

**DECLARATION FOR MILLENNIUM PARK**

THIS DECLARATION (this "Declaration") is made effective as of the date set forth below by **Laredo Millenium Properties, Ltd.**, a Texas limited partnership ("Declarant"):

Signed: \_\_\_\_\_  
 Fee Amount: \$25.00

**W I T N E S S E T H:**

WHEREAS, Declarant is the owner of that certain real property (the "Property") in Webb County, Texas, more particularly described in Exhibit "A" attached hereto and incorporated herein for all purposes. Declarant is platting the Property into a subdivision known as Millennium Park (the "Subdivision"), and in connection with such platting, the City of Laredo has required that a storm water run-off detention pond be included in the Subdivision, and that provision be made for the maintenance of such detention pond. The purpose of this Declaration is to provide for the maintenance of such detention pond. In connection therewith, a property owners association has been or will be chartered as a non-profit Texas corporation to own such detention pond and to maintain such detention pond, and to administer and enforce the assessments and liens set forth within this Declaration.

NOW, THEREFORE, Declarant hereby declares that all of the Property is and shall be owned, held, mortgaged, transferred, sold, conveyed and occupied subject to the following provisions, charges and liens, which shall run with the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

**ARTICLE 1**  
**DEFINITIONS**

Section 1.1 "Association" shall mean and refer to LAREDO MILLENNIUM PARK PROPERTY OWNERS' ASSOCIATION, INC., a Texas nonprofit corporation, its successors and assigns.

Section 1.2 "Owner" and "Member" shall each mean and refer to the holder(s) of record title to the fee simple interest of any Lot (as defined below), except that Declarant shall be a Member through December 31, 2001 regardless of whether Declarant owns a Lot or not.

Section 1.3 "Member" shall mean a member of the Association.

Section 1.4 "Property" shall mean and refer to the real property subject to this Declaration, which shall initially be the real property described in Exhibit "A" hereto, but may be expanded by the Declarant to include additional real property as provided herein.

0951 152

Section 1.5 "Common Area" shall mean the real property shown as Lot 1, Block 5 on the Plat (as defined below) and the detention pond, landscaping and all improvements located thereon.

Section 1.6 "Lot" shall mean and refer to any lot (with the exception of the Common Area, which is not a Lot for the purposes of this Declaration) shown on the subdivision plat or plats (collectively, the "Plat") covering the Property, recorded in the Plat Records of Webb County, Texas.

Section 1.7 "Assessment" shall mean and refer to any assessment made with respect to a Lot pursuant to this Declaration.

ARTICLE II  
MEMBERSHIP AND VOTING  
RIGHTS IN THE ASSOCIATION

Section 2.1 Membership: Each and every Owner of each and every Lot shall automatically be, and must at all times remain, a Member of the Association in good standing.

Section 2.2 Voting Rights: With respect to the voting rights of the Members of the Association, the Declarant shall have all voting rights until December 31, 2001, and thereafter the Owner of each Lot in good standing shall be entitled to one (1) vote per tenth of an acre owned, rounded to the nearest tenth of an acre (for example, the Owner of a 1.849 acre Lot would be entitled to 18 votes). Where more than one Owner owns and holds a record fee interest in a Lot, such Owners may divide and cast the votes attributable to such Lot in such manner as they may determine without increasing the total number of votes attributable to such Lot as set forth above (i.e., one (1) vote per tenth of an acre). Any Owner shall not be in "good standing" if any Assessment with respect to the Lot owned by such Owner is more than thirty (30) days past due.

Section 2.3 Rules and Regulations: The Board of Directors of the Association (the "Board") may make such rules and regulations, consistent with the terms of this Declaration and the Bylaws of the Association (the "Bylaws"), as it deems advisable, for: any meeting of Members; proof of membership in the Association; the status of good standing; evidence of right to vote; the appointment and duties of examiners and inspectors of votes; the procedures for actual voting in person or by proxy; registration of members for voting purposes; and such other matters concerning the conduct of meetings and voting as the Board shall deem fit.

0951 153

ARTICLE III  
ACCESS AND TITLE

Section 3.1 Access by the Association: The Association its officers, agents, contractors, employees, and any management company selected by the Association, shall have the right to enter upon or cross over the Property in connection with maintaining the Common Area.

Section 3.2 Title to Common Area: The Declarant may retain its interest in and to the Common Area or may transfer such interest to the Association at such time as the Declarant sees fit to do so.

ARTICLE IV  
MAINTENANCE; USE RESTRICTIONS

Section 4.1 Maintenance Contracts: In addition to all other powers and authority it has or may have, the Association has the power to maintain the Common Area, and all improvements associated therewith, and in connection therewith may enter into one or more contracts or agreements for the maintenance or improvement of the Common Area.

Section 4.2 No Obstruction of Common Area: There shall be no obstruction of the Common Area that would impair its use as a detention pond. Nothing shall be stored in the Common Area without the prior written consent of the Association.

ARTICLE V  
MAINTENANCE ASSESSMENTS

Section 5.1 Assessments and Uses of Funds: The Association may impose Assessments against each Lot with the funds collected to be placed in a maintenance fund (the "Maintenance Fund") and applied toward the payment of any of the following (each an "Authorized Cost"): (i) the costs of maintaining (and improving if necessary to comply with applicable law or insurance requirements) the Common Area, and any amounts owing to the City of Laredo or any other governmental entity under any agreement or agreements relating to the maintenance of, and/or making of improvements to, the Common Areas, and all amounts expended to comply with the terms of such agreements; (ii) property and liability insurance premiums (including but not limited to, liability insurance covering the directors, officers and agents of the Association) in such amounts, on such terms, and with such insurance carriers as the Association deems fit; (iii) operating expenses of the Association, including (but not limited to) any taxes payable by the Association, and third party management fees of an association manager engaged by the Association to manage the affairs of the Association; (iv) any other expenditures which the Association, in the exercise of its sole good faith discretion, may deem necessary or beneficial in connection with the duties and

purpose of the Association or in connection with the administration of the Association (including, but not limited to, expenditures (such as attorney's fees) in connection with collecting any unpaid Assessment that is past due, and expenditures in connection with any dissolution of the Association in the event of the termination of this Declaration), it being understood that the judgment of the Association, when exercised in good faith, as to any expenditure or commitment of funds shall be final and conclusive. In the event the Association shall expend monies for any of the foregoing purposes in amounts exceeding the amount then in the Maintenance Fund, the Association shall be entitled to receive reimbursement from amounts thereafter paid into the Maintenance Fund by the Owners through an appropriate Assessment (either annual or special).

Section 5.2 Undertaking by Declarant for the Payment of Certain Authorized Costs: Declarant shall defray all Authorized Costs incurred prior to January 1, 2002 up to the amount of \$10,000.00 (such amount being Declarant's estimate of Authorized Costs through 2001). All other Authorized Costs are to be defrayed through the imposition of Assessments as provided in this Declaration.

Section 5.3 Annual Assessments: Each Owner of a Lot shall pay to the Association an annual Assessment as initially imposed by the Association and as subsequently adjusted by the Association. The annual Assessment as made by the Association shall be based upon the estimated needs for the coming fiscal year as determined by the Association in good faith. Annual Assessments shall be made one time for each fiscal year of the Association at such time as the Association deems appropriate.

Section 5.4 Special Assessments: In addition to the annual Assessments provided for in this Article, the Association may levy, at any time, a special Assessment for the purpose of defraying, in whole or in part, any Authorized Cost for which there are not sufficient funds in the Maintenance Fund.

Section 5.5 Enforcement of Assessments: Each Assessment imposed pursuant to the terms of this Declaration shall continue for so long as this Declaration shall be effective, shall be secured by a continuing lien upon the Lot assessed (which lien is hereby created), and shall be due and payable upon the giving of notice of such Assessment by or on behalf of the Association to the person or entity that is the Owner of such Lot as of the time of such Assessment according to the records of the Association. With respect to any Assessment which is not paid within sixty (60) days after the due date therefor, the Association may (i) assess interest on the amount unpaid at the rate of the lower of 17% per annum or the maximum amount allowed by applicable law, (ii) file an affidavit in the Webb County Real Property Records giving notice of such delinquency and the lien securing same; (iii) take whatever steps it deems appropriate to collect such past due amounts, including (but not limited to) bringing an action at law against the Owner obligated to pay the same and/or foreclosing the lien herein created and

0951 155

retained against the Lot to which such Assessment relates. Interest, costs and attorney's fees incurred in any such action or in connection with any other collection efforts with respect to such Assessment shall be added to and become part of such Assessment. The Association, or its agents, is vested with the right and power to bring and pursue all actions and proceedings (judicial and nonjudicial) against such Owner for the collection of such charges as a debt and the enforcement of such debts and liens, including foreclosure of real or personal property. The Association shall have and is hereby granted a power of sale and right of nonjudicial foreclosure in connection with the lien hereby created. No Owner may waive or otherwise escape liability for any Assessment provided for herein by abandonment of his Lot.

Section 5.6 Subordination of the Lien to Mortgages: The lien for the Assessments provided for herein shall be subordinate to the lien of any mortgage, deed of trust or similar instrument constituting a first lien in respect to any Lot (or a leasehold interest therein), and, when specifically approved by the Association (which approval shall be at the Association's discretion), any second or subsequent lien upon a Lot or any lease or other instrument creating an interest in a Lot in others. Sale or transfer of any Lot shall not affect the Assessment lien provided for herein; provided, however, that the sale or transfer of any Lot pursuant to a first mortgage foreclosure or any foreclosure of a subordinate mortgage approved by the Association, or any proceeding in lieu thereof, shall extinguish the lien as to Assessments which become due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien provided for herein securing same.

Section 5.7 Request for Information: Any grantee or mortgagee or any proposed grantee or proposed mortgagee with respect to a Lot may request the Association to render to it a written statement setting forth whether the Assessments on a specified Lot have been paid, and if not paid, the amount of any unpaid Assessment against any such Lot. Upon receipt of such a request in writing, together with a reasonable fee determined by the Association, the Association shall promptly deliver such written statement to the party requesting same.

Section 5.8 Assessments to be Based on Area: Assessments are to be made on a pro rata basis based on the area of each Lot such that each Lot shall be assessed that portion of the total assessment (annual or special) which bears the same ratio to the total assessment as the area comprising said Lot (as set forth in the Plat or as otherwise determined by the Association) bears to the total area comprising all Lots (as set forth in the Plat or as otherwise determined by the Association).

0951 156

ARTICLE VI  
MISCELLANEOUS

Section 6.1 Severability: Invalidation of any one of the provisions of this Declaration by judgment or court order shall in no way affect any other provisions and all such other provisions shall remain in full force and effect.

Section 6.2 Amendment; Additional Property: This Declaration may be amended (i) after December 31, 2001, by written instrument signed and acknowledged by the Owners of Lots representing at least 75% of the total area of all Lots (as shown on the Plat) and filed in the Webb County real property records, or (ii) on or before December 31, 2001, by written instrument signed and acknowledged by Declarant and filed in the Webb County real property records. Any such amendment shall be effective when recorded in the Webb County real property records. No amendment may be effected which would permit any Owner to be exempted from the payment of any Assessment. In addition to the foregoing, the Declarant may amend this Declaration at any time to include additional real property under this Declaration. Upon such an amendment, the term "Property" shall include such additional property so included.

Section 6.3 Term: This Declaration is made and adopted to run with the land, and shall be binding upon the undersigned and all parties and persons claiming through and under it until December 31, 2020, at which time this Declaration will be automatically extended for successive periods of ten (10) years, unless an instrument signed by all of the Owners of Lots has been recorded agreeing to terminate this Declaration in whole or in part. Notwithstanding the foregoing, in the event it is no longer necessary to have and maintain a detention pond on the Common Area under applicable law and the City of Laredo no longer requires such detention pond either the Declarant or the Association may, by written instrument filed in the Webb County real property records, terminate this Declaration. Such instrument shall contain a statement to the effect that it is no longer necessary to have and maintain a detention pond on the Common Area under applicable law, and that the City of Laredo no longer requires such detention pond.

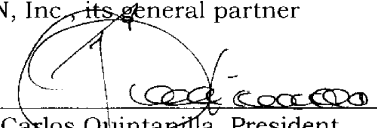
Section 6.4 Number and Gender; Alternative Methods of Notice: The singular shall be treated as the plural and vice versa if such treatment is necessary to interpret the terms hereof. Likewise, if the feminine, masculine or neuter gender should be any of the other genders, it shall be so treated. In addition to giving notice by U.S. mail as provided in Section 6.5 below, the Association may give notice to an Owner by any other method (e.g., delivery service, personal delivery, facsimile, email, etc.) reasonably calculated by the Association to provide prompt notice to such Owner, using the address, facsimile number, email address, etc. (as appropriate) of such Owner according to the records of the Association, which notice shall be effective when delivered, sent or transmitted (as the case may be).

Section 6.5 Notice: Any notice given to an Owner in connection with this Declaration or any Assessment shall be effective when mailed by U.S. mail to the address of such Owner according to the records of the Association.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Declaration on the date set forth in the acknowledgment below, to be effective as of the 10<sup>th</sup> day of August, 2000.

LAREDO MILLENIUM PROPERTIES, LTD., a  
Texas limited partnership

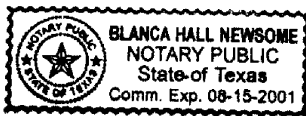
By: Q&N, Inc., its general partner

By:   
Carlos Quintanilla, President

STATE OF TEXAS     §  
                                 §  
COUNTY OF BEXAR   §

Before me Blanca Hall Newsome, Notary Public, State of Texas, on this day personally appeared Carlos Quintanilla, President of Q&N, INC., a Texas corporation, General Partner of LAREDO MILLENIUM PROPERTIES, LTD., a Texas limited partnership, 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.

Given under my hand and seal of office this 10<sup>th</sup> day of August, A.D., 2000.



Blanca Hall Newsome  
Notary Public, State of Texas  
My Commission Expires: 08-15-2001

AFTER RECORDING  
RETURN TO:

LEGAL DESCRIPTION  
106.9176 ACRE TRACT

A 106.9176 ACRE TRACT MORE OR LESS; OUT OF PORCION 13 & 14, JOSE GUAJARDO ORIGINAL GRANTEE, ABSTRACT 56, AND PART OF A TRACT OF LAND SHOWN TO BE TRACT 11 162.0307 ACRES BY SURVEY DATED MAY 12, 1992 PREPARED BY MEJIA ENGINEERING COMPANY, SAID 162.640 ACRES TRACT BEING SITUATED PARTIALLY IN CITY OF LAREDO AND PARTIALLY IN PORCION 13 & 14 IN WEBB COUNTY TEXAS; AND BEING ALL OF THE CALLED 9-87 ACRE TRACT AS DESCRIBED BY METES AND BOUNDS IN DEED RECORDED IN VOL. 226 PAGES 535-536 OF THE WEBB COUNTY DEED RECORDS, AND THOSE PORTIONS OF THE CALLED 99 ACRES, 160 ACRE, AND 148 ACRE TRACTS WHICH LIE EAST OF THE NEW F.M. 1472 RIGHT-OF-WAY AS DESCRIBED BY METES AND BOUNDS IN WARRANTY DEED RECORDED IN VOL. 141 PAGES 771-773 OF THE WEBB COUNTY DEED RECORDS; SAID 106.9176 ACRES IS HEREIN MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT THE MOST NORTHEAST CORNER OF LOS CORRALITOS SUBDIVISION, 30.224 ACRE TRACT AS RECORDED IN VOL. 566 PAGES 12-14 OF THE WEBB COUNTY DEED RECORDS AND POINT IN THE SOUTHWEST RIGHT-OF-WAY OF F.M. 1472 THENCE S 29°23'04" E, DISTANCE OF 3383.37 BEING THE NORTHWEST CORNER OF THIS 106.9176 ACRE TRACT AND POINT OF BEGINNING;

THENCE, N 68°26'05" E WITH A FENCE ON THE NORTHWEST LINE OF THIS TRACT, A DISTANCE OF 58.00 TO A POINT FOR A DEFLECTION TO THE LEFT;

THENCE, N 68°17'35" E WITH A FENCE ON THE NORTHWEST LINE OF THIS TRACT, A DISTANCE OF 1,110.75' TO A POINT FOR A DEFLECTION TO THE LEFT;

THENCE, N 26°31'09" E WITH A FENCE ON THE NORTHWEST LINE OF THIS TRACT, A DISTANCE OF 101.68' TO A CONCRETE MONUMENT FOUND FOR THE MOST NORTHERLY CORNER HEREOF;

THENCE, S 69°30'08" E WITH A FENCE ON THE NORTHEAST LINE OF THIS TRACT, A DISTANCE OF 721.91' TO A POINT OF CURVE TO THE RIGHT;

THENCE, WITH A FENCE ON THE NORTHEAST LINE OF THIS TRACT AND ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 1,482.69', A DELTA OF 58°21'59", A DISTANCE OF 1,510.40' CHORD OF 1445.93 FEET AND CHORD BEARING OF S 40°24'17" E TO A POINT OF TANGENCY;

THENCE, S 11°29'10" E WITH A FENCE ON THE NORTHEAST LINE OF THIS TRACT, A DISTANCE OF 602.92' TO A POINT OF CURVE TO THE LEFT;

THENCE, WITH A FENCE ON THE NORTHEAST LINE OF THIS TRACT AND ALONG SAID CURVE TO THE LEFT, HAVING A RADIUS OF 2,814.90', A DELTA OF 05°09'34", A DISTANCE OF 253.48 FEET CHORD OF 253.40 FEET AND CHORD BEARING OF S 12°37'52" E TO A POINT OF TANGENCY FOR THE S.E.C.;

THENCE, S 68°06'39" W, ALONG THE SOUTHEAST LINE OF THIS TRACT A DISTANCE OF 1513.88 FEET TO THE SOUTHWEST CORNER;

THENCE, N 34°09'40" W ALONG THE NEW EAST RIGHT-OF-WAY OF F.M. 1472 A DISTANCE OF 2698.88 FEET FOR AN 1 1/2" IRON ROD SET AND THE NORTHWEST CORNER OF THIS TRACT AND THE BEGINNING.

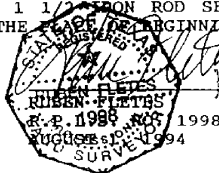


EXHIBIT "A"  
Page 1 of 1

0951 159