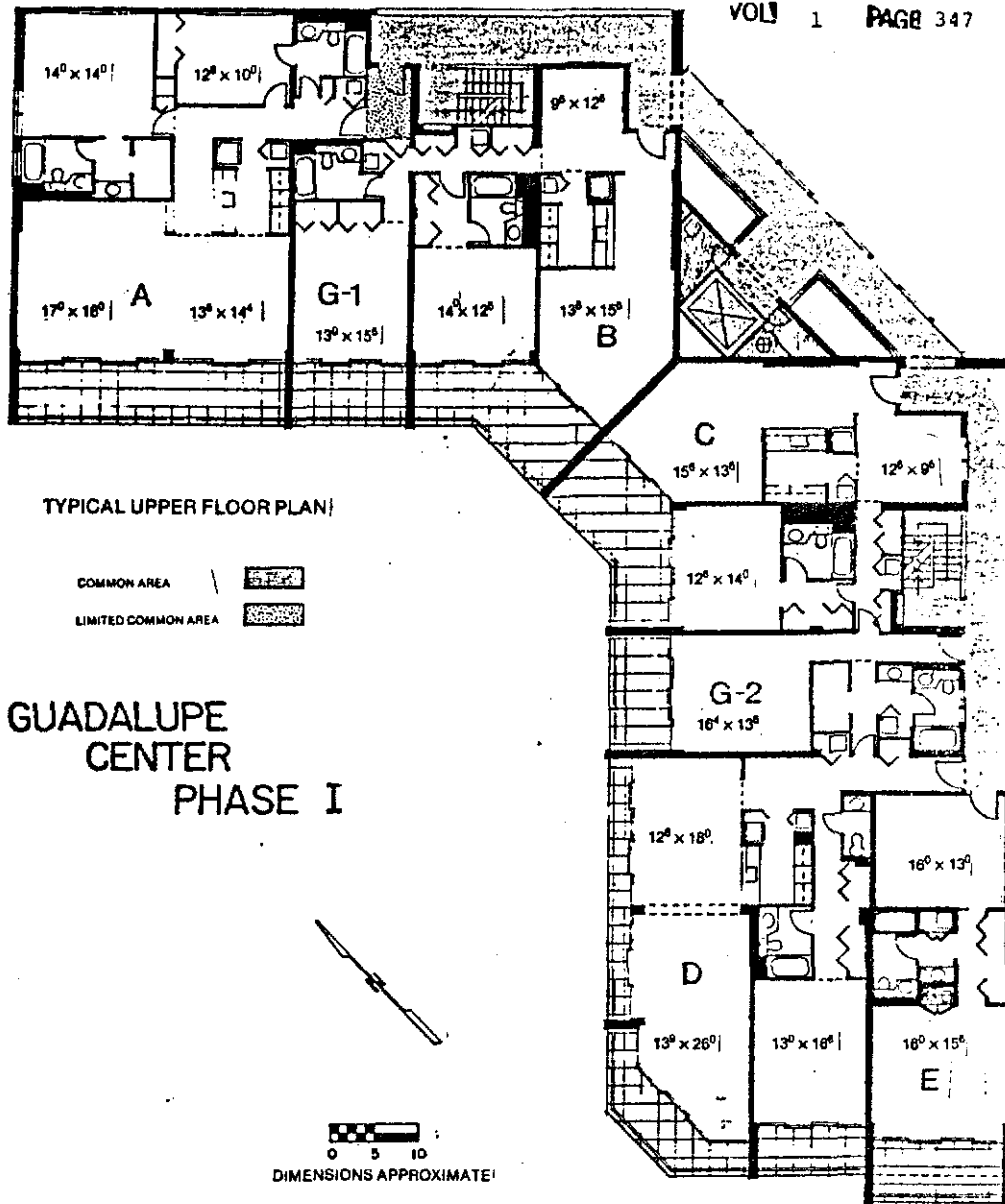
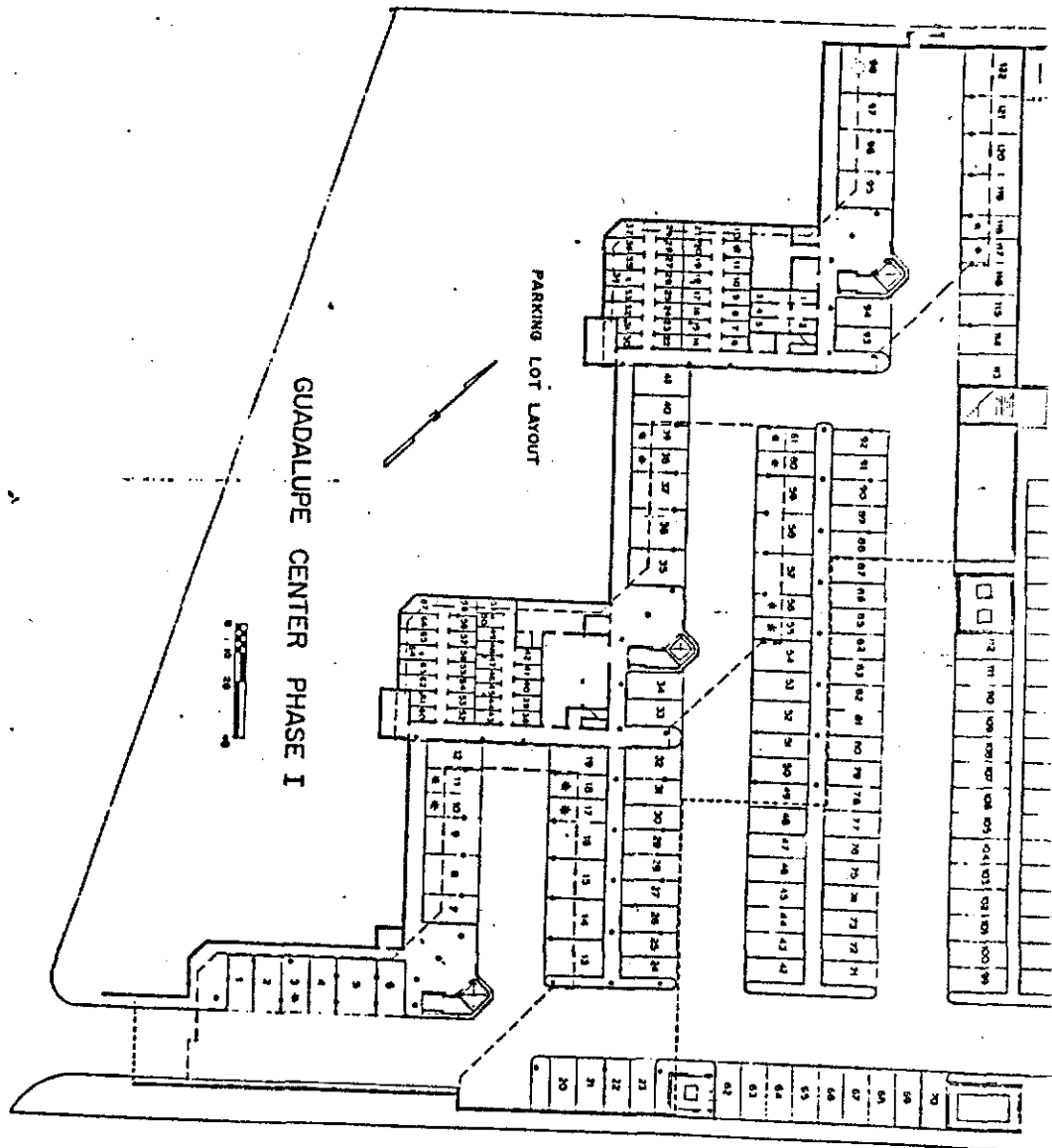
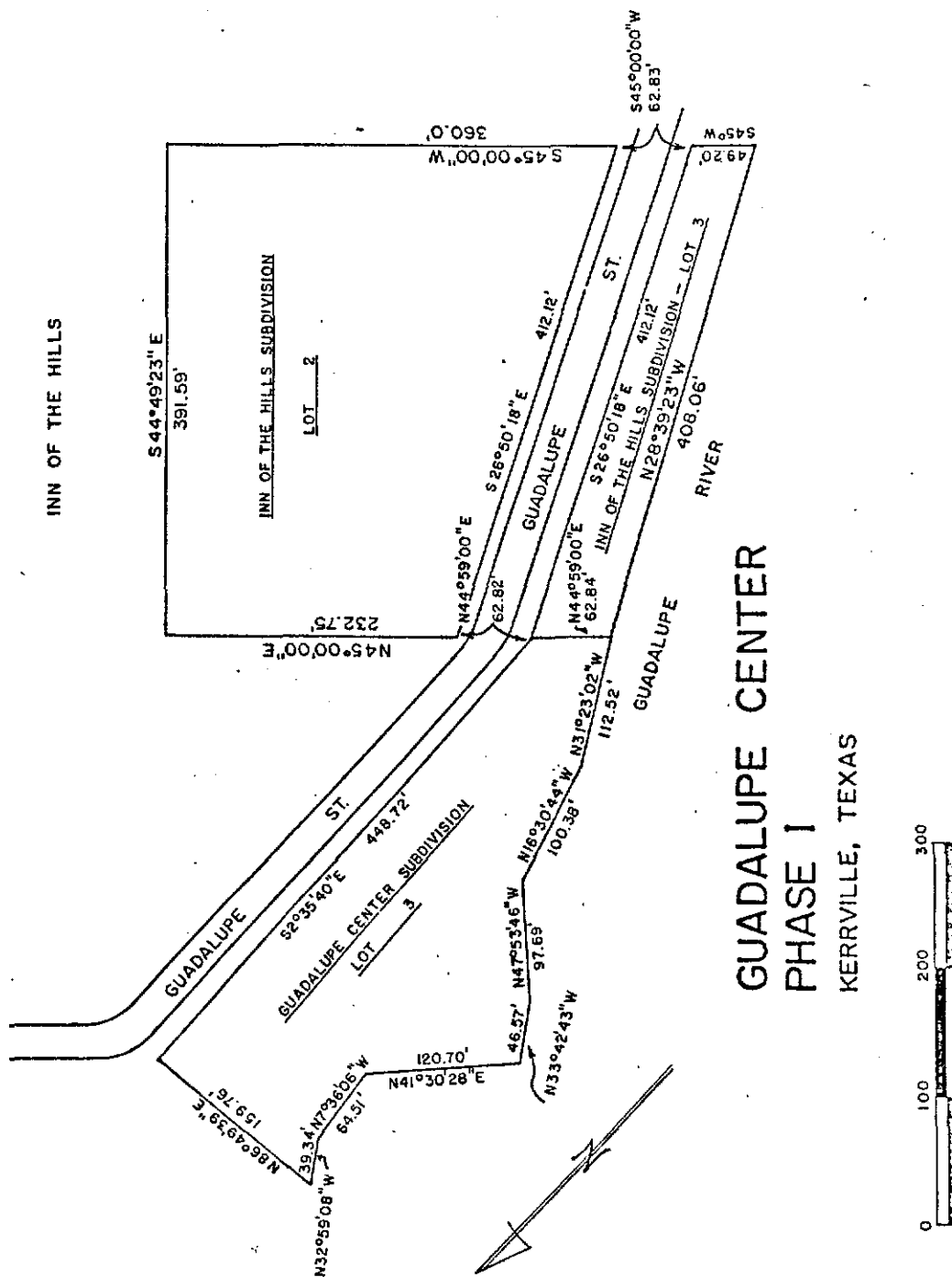


EXHIBIT B10





SHARED FACILITIES AGREEMENT

THE STATE OF TEXAS §
 §
 COUNTY OF KERR §

PREMISES FOR AGREEMENT

Inn of the Hills, Limited, a Texas limited partnership, is the owner of that tract of land more particularly described in Exhibit A hereto upon which a hotel, known as The Inn of the Hills, has been constructed and is presently being operated (the "hotel tract"). Guadalupe Center, Inc., a Texas corporation, is the owner of that tract of land more particularly described in Exhibit A hereto upon which it proposes to construct a residential condominium project (the "condominium tract"). A swimming pool, a tennis court and other outdoor recreational facilities have been constructed upon the hotel tract; and two tennis courts, a swimming pool, a marina, beach-front dining room and lounge facilities, park lands and other outdoor recreational facilities will be constructed upon that portion of the condominium tract on the waterfront, i.e., that area between Guadalupe Street and the Guadalupe River. All of such facilities and similar facilities hereinafter constructed in the areas designated as Shared Facilities Areas in Exhibit B hereto, together with sidewalks, paths and similar means of access to such facilities from the various tracts, including the driveways presently situated on the hotel tract and providing access to the condominium tract from existing streets, are herein called the "shared facilities". It is expressly understood that the facilities outside of the areas designated as Shared Facilities Areas on Exhibit B, shall not be shared facilities. It is to the mutual advantage of the owners of each of the two tracts, the owners of condominium units situated thereon, and their respective guests, tenants and invitees, to be entitled to utilize all of the shared facilities.

NOW, THEREFORE, in consideration of the premises, the aforesaid owners of each of the tracts hereby subject all of the shared facilities now or hereafter situated upon such tracts to an irrevocable and perpetual easement, inuring to the benefit of the owners of said tracts and

owners of any condominium units now or hereafter situated within such tracts, to use and enjoy the shared facilities subject, however, to the following provisions:

1. Persons Entitled to Use Shared Facilities. Except as expressly hereinafter set forth, only registered guests occupying rooms in the hotel, members of any private club established by the owners of the condominium tract and condominium owners and guests or invitees of condominium owners when accompanied by such condominium owners or when occupying such a condominium owner's unit shall be entitled to use and enjoy the shared facilities or other tracts.

2. Maintenance, Repair and Operation of Shared Facilities. The owners of each of the tracts shall be obligated to pay all costs of maintaining, repairing and operating the shared facilities situated on such tracts. However, since most of the shared facilities will be situated upon the condominium tract, the owner of the hotel tract shall be obligated to reimburse the owners of the condominium tract for their share of the expenses so incurred to maintain, repair, and operate the shared facilities situated on the condominium tract. Their share shall be determined by multiplying the whole of such expenses by a fraction, the numerator of which shall be the amount of square feet of rentable hotel room space situated in the hotel and the denominator of which shall be the sum of square feet of rentable hotel room space in the hotel plus the number of square feet comprising the interior of condominium units situated upon the condominium tract. Such reimbursement to be paid within fifteen (15) days after receipt of a bill therefor supported by such receipts and other evidence of payment of such expenses as the owners paying the expenses may reasonably require. Such expenses, however, shall be net of any revenue received by the owner of the condominium tract from the shared facilities situated upon such tract, including club memberships.

In no event, however, shall the owner of the hotel tract share in revenues in excess of such costs. The obligation of the owner of the hotel tract to reimburse the owner of the condominium tract for the aforesaid expenses shall be a personal obligation, and no lien to secure the same shall be implied from this agreement.

3. Use Fees. The owner of either tract may charge a fee for the use of shared facilities on its tract, provided that such fee shall not apply to users from the other tract eligible to use such facilities pursuant to the terms of this agreement.

4. Alterations of Shared Facilities. The shared facilities situated on either tract may be altered or removed by the owner of such tract without the consent of the owner of the other tract.

5. Use. The owners of each of the tracts may adopt reasonable regulations for the use of the shared facilities situated on such owner's tract and subject to the terms hereof, and may permit the general public or designated groups to use the shared facilities situated on such owner's tract on such terms and conditions as they may deem advisable. The owners of such facilities may also enter into such leases and other arrangements for the operation by others of the shared facilities situated on such owner's tract as they deem advisable.

6. Persons Authorized to Act on Behalf of Owners of Condominium Tract. From and after such time as the condominium tract has been subjected to a declaration or similar instrument creating a condominium regime, then and from thenceforth the owner of said tract shall be deemed to be the owners of condominium units within such condominium regime but, however, they shall be required to act only through a board of directors elected by the owners of such condominium units and whose acts shall bind all of the owners of units within the condominium regime they serve.

7. Covenants Running With the Land. This agreement, including without limitation, the covenants and easements provided for herein shall constitute covenants running with the land.

8. No Dedication. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the shared facilities to the general public, or for the general public, or for public purposes, whatsoever.

9. No Partnership. Nothing herein contained shall be deemed to be construed as creating the relationship of principal and agent, or of a partnership, or a joint venture between the owners of the tracts.

10. Captions. The captions employed in this agreement are for convenience only and are not intended to, in any way, limit or amplify the terms and provisions of this agreement.

EXECUTED as of this the 22nd day of March, 1984. ^{FBO}

INN OF THE HILLS, LIMITED

By: Fred O. Brownson
Fred O. Brownson General Partner

GUADALUPE CENTER, INC.

By: Fred O. Brownson
Fred O. Brownson President

THE STATE OF TEXAS

§
§
§

COUNTY OF KERR

This instrument was acknowledged before me on this 22nd day of March, 1984, by Fred O. Brownson, General Partner on behalf of Inn of the Hills, Limited, a partnership.

My commission expires:
3-8-88

Ann Robertson
Notary Public, The State of Texas
Ann Robertson
(type or print name)



THE STATE OF TEXAS

§
§
§

COUNTY OF KERR

This instrument was acknowledged before me on this 22nd day of March, 1984, by Fred O. Brownson, President of Guadalupe Center, Inc., a Texas corporation, on behalf of said corporation.

My commission expires:
3-8-88

Ann Robertson
Notary Public, The State of Texas
Ann Robertson
(type or print name)



CONDOMINIUM TRACT

FIELD NOTES FOR LOT "2"

August 1983

INN OF THE HILLS SUBDIVISION -
Kerrville, Texas

BEING all that certain tract or parcel of land lying and being situated in the County of Kerr, State of Texas, comprising 2.6642 acres of land out of Original Survey No. 120, Walter Fosgate, Abstract No. 138, and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at a fence corner post and iron pipe found where the Northeast Right-of-Way line of Guadalupe Street (formerly Highway 27) intersects the Northwest line of the middle 1/3 of Original Survey No. 120, Walter Fosgate, for the West corner of this tract, said corner being located 172.66 feet N44°59'E from the West corner of said middle 1/3 of Survey No. 120, Walter Fosgate, which was marked by a 36-inch diameter forked cypress tree stump;

THENCE with old fence along the Northwest line of the middle 1/3 of said Original Survey No. 120, Walter Fosgate, N45°E, 232.75 feet to an iron stake found for the North corner of this tract, from which the West corner of that 1.4181 acre tract which was conveyed from Roy D. Spears Corporation to G. E. Lehmann by deed dated August 1, 1968, of record in Volume 134, at Page 505 of the Deed Records of Kerr County, bears N45°E, 45.05 feet;

THENCE S44°49'23"E, 391.59 feet to an iron stake found for the East corner of this tract, from which the South corner of said 1.4181 acre tract bears N45°E, 43.0 feet;

THENCE with old fence S45°W, 360.0 feet to an iron pipe found at a corner in the Northeast line of Guadalupe Street, for the South corner of this tract;

THENCE with the Northeast line of Guadalupe Street N26°50'18"W, 412.12 feet to the PLACE OF BEGINNING and containing 2.6642 acres of land more or less.

Being a portion of the property which was first conveyed from James C. Rees and Ida Rees to Rudolf Bittle by deed dated February 21, 1914, of record in Volume 33 at Page 300 of the Deed Records of Kerr County, and subsequently from Rex McElroy to G. E. Lehmann by deed dated June 19, 1968, of record in Volume 134 at Page 554 and from G. E. Lehmann to Bessie Mae Lehmann Magee, et al by deed dated August 13, 1968, of record in Volume 134 at Page 557 of the Deed Records of Kerr County, Texas.

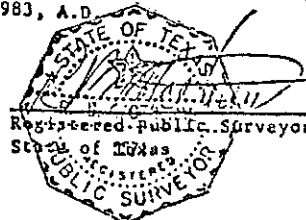
STATE OF TEXAS I

COUNTY OF KERR I

KNOW ALL MEN BY THESE PRESENTS:

I, R. B. Motheral, Registered Public Surveyor, do hereby certify that I did during the month of April 1983, survey on the ground the above described tract and that said description is true and correct to the best of my knowledge and belief.

TO CERTIFY WHICH, WITNESS my hand and seal at Kerrville, Kerr County, Texas, this the 5th day of August, 1983, A.D.



R. B. Motheral

Registered Public Surveyor, No. 2874

State of Texas

GUADALUPE CENTER SUBDIVISION
LOT #3

FIELD NOTES

August 1983

BEING 1.50 acres of land, more or less, out of the 9.43 acres described in Vol. 221, Pg. 362 of the Deed Records, Kerr County, Texas, out of the original Survey No. 120, Walter Fosgate, Abstract No. 138, which is more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pin at the Southeast corner of the 3.16 acres designated as Lot #2 of the Guadalupe Center Subdivision, the same being a point in the Northwest right-of-way line of Guadalupe Street;

THENCE with the Guadalupe Street right-of-way, S2°35'40"E, 448.72 feet to a 2-inch pipe;

THENCE with the Southwest line of the adjoining property of the Inn of the Hills, Inc., S44°59'00"W, 62.84 feet to an iron pin;

THENCE with the Northeast line of Lot #4 of the Guadalupe Center Subdivision, N31°23'02"W, 112.52 feet; N16°30'44"W, 100.38 feet; N47°53'46"W, 97.69 feet; N33°42'43"W, 46.57 feet; N41°30'28"E, 120.70; N7°36'06"W, 64.51 feet; N32°59'08"W, 39.34 feet to an iron pin being a point at the intersection of Lots #2 and 4;

THENCE with the Southeast line of Lot #2 of the Guadalupe Center Subdivision N86°49'39"E, 159.76 feet to the PLACE OF BEGINNING.

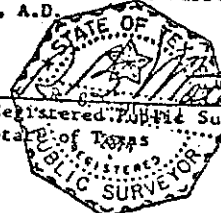
STATE OF TEXAS

COUNTY OF KERR

KNOW ALL MEN BY THESE PRESENTS:

I, R. B. Motheral, Registered Public Surveyor, do hereby certify that I did during the month of July, 1981, survey on the ground the above described tract and that said description is true and correct to the best of my knowledge and belief.

TO CERTIFY WHICH, WITNESS my hand and seal at Kerrville, Kerr County, Texas, this the 10th day of July, 1981, A.D.


R. B. Motheral
Registered Public Surveyor, No. 2874
State of Texas



MOTHERAL INDUSTRIES INCORPORATED

816 West First Street • Austin, Texas 78701

312-426-5788

FIELD NOTES FOR LOT "3"

August 1983

INN OF THE HILLS SUBDIVISION -
Kerrville, Texas

BEING 0.5 acres of land, more or less, in Kerr County, Texas, out of Original Survey No. 120, Walter Fosgate, Abstract No. 138, which is more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron stake at the 1622 foot Mean Sea level elevation, same being the North corner of a 0.42 acre tract of land conveyed by Inn of the Hills, Ltd. to Upper Guadalupe River Authority, said point being in the Northwest line of a 1.507 acre tract conveyed to Inn of the Hills, Ltd. by deed recorded in Volume 184, page 236 of the Deed Records of Kerr County, Texas, said beginning point is located 47.0 feet N44°59'E from the upper or West corner of the central or middle 1/3 of said Survey No. 120, Walter Fosgate, on the Northeast bank of the Guadalupe River;

THENCE with the Northwest line of the middle 1/3 of said Survey No. 120, Walter Fosgate, N44°59'E, 62.84 feet to a 2-inch iron pipe in the Southwest Right-of-Way line of Guadalupe Street;

THENCE with the Southwest Right-of-Way line of Guadalupe Street, S26°50'18"E, 412.12 feet to an iron stake in the Southeast line of said 1.507 acre tract;

THENCE with the Southeast line of said 1.507 acre tract, S45°W, 49.20 feet to an iron stake set in the 1622 foot elevation line;

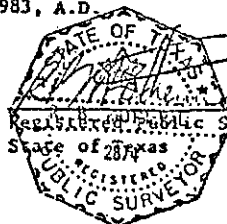
THENCE with the meanders of the 1622 foot elevation line, approximately N28°39'27"W, 408.06 feet to the PLACE OF BEGINNING.

STATE OF TEXAS I
COUNTY OF KERR I

KNOW ALL MEN BY THESE PRESENTS:

I, R. B. Motheral, Registered Public Surveyor, do hereby certify that I did during the month of April, 1983, survey on the ground the above described tract and that said description is true and correct to the best of my knowledge and belief.

TO CERTIFY WHICH, WITNESS my hand and seal at Kerrville, Kerr County, Texas this the 5th day of August, 1983, A.D.



R. B. Motheral

Registered Public Surveyor, No. 2874

State of Texas



MOTHERAL INDUSTRIES INCORPORATED

2103 Justin Lane, Suite 111 • Austin, Texas 78757

512 / 431-5212

FIELD NOTES FOR LOT "1"

HOTEL TRACT

August 1981

INN OF THE HILLS SUBDIVISION
Kerrville, Texas

BEING all that certain tract or parcel of land lying and being situated in Kerr County, State of Texas, comprising 7.1749 acres of land out of the original Survey No. 120, Walter Fosgate, Abstract No. 138, and being more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pin found as the west corner of this tract, same being in the Northwest line of the 1.4181 acre tract conveyed from Roy D. Spears Corporation to G. E. Lehmann by deed dated August 1, 1968, of record in Volume 134, at Page 505 of the Deed Records of Kerr County, the North corner of said 1.4181 acre tract bears N45°E, 45.05 feet, same being in the Northwest line of the middle 1/3 of the Walter Fosgate Survey No. 120;

THENCE along the Northwest line of this tract and the Southeast line of the Jack Moore tract, and same being the Northwest line of the middle 1/3 of the Walter Fosgate Survey No. 120, N45°E, 45.05 feet to an iron pin found;

THENCE along said Northwest line of this tract N45°E, 156.3 feet to an iron pin found;

THENCE along said Northwest line of this tract N44°43'E, 550.0 feet to an iron pin found in the South Right-of-Way of State Highway No. 27;

THENCE along the said South Right-of-Way of State Highway No. 27, S60°26'E, 400.0 feet to an iron pin found as the East Corner of this tract;

THENCE S44°43'W, 654.5 feet along the Southeast line of this tract to an iron pin;

THENCE S43°03'W, 161.6 feet along the Southeast line of this tract to an iron pin;

THENCE S45°W, 43.0 feet along the Southeast line of this tract to an iron pin found as the South corner of the tract, and the East corner of Lot 2 of Inn of the Hills Subdivision.

THENCE N44°49'23"W, 391.59 feet along the South line of Lot 1 and the North line of Lot 2 to the PLACE OF BEGINNING and containing 7.1749 acres of land more or less.

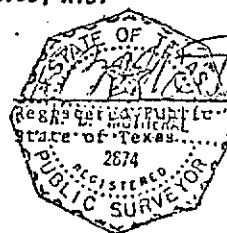
STATE OF TEXAS I

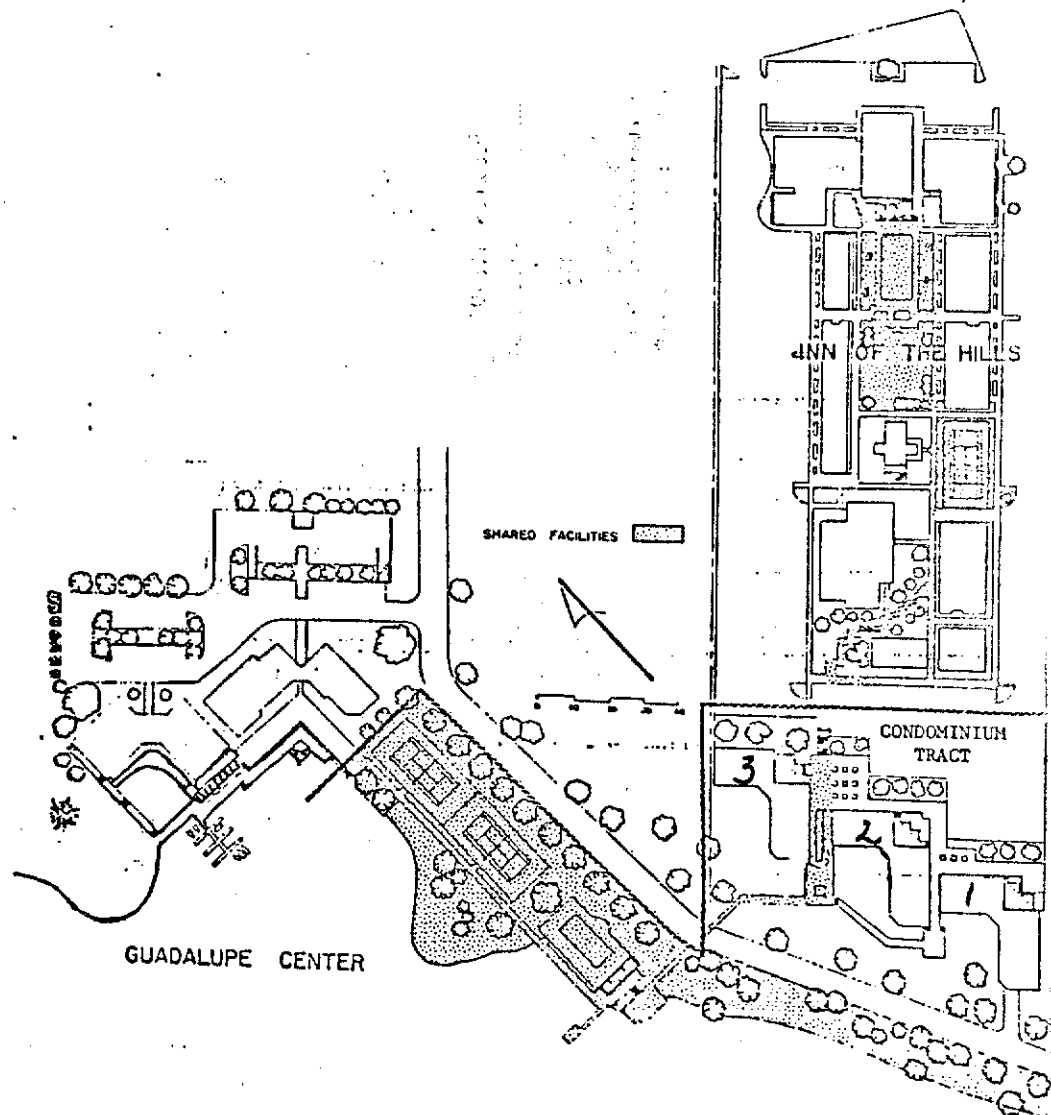
COUNTY OF KERR I

KNOW ALL MEN BY THESE PRESENTS:

I, R. B. Motheral, Registered Public Surveyor, do hereby certify that I did during the month of April 1981, survey on the ground the above described tract and that said description is true and correct to the best of my knowledge and belief.

TO CERTIFY WHICH, WITNESS my hand and seal at Kerrville, Kerr County, Texas, this the 5th day of August, 1981, A.D.

R. B. Motheral -
Registered Public Surveyor, No. 2874
State of Texas



FILED FOR RECORD

at 12:59 o'clock P.M.

MAR 26 1985

PATRICIA DYE

Clerk County Court, San County, Texas
By Thomas A. Hester Deputy

RETURN TO:

Keeville Trile
631 W. 4th St.
Keeville, TEXAS
78028

Filed for record March 26, 1985 at 12:59 o'clock P.M.

Recorded April 1, 1985
PATRICIA DYE, Clerk

By Mary C. Henson Deputy