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**RESTATED AND AMENDED COMMON AREA AGREEMENT**

This Restated and Amended Common Area Agreement (the "Agreement") is made by and between **STEINER RANCH MASTER ASSOCIATION, INC.**, a Texas non-profit corporation ("SRMA"), and **STEINER RANCH RESIDENTIAL OWNERS ASSOCIATION, INC.**, a Texas non-profit corporation ("SRROA"), and is as follows:

**RECITALS**

A. SRMA and SRROA entered into that certain Common Area Agreement, recorded in Volume 13093, Page 0006, Official Records of Travis County, Texas, as amended by that certain First Amendment to Common Area

Agreement, recorded in Volume 13317, Page 0121, Official Records of Travis County, Texas, as amended by that certain Amendment to Common Area Agreement, recorded as Document No. 2000143256, Official Records of Travis County, Texas (collectively, the "Original Agreement"). Upon execution of this Agreement, the Original Agreement shall be superceded in its entirety and this Agreement shall be substituted in its place.

**B.** SRMA is a property owners association with a membership comprised of all owners of certain property located in Travis County, Texas, encumbered by that one certain Master Declaration of Covenants, Conditions, and Restrictions Steiner Ranch, recorded in Volume 13008, Page 756, Real Property Records of Travis County, Texas (the "SRMA Declaration").

**C.** SRROA is a property owners association with a membership comprised of all owners of certain property located in Travis County, Texas, encumbered by that one certain Restatement of Master Declaration of Covenants, Conditions and Restrictions for Steiner Ranch Residential Areas, recorded in Volume 10920, Page 0001, Real Property

Records of Travis County, Texas, as amended (the "SRROA Declaration").

**D.** SRMA has agreed to permit members of SRROA to use SRMA's "Common Area" (as such term is defined in the SRMA Declaration and on Exhibit "A") (the "SRMA Common Area").

**E.** SRROA has agreed to permit members of SRMA to use SRROA's "Common Area" (as such term is defined in the SRROA Declaration and on Exhibit "A") (the "SRROA Common Area").

**NOW THEREFORE**, for and in consideration of the mutual covenants and obligations set forth herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, SRMA and SRROA hereby agree as follows:

**1. SRROA Member Use of Common Area.** Each "Member" of SRROA (as the term "Member" is defined

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in the SRROA Declaration and on Exhibit "A") shall have access to and be entitled to use the SRMA Common Area, subject to the terms and provisions of this Agreement, the terms and provisions of the SRMA Declaration, and any rules, regulations, or fees (other than regular and special assessments levied pursuant to Article 5 of the SRMA Declaration) adopted by SRMA for the use of the SRMA Common Area by SRMA Members.

**2. SRMA Member Use of Common Area.** Each "Member" of SRMA (as the term "Member" is defined in the SRMA Declaration and on Exhibit "A") shall have access to and be entitled to use the SRROA Common Area, subject to the terms and provisions of this Agreement, the terms and provisions of the SRROA Declaration, and any rules, regulations, or fees (other than regular and special assessments levied pursuant to Article VII of the SRROA Declaration) adopted by SRROA for the use of the SRROA Common Area by SRROA members.

**3. Common Area Rules and Regulations.** SRMA and SRROA has or will adopt reasonable rules and regulations concerning the use of the Common Area owned by such association. The Board of Directors of SRMA and

SRROA each covenant and agree to adopt a rule and regulation (the "Use Rule") which will require their respective members to comply and abide by the rules and regulations adopted by the other association governing use of such association's Common Area. The Board of Directors of SRMA and SRROA each covenant and agree to address their member's violation of the Use Rule and collect any fines associated therewith in the same manner and utilizing the same procedures used to address violations of other rules and regulations adopted by such association. In the event a fine is collected due to a violation of a Use Rule, such fine must be remitted to the association which owns the Common Area on which such violation occurred. Nothing set forth in this Paragraph 3, Paragraph 9, or Paragraph 10 shall act to waive or abrogate SRMA or SRROA's right to pursue a cause of action against any party to recover sums due for damages or injunctive relief or both, as a result of destruction or damage to any portion of the Common Area owned by SRMA or SRROA.

**4. Addition of Land.** The SRMA Declaration and the SRROA Declaration provide that additional land may, from time to time, be made subject to the terms and provisions of the SRMA Declaration or the SRROA

Declaration, respectively. In the event additional land is made subject to the SRMA Declaration or the SRROA Declaration, any Common Area included within such additional land shall automatically become subject to this Agreement.

**5. Common Area Maintenance Standard.** SRROA covenants and agrees to maintain or cause to be maintained all SRROA Common Area, including but not limited to any pool, recreational facilities or clubhouses, in good order and condition, and further agrees to perform any capital improvements or repairs necessary or required to discharge its obligations hereunder. SRMA covenants and agrees to maintain or cause to be maintained all SRMA Common Area, including but not limited to any pool, recreational facilities or clubhouses, in good order and condition, and further agrees to perform any capital improvements or repairs necessary or required to discharge its obligations hereunder. The obligations set forth in this paragraph shall run to the benefit of SRMA and SRROA only, and in no event shall such obligations inure to the benefit of any individual member of SRMA or SRROA.

**6. Social Events Participation.** Each Member of the SRROA shall be entitled to attend each community-wide social function sponsored by the SRMA. In the event the function will be funded, in whole or in part, by admission fees or other participant charges, such charges shall also be paid by Members of SRROA who attend the function. In the event the function will be funded, in whole or in part, from the regular monthly assessments charged against Members of the SRMA, the Board of Directors of SRMA shall establish a use fee to be charged to the SRROA in exchange for permitting its Members to participate in the function. The fee shall be determined by allocating the total costs of the function not otherwise discharged by individual admission fees or other participant charges pro-rata among SRMA and SRROA based on the total number of Members in each respective association on the date such fee is established by the SRMA Board. Once the use fee is established, the SRMA shall communicate such fee to the SRROA who shall have ten (10) days to agree in writing to the fee. In the event SRROA fails to agree in writing to the fee prior to the deadline set forth in the preceding sentence, Members of the SRROA shall not be permitted to participate in the function to which the use fee applies.

Each Member of the SRMA shall be entitled to attend each community-wide social function sponsored by the

SRROA. In the event the function will be funded, in whole or in part, by admission fees or other participant charges, such charges shall also be paid by Members of SRMA who attend the function. In the event the function will be funded, in whole or in part, from the regular monthly assessments charged against Members of the SRROA, the Board of Directors of SRROA shall establish a use fee to be charged to the SRMA in exchange for permitting its Members to participate in the function. The fee shall be determined by allocating the total costs of the function not otherwise discharged by individual admission fees or other participant charges pro-rata among SRROA and SRMA based on the total number of Members in each respective association on the date such fee is established by the SRROA Board. Once the use fee is established, the SRROA shall communicate such fee to the SRMA who shall have ten (10) days to agree in writing to the fee. In the event SRMA fails to agree in writing to the fee prior to the deadline set forth in the preceding sentence, Members of the SRMA shall not be permitted to participate in the function to which the use fee applies.

7. **Joint Committees.** The Board of Directors of the SRMA and the SRROA shall seek to establish a social committee and facilities committee to be comprised of residents and Board members from SRROA and SRMA for the

purpose of making recommendations to the Board of Directors of each respective association.

**8. Term.** This Agreement shall be for an initial term of twenty (20) years, which shall be automatically renewed for successive five (5) year terms. If an association (the "Defaulting Party") fails to comply with any term or provision of this Agreement and such failure or alleged failure is not cured or disputed within sixty (60) days after written notice thereof has been provided to the Defaulting Party, the other association (the "Non-Defaulting Party") shall have the right, subject to mediation and/or arbitration in accordance with Paragraph 12, as its sole, absolute and exclusive remedy, to terminate this Agreement by written notice to the Board of Directors of the Defaulting Party. In the case where a default cannot with due diligence be cured within such sixty (60) day period, the Defaulting Party shall not be in default under this Agreement if the Defaulting Party proceeds within such sixty (60) day period to cure the condition which gave rise to the default with all due diligence. In the event this Agreement is terminated pursuant to this Paragraph, this Agreement shall be of no further force or effect upon the expiration of thirty (30) days after the date on which a Board votes to terminate this Agreement (the "Termination Date"). On the Termination Date: (i) SRMA and SRROA shall have

the right to file a statement of termination specifying that the easement created hereunder is of no further force and effect; and (ii) no association or other party shall have any claim to all or any portion of the Common Area unless fee title is owned by the association which asserts such claim.

**9. Insurance.** Each association shall at all times during the term of this Agreement, keep or cause to be kept in force a policy or policies of comprehensive general liability insurance for the Common Area, or an endorsement on a blanket comprehensive general liability insurance policy or policies, protecting any and all claims and liabilities arising out of injuries to or the death of any persons through use of such association's Common Area or for property damage at such policy limits as determined in good faith by the association board procuring such policy or policies. Said policy or policies shall contain a cross-liability endorsement, and certificates of insurance evidencing the existence in force of the policies of insurance required to be obtained pursuant to this Paragraph 9, together with endorsements showing each association has been named as an additional insured on such association's policy or policies, shall be delivered to each association, by the other, on or before thirty (30) days after the Effective Date. Each of these certificates shall provide

that such insurance shall not be cancelled or materially amended unless fifteen (15) days prior written notice of such cancellation or amendment is given to any additional insured named on such policy. Each association hereby waives and releases any and all right of recovery against the other, including employees and agents, arising during the term of this Agreement for any and all loss or damage to any property or person, which loss or damage arises from any peril which is covered, or required by this Agreement to be covered, by insurance in whole or in part. This mutual waiver is in addition to any other waiver or release contained in this Agreement. Each association shall have their insurance policies issued in such form as to waive any right of subrogation which might otherwise exist, and shall provide written evidence thereof to each other upon request.

**10. Indemnification.**

(i) SRMA Indemnification. SRMA agrees to save SRROA, SRROA's officers, directors, agents, employees, successors and assigns, harmless from and against and indemnify and defend them against any and all injury, loss,

damage, liability (or any claims in respect of the foregoing), costs or expenses (including, without limitation, reasonable attorney's fees), of whatever nature, to any person or property caused or claimed to be caused or resulting from the negligence or willful acts of SRMA, SRROA's officers, directors, agents, employees, successors and assigns, while acting in their capacity as such, provided nothing contained herein shall require SRMA to indemnify SRROA against matters resulting from SRROA's negligence or willful acts.

(ii) SRROA Indemnification. SRROA agrees to save SRMA, SRMA's officers, directors, agents, employees, successors and assigns, harmless from and against and indemnify and defend them against any and all injury, loss, damage, liability (or any claims in respect of the foregoing), costs or expenses (including, without limitation, attorney's fees), of whatever nature, to any person or property caused or claimed to be caused or resulting from the negligence or willful acts of SRROA, SRROA's officers, directors, agents, employees, successors and assigns, while acting in their capacity as such, provided nothing contained herein shall require SRROA to indemnify SRMA against matters resulting from SRMA's negligence or willful acts.

**11. Notice.** Any notice, communication, request, reply or advice (severally and collectively referred to as "Notice") in this Agreement provided or permitted to be given, made or accepted by either party to the other must be in writing. Notice may, unless otherwise provided herein, be given or served:

- (i) by depositing the same in the United States Mail, certified, with return receipt requested, addressed to the party to be notified and with all charges prepaid; or
- (ii) by depositing the same with Federal Express or another service guaranteeing "next day delivery," addressed to the party to be notified and with all charges prepaid; or
- (iii) by delivering the same to such party, or an agent of such party by telecopy or by hand delivery.

Notice deposited in the United States mail in the manner hereinabove described shall be deemed effective from and after the earlier of the date of actual receipt or three (3) days after the date of such deposit. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties shall, until changed as provided below, be as follows:

SRMA:                   Steiner Ranch Master Association, Inc.  
                              3405 Grimes Ranch Road  
                              Austin, TX 78732  
                              Telephone:     (512) 266-3865  
                              Telecopy:       (512) 266-9342  
                              Attn: President

SRROA:

Steiner Ranch Residential Owners Association, Inc.  
2600 Quinlan Park Road  
Austin, TX 78732  
Telephone: (512) 266-7553  
Telecopy: (512) 266-9312  
Attn: President

With required copy to:

Houston K&S Management, Inc.  
12707 N. Freeway, Suite 500  
Houston, TX 77060  
Telephone: (512) \_\_\_\_\_  
Telecopy: (512) \_\_\_\_\_

The parties hereto shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by at least five (5) days written notice to the other party. If any date or any period provided in this Agreement ends on a Saturday, Sunday or legal holiday, the applicable period shall be extended to the first business day following such Saturday, Sunday or legal holiday

**12. Mediation; Arbitration.** In the event of any dispute, claim, question, or disagreement arising from or relating to this agreement or the breach thereof, the parties hereto shall act in good faith and use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, at least one (1) Board member from each party shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. If they do not reach such solution within a period of sixty (60) days, then, upon notice by either party to the other, disputes, claims, questions, or differences shall be finally settled by arbitration administered by the American Arbitration Association in accordance with the provisions of its applicable rules.

**13. Definitions.** Any capitalized terms used and not otherwise defined herein shall have the meanings set

forth in the SRMA Declaration and the SRROA Declaration.

EXECUTED on this \_\_\_\_ day of \_\_\_\_\_, 2001.

**SRMA:**

STEINER RANCH MASTER ASSOCIATION, INC.,  
a Texas non-profit corporation

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Name: \_\_\_\_\_

**SRROA:**

STEINER RANCH RESIDENTIAL OWNERS ASSOCIATION, INC., a  
Texas non-profit corporation

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Name: \_\_\_\_\_

STATE OF TEXAS

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COUNTY OF TRAVIS

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This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2001, by \_\_\_\_\_, President of the Steiner Ranch Master Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public Signature

(SEAL)

STATE OF TEXAS

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COUNTY OF TRAVIS

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This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2001, by \_\_\_\_\_, President of the Steiner Ranch Residential Owners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public Signature

(SEAL)

**AFTER RECORDING RETURN TO:**

**Robert D. Burton  
Armbrust Brown & Davis, L.L.P.  
100 Congress Avenue, Suite 1300  
Austin, Texas 78701**

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**EXHIBIT "A"**

**Defined Terms**

"SRMA Common Area" shall mean and refer to all real property, including Improvements located thereon, designated by Declarant or conveyed to the SRMA by plat dedication or otherwise and held for the benefit of the Owners, excluding only those areas within the SRMA Common Area dedicated to and accepted by any public authority. Upon conveyance or dedication to the SRMA, the SRMA Common Area shall include all areas within the SRMA Common Area that shall be or have been dedicated to all public authorities but not yet accepted by such authorities. The SRMA Common Area may be owned by the SRMA Association for the common use and enjoyment of the Owners or non-

members on such terms and conditions established by the Board of SRMA. SRMA Common Area may be designated by Declarant and dedicated or otherwise conveyed to the SRMA from time to time and at any time.

"SRMA Members" shall mean and refer to every person or entity who holds membership privileges in the SRMA.

"SRROA Common Area" shall mean all real property, including the improvements thereto, conveyed to the SRROA by the Plat dedication or otherwise. The SRROA Common Area shall be owned by the SRROA for the common use and enjoyment of the Owners. SRROA Common Area may be designated by Declarant and dedicated or otherwise conveyed to the SRROA from time to time and at any time. At the time Declarant or SRROA annexes additional real property to the Property in accordance with Section 2.02 of the SRROA Declaration hereof, additional SRROA Common Area may be designated.

"SRROA Members" shall mean any person, persons, entity or entities holding membership rights in the SRROA.