

Shared Services Agreement Summary

1. Easements for Shared Common Area Facilities

RGB lot owners are entitled to the use of the Shared Common Area Facilities subject to the rights of the GBPOA, which governs and maintains these facilities.

2. Capitalization Assessments for Gaines Bend Road Fund

RGB agrees to pay an “RGB Road Fund Capital Assessment” of \$1,000 per Reserve lot to the GBPOA to capitalize the GBPOA Road Fund. To date RGB has paid \$86,000 to the GBPOA.

Each subsequent Reserve lot owner after the first Reserve lot owner will pay a subsequent “Road Fund Working Capital Assessment” of \$750 to GBPOA. This payment is not required from the first Reserve lot owner.

Reserve lot owners will have initial lot improvements approved by the RGB POA and will pay an “Additional Road Fund Capital Assessment” payment of \$1,750 to GBPOA. Improvements need to be completed within 18 months. Reserve lot owners that do not complete their Initial lot improvements within 18 months will pay GBPOA either

- 1) an additional \$1,750 to extend for another 18 month period or
- 2) pay \$150 until improvements are completed

A defaulting RGB lot owner will pay a fine to GBPOA of \$1,000.

Prior to construction of a secondary structure the RGB lot owner will pay a “Secondary Structure Working Capital Assessment” of \$500 to the GBPOA.

3. Capitalization Assessments for Shared Common Area Facilities

RGB agrees to pay a “Mail Facilities Capital Assessment” of \$5,000 to the GBPOA to capitalize the Mail facilities. RGB has paid the \$5,000 to the GBPOA. RGB lot owners with improved lots can request a mailbox from the GBPOA at no additional cost.

RGB lot owners, upon completion of an improved lot, will pay a “Trash Facilities Capital Assessment” of \$600 to the GBPOA to capitalize the Trash Fund and will then contribute annually to the Trash Fund as part of their annual assessment.

4. Annual Assessments

The GBPOA has the right to charge annual Assessments for the “Road Fund Annual Assessments”. The Road Fund Assessments are equitable between the GBPOA lot owners and RGB lot owners. The current Road Fund Annual Assessment is \$600 payable to the GBPOA on Jan 1st and late fees accrue if not paid within 90 days. Reserve lots that transfer ownership have a prorated assessment at closing deposited in escrow and then paid by the title company to GBPOA. The new Reserve lot owner will be assigned a new gate code by GBPOA. Any lots owned by the Reserve at Gaines Bend, LLC are not subject to the road fund assessments. GBPOA at its discretion may change the assessment amount at any time.

The GBPOA has the right to charge annual Assessments for the “Shared Common Area Annual Assessments”. These assessments are equitable between the GBPOA lot owners and RGB lot owners. The assessments consist of the “Trash Facilities Annual Assessment” and the “Gaines Bend Pass-Thru Assessment”.

The current Trash Facilities Annual Assessment is \$150 payable to the GBPOA on Jan 1st and late fees accrue if not paid within 90 days. This assessment is not charged until construction is completed for improvements made to the Reserve lots. In addition to the Trash Facilities Annual Assessment the Reserve Lot Owner will incur a prorated charge based on the date of the certificate of occupancy. Reserve lots that transfer ownership have a prorated assessment at closing deposited in escrow and then paid by the title company to GBPOA. Any lots owned by the Reserve at Gaines Bend, LLC are not subject to the road fund assessments. GBPOA at its discretion may change the assessment amount at any time.

The current Gaines Bend Pass-thru Assessment is \$250 payable to the GBPOA on Jan 1st and late fees accrue if not paid within 90 days. The Reserve POA shall collect this assessment from Reserve Lot Owners and provide payment to the GBPOA. Any lots owned by the Reserve at Gaines Bend, LLC are not subject to the road fund assessments. GBPOA at its discretion may change the assessment amount at any time.

The “Road Fund Annual Assessment” and the “Shared Common Area Annual Assessments” are collective referred to as the “Annual Assessments”.

5. Multiple Lot Owners in the Reserve Phase 1 Property

Reserve Lot Owners who own up to three unimproved Reserve Lots are only responsible for paying one Gaines Bend POA Pass-thru Assessment per the “Pass-thru Assessment Discount”. This discount can only be applied for up to six unimproved lots per Reserve Lot Owner for a total of two Pass-thru Assessments to cover the six unimproved lots.

Improved lots can no longer claim the discount. If a single-family residence is constructed on three lots then only a single assessment is charged. Reserve lots need not be contiguous.

6. Future Expansion of Shared Common Area Facilities

Costs for future expansions of the Shared Common Area Facilities will be shared equitably between the GBPOA and the Reserve POA.

7. Special Assessment For Roadway Damage

RGB is liable for damage to existing roadways resulting from the development of Reserve Phase I property. Repairs were done according to Gaines Bend POA roadway standards. The cost for repairs was estimated at \$22,000 and the roadways have been repaired and paid for by RGB.

8. Road Construction

RGB intends to construct, at RGB's sole cost and expense, certain roadways to provide access to the RGB Subdivision. Following the completion these roads will be maintained by the Gaines Bend POA paid for by the Gaines Bend Road Fund.

a. Roadway Standards

The "Rawhide Road Extension" was constructed before the effective date of this agreement. Both parties acknowledge the roadway was not constructed by Gaines Bend Road Standards. The GBPOA POA agrees to accept this roadway into the Gaines Bend roadway system based on the following conditions.

1. Completion of water and utility work for RGB lots
2. Terms, provisions and conditions in section 8.c are applicable to the existing roadway.

RGB acknowledges and agrees that future roadways after the date of this agreement will be constructed within the established standards

b. Approval Process

Prior to construction of any roadways, RGB will submit plans, specs, plats and construction schedule to Gaines Bend POA for approval. RGB will provide written notification to Gaines Bend POA regarding timing. Gaines Bend POA is entitled to review and confirm matters subject to this notice. Gaines Bend POA will not unreasonably withhold approval. RGB will be promptly notified of any objections to approval by Gaines Bend POA.

c. Construction

RGB shall acquire permits and other approvals affecting the roadways will construct and pay for the roadways in accordance with approved Gaines Bend POA standards.

All work shall be in compliance with governmental regulations and laws. RGB is responsible for the supervision of all construction work.

During construction of the roadways, Gaines Bend POA may inspect and RGB will remedy any needed corrections. RGB will notify Gaines Bend POA in the event a government inspector identifies any needed corrections to RGB.

Substantial completion is when roadways are complete and minor “punch list” items do not interfere with using the roadways. RGB will notify Gaines Bend POA to inspect once substantial completion occurs. Roadway inspection shall be completed within 30 days. RGB will have its engineer issue a Certificate of Completion if there are no written objections. Within 3 days following inspection RGB and Gaines Bend POA will prepare a written “punch list” of additional required work.

RGB will complete all work on the “punch list” within 90 days. RGB will notify Gaines Bend POA to inspect once substantial completion occurs. Roadway inspection shall be completed within 30 days. RGB will have its engineer issue a Certificate of Final Completion if there are no written objections. Within 3 days following inspection Gaines Bend POA will confirm whether to accept the roadways.

If RGB fails to complete all work on the “punch list” within 90 days, Gaines Bend POA may perform this work at the cost of RGB. RGB will pay the invoices for the work within 30 days of receipt

9. Rawhide Vista Lots

The parties acknowledge and agree that Rawhide Vista Lots are subject to the Rawhide Vista CCRs which are parented by the Gaines Bend CCRs. The parties agree that the Rawhide Vista Lots will continue to be controlled by these CCRs and are not subject to the Reserve declaration.

10. Enforcement

The parties acknowledge and agree that RGB or the Reserve POA shall be responsible to collect and enforce payment of the Gaines Bend POA Pass-Thru Assessment from the Reserve Lot Owners. Additionally Gaines Bend POA may enforce payment of the Capitalization Assessments, Annual Assessments and Special Assessments in accordance with terms in the Gaines Bend declaration. The agreement shall run with the land and shall be binding on all parties and persons.

11. General Provisions

- a. Future Development of the Reserve Subdivision: The Reserve Phase I Property is the only land subject to the terms provisions of this agreement. This agreement could be changed to incorporate additional development by RGB, its successors or assignees. The annexation will be filed with Palo Pinto County. Any additional platted, single-family residential lots for future phases shall be included and defined as a “Reserve Lot”. These terms shall not imply any obligation on the Gaines Bend POA to subject any additional land to this agreement.

- b. Attorney's Fees: The prevailing party shall be entitled to recover its cost and reasonable attorney fees for any legal action or proceeding.
- c. Partial Invalidity: Any term or condition deemed invalid or unenforceable shall not invalidate any other terms in this agreement.
- d. Termination and Amendment: This agreement shall not be terminated, modified or amended without the agreement of Gaines Bend POA and RGB and proper filing with Palo Pinto County. Future property owners associations for the Reserve Subdivision cannot amend or modify this agreement without written consent of Gaines Bend POA. Any waivers are only effective if in writing and signed by the party waiving the conditions or obligations.
- e. Descriptive Headings: The descriptive headings in this agreement are inserted for convenience only and do not affect the meaning or construction of the agreement.
- f. Multiple Originals and Counterparts: Numerous copies of this agreement may be executed by the parties either together or in counterparts. These shall have the full force and effect of the original executed document.
- g. Binding Effects: The provisions shall be binding upon and inure to the benefit of the parties and their respective successors or assigns.
- h. Jurisdiction: This agreement shall be construed in accordance with the laws of the state of Texas and all obligations performable in Palo Pinto County, Texas.
- i. Authority:

RGB warrants to Gaines Bend POA that it is a Limited Liability Company organized under the state of Texas. RGB is in good standing with Texas and is authorized to transact business in the state. RGB has the power to execute this agreement. The person executing this agreement has been authorized by RGB.

The Gaines Bend POA warrants to RGB that it is non-profit corporation in accordance with the laws of the state of Texas. Gaines Bend POA is in good standing with Texas and is authorized to transact business in the state. Gaines Bend POA has the power to execute this agreement. The person executing this agreement has been authorized by Gaines Bend POA.

- j. Recordation: This agreement shall be recorded in the Official Public Records of Palo Pinto County.

Reserve at Gaines Bend Lots

