

subdivision, whether by purchase, descent, devise, gift or otherwise, and each party, by the acceptance of title to any tract herein described, shall agree and covenant to abide by and perform the terms, conditions, restrictions and covenants as set forth herein. Such restrictions, conditions and use limitations shall be made a part of each contract, conveyance and/or deed executed conveying any lot herein described by reference to the place of record of this instrument and by acceptance thereof, the grantee, and all parties claiming under such grantee shall be subject to and bound thereby, and each such contract, conveyance and/or deed shall be conclusively held to have been executed, delivered and accepted subject to all the terms, conditions, restrictions and covenants set forth herein. In the event, however, of the failure of any contract, conveyance and/or deed to any lot herein described to refer to this instrument, this instrument shall nevertheless be considered a part thereof, and any such contract, conveyance and/or deed of such lot shall be construed to be subject to the terms hereof.

I.

USE OF LAND

Primary Use

1.1 All lots within the subdivision shall be used for single-family residential purposes only and for no other purpose.

Nuisances

1.2 No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the other parties owning lots within the subdivision.

Temporary Structure or Storage

1.3 No structure of a temporary character, nor any trailer, mobile home, basement, tent, shack,

garage, barn or other outbuilding, or any part thereof, shall be used on any lot at any time as a residence or dwelling either temporarily or permanently; provided, however, during initial construction, maintenance or reconstruction (after a fire or natural disaster) of improvements upon a lot, an Owner may reside in a travel trailer, recreational vehicle or mobile home located upon such lot for a cumulative period not to exceed two hundred and seventy (270) days. No trailer, camp trailer, boat trailer, boat, mobile home or recreational vehicle may be stored permanently or temporarily forward of the front building line on any lot, and all such vehicles must be out of casual public view.

No building material of any kind or character shall be placed or stored upon any lot until the Owner is ready to commence construction of improvements in accordance with Part II hereof, and then such material shall be placed within the property lines of the building site upon which the improvements are to be erected and shall not be placed in the roads or between any roadbed and property line.

Boats

1.4 No Owner of a lot in the subdivision shall bring a commercial boat into the canals in the subdivision except during construction of the docks, piers and related structures. No airboats will be allowed in the canals at any time.

Signs

1.5 No sign of any kind shall be displayed to the public view on any lot, however this restriction shall not apply to a professional sign not exceeding one square foot in area with the lot Owner's name and address, or to one temporary sign not exceeding five square feet in area used by any builder, owner or developer advertising the lot for sale.

Animals

1.6 No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except cats, dogs and common household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose.

Garbage and Refuse Disposal

1.7 No lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Except on trash pickup days, no trash containers shall be located so that they are visible from a street or channel.

Sewage

1.8 No outside toilet will be permitted, and no installation of any kind for disposal of sewage shall be allowed which would result in raw or untreated sewage being carried into water bodies. No septic tank or other means of sewage disposal may be installed except for the central sewerage system serving the subdivision.

Upkeep

1.9 The Owner of any lot in the subdivision shall not permit the accumulation of weeds, grass, trash, rubbish, hazard to passage or navigation, or other unsightly articles on the premises or in the street, canal, boat slip, or dock abutting the lot. The area in all road or street easements between any pavement and the property line of the adjoining lot shall at all times be kept clean and free of unsightly obstacles. The Association shall have the absolute right and privilege to have any tract cleaned; including mowing, to comply with the above, and any reasonable expense incurred in doing the same shall be paid by the Owner of the respective lot or lots. Such

payments on behalf of a lot Owner shall be secured by the express lien created under the terms of Part V hereof.

Construction Period

1.10 Construction of any improvements upon a lot must commence within three (3) months after approval by the Architectural Control Committee (hereafter the "Committee" as described in Part II Section 2.9) in the manner herein provided, and upon the failure to timely commence such construction, the approval of the Committee shall automatically terminate and new approval for any such construction shall be required. Completion of construction once commenced shall be performed within nine (9) months from the date of commencement. The Committee may, upon written request, extend a commencement or completion of construction deadline occasioned by delays beyond the lot Owner's reasonable control.

Channels

1.11 Nothing shall be dumped in the boat channels nor left in any channel other than properly tended or moored boats, and docks approved by the Committee. No boat shall be moored in a channel other than contiguous to the boat owner's lot. The speed limit in the channels shall be five miles per hour. No commercial vessels shall be moored in any slip or channel, except during construction/installation or maintenance of docks, piers and related structures.

II.

ARCHITECTURAL RESTRICTIONS

The following architectural restrictions shall apply to all lots within the subdivision:

Dwelling Size

2.1 The total floor area of the enclosed main structure of any one story, single family residence, exclusive of patios, open porches, carports and garages, shall contain not less than

1,500 square feet. The total floor area of the enclosed main structure of any two (2) story, single family residence, exclusive of patios, open porches, carports and garages, shall contain not less than 2,500 square feet of which not less than 1,400 square feet shall be contained on the ground floor. No residence shall contain more than two stories.

Building Location

2.2 No building or structure (except fences, walkways, driveways and docks) shall be located on any lot nearer than twenty (20) feet from the front lot line adjacent to the street as originally platted, or nearer than five (5) feet to any side property line. Any building or structure may be built only within the boundary of the bulkhead line furthest from the channel, and shall be constructed so as not to put stress on the bulkhead itself. Any damage to a bulkhead caused by construction adjacent thereto shall be immediately repaired at the expense of the lot Owner.

Design

2.3 All buildings and other improvements placed on any lot shall be newly erected on such lot, and no second-hand or used buildings or other improvements shall be moved onto any of the lots. No used or second-hand materials may be used in the exterior of such improvements unless specifically approved in advance, in writing, by the Committee.

Garages and outbuildings that are appurtenant to a residence may be erected on each lot upon which a main dwelling has been erected. Garages must be attached to the main dwelling.

There shall be no exposed aluminum, including but not limited to window frames, which does not have either an anodized or enameled finish.

All reflective glass or film will be gold or amber.

There shall be no exposed gas meters.

Facing

2.4 All improvements on any lot shall be constructed so as to face the street or the canal upon which the lot abuts. Improvements placed on lots which abut more than one street may face as approved by the Committee.

Roof

2.5 The pitch of the roof of all structures constructed on any lot must be approved by the Committee.

Foundations and Exterior Walls

2.6 Creosote pilings used in the foundation of any structure must be enclosed individually or at the perimeter with masonry or wood construction which is in harmony with the remainder of the main dwelling. No asbestos, wood, aluminum or similar siding may be used except with the explicit approval of the Committee. Any foundation or structure constructed or installed between the restrictive building line and the bulkhead line of such lot as shown on the plat of the subdivision must be pile supported, or supported in some manner as may be approved by the Committee, so that no additional stress or load shall be placed upon the bulkhead.

Driveways

2.7 No driveway or garage floor constructed of asphalt shall be allowed on any lot.

Docks, Bulkheads and Piers

2.8 No tires may be used on docks for bumpers except during construction of the dock, piers or related structures. The design, location, and materials out of which any docks or pier is to be constructed must have prior written approval of the Committee. No bulkhead shall be cut or impaired in any capacity without the express written consent of the Committee. No creosoted lumber may be used without being enclosed or covered in a manner and with materials approved

by the Committee.

Architectural Control

2.9 (a) No building, structure or improvement of any nature shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of such building, structure or improvement has been approved by the Committee as to the quality of workmanship and materials, harmony of external design with existing structures, safety, location with respect to topography and finish grade elevation as well as the standards set forth in this instrument. The Committee shall be nominated in the manner set forth in the By-Laws of the Association. All correspondence for the Committee shall be addressed to the Association. Neither the members of the Committee, nor its designated representatives, shall be entitled to any compensation for services performed pursuant to this covenant, provided, however, that one who is a professional architect, engineer, or a builder hired to advise the Committee in carrying out its functions may be paid for his services rendered to the Committee. The Committee may require that those requesting Committee approval bear the cost of such advisory services.

(b) The approval or disapproval of the Committee as required in these covenants shall be by majority vote and shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within 30 days after plans and specifications have been submitted to it, or, in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, the request shall be referred to the Board of Directors of the Association for action.

(c) Final plans and specifications shall be submitted in duplicate to the Committee for approval or disapproval. At such time as the plans and specifications meet the approval of the Committee, one complete set of plans and specifications will be retained by the Committee and

the other complete set of plans will be marked "Approved", and returned to the lot Owner. Any modification or change to the approved set of plans and specifications must again be submitted to the Committee for its inspection and approval.

(d) The Committee's sole purpose is to insure that all plans and specifications submitted for approval comply with these Restrictions. The Committee only shall approve plans which are in compliance with these Restrictions. In its approval of plans and specifications, neither the Committee nor the Association is accepting responsibility for the structural integrity of the plans and specifications submitted and such responsibility shall remain solely with the Owner.

Topography

2.10 The topography of the lots shall not be altered in a manner which changes the drainage pattern without approval of the Committee.

III.

EASEMENTS

3.1 The Association hereby reserves a right-of-way and easement for the purpose of maintaining and repairing the canals, channels and bulkheads located within the subdivision in the area between the rear property line and the inside edge of the bulkhead line (the "easement area"). The Association further reserves an easement under, on and above all channels, bulkheads, road and streets in the subdivision for the purpose of installing, operating and maintaining any and all improvements in connection with the utility and drainage easements.

3.2 Easements for installation and maintenance of utilities, television and/or communication cables and drainage facilities are dedicated and reserved as shown on the recorded plat of the subdivision. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of

utilities or which may change the direction of flow of surface water drainage in the easements. Within such easements the right of use, ingress and egress shall be had at all times for the installation, construction, operation, maintenance, repair, replacement, relocation or removal of any utility and drainage facility, together with the right to remove any obstruction or improvement that may be placed within any such easement which may interfere with the use of such easement for the purposes herein set forth.

3.3 The easement area of each lot and all improvements in it shall be maintained continuously by the Owner of the lot, except for those improvements for which a public authority or utility company is responsible and the bulkheads for which the Association is responsible. Additionally, it is the responsibility of each lot Owner to repair or replace the deck, dock, sidewalk, or other means of access in order to gain access to the bulkhead in the easement area on such lot Owner's property. A utility easement may be used for any and all utilities, water, sewage disposal, telephone, gas or electricity, and television or communication cables unless expressly limited to a specific use on the recorded plat of the subdivision.

IV.

DURATION OF RESTRICTIONS

These restrictions and covenants are to run with the land and shall be binding on all parties and all parties claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by not less than sixty percent (60%) of the then Owners of legal title to the lots within the subdivision (as shown by the records of the County Clerk of Nueces County, Texas) has been recorded in the Real Property Records of Nueces County, Texas, terminating these restrictions and covenants.

ARTICLE V

REGULAR AND SPECIAL ASSESSMENTS FOR MAINTENANCE AND OPERATIONS

Creation of the Lien and Personal Obligation of Assessments

5.1. Each Owner of a lot in the subdivision covenants and agrees and is deemed to covenant and agree to pay to the Association: (a) Regular Annual Maintenance Charges (“Regular Assessments”) and (b) Special Assessments for the purpose of defraying, in whole and in part, the cost of construction, reconstruction, maintenance, repair or replacement of the common areas, canals, channels and bulkheads within the subdivision. All Regular Assessments and Special Assessments, together with interest, costs and reasonable attorney's fees, shall, to the full extent permitted by law, be a charge on the Owner’s lot, and shall be a continuing lien upon the property against which each such assessment is made. Each assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of a lot at the time when the assessment fell due.

Purpose of Assessments

5.2 (a) The Regular Assessments shall be used exclusively to promote the recreation, health, safety and welfare of the Owner in the subdivision and for the improvement and maintenance of any common area and common area improvements. Such maintenance charge shall be determined annually by the Association based upon the projected cost of operating, maintaining and repairing such common area, and administering and enforcing these Restrictions and Limitations. Once assessed by the Association, such maintenance charge shall be payable, at such intervals as selected from time to time by the Association, by each Owner of a lot in the subdivision.

(b) In addition to the Regular Assessments authorized above, the Association may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, maintenance, repair or replacement of the common areas, canals, channels and bulkheads within the subdivision and for any other purpose as may be deemed necessary or desirable by the Association to maintain or improve the subdivision in the manner which it considers to be of the greatest general benefit to the Owners and occupants of the subdivision. Although the Association is authorized to reconstruct, maintain, repair, and replace the bulkheads, the bulkheads are solely and exclusively owned by the Owners who remain solely and exclusively responsible for all liabilities associated with such bulkheads, including obtaining liability insurance.

Regular Assessments

5.3. Regular Assessments shall be made in accordance with the following. Within sixty (60) days prior to the beginning of each calendar year, the Board shall estimate the net charges to be paid during that year, including a reasonable provision for contingencies and replacements with adjustments made for any expected income and surplus from the prior year's fund. This estimated cash requirement shall be assessed to each Owner on a per lot basis as set forth in these Restrictions and Limitations. Each Owner is obligated to pay assessments to the Association in equal installments, the number of which shall be determined by the Board of Directors. In the event that the Board fails to take such action by the required date, the Regular Assessment shall be the same as for the preceding year.

Special Assessments

5.4 In addition to the Regular Assessments authorized above, the Association may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, maintenance, repair or replacement of the common areas, canals,

channels , and for any other purpose as may be deemed necessary or desirable by the Association to maintain or improve the subdivision in the manner which it considers to be of the greatest general benefit to the Owners and occupants of the subdivision. The Association also may levy a Special Assessment for the construction, reconstruction, maintenance, repair or replacement of bulkheads; provided that, any such Special Assessments shall be apportioned based on the linear feet of bulkhead on each lot. The Association may levy a multi-year assessment to defray, in whole or in part, any of the costs provided above in a bank financing or other program which extends beyond one year. Any Special Assessment must have the assent of the Owners of the legal title to fifty-one (51%) percent of the lots in the subdivision who are voting in person or by proxy at a meeting duly called for this purpose at which a quorum is present. In the event any bank financing is obtained, the Board may pledge the revenue stream from receivables for the purposes of securing said loan.

Allocation of Assessments

5.5. All assessments levied against the Owners to cover Common Expenses shall be apportioned among and paid by Owners as provided above, except for assessments made against a single Owner, such as for repairs made by the Association at the expense of an Owner or as a fine against an Owner as provided in these Restrictions and Limitations or the Bylaws for the Association, which shall be paid in full by such Owner. Assessments will be made on an annual basis but may be due and payable in monthly installments, in advance, on the first day of each month, or at such other times as the Board may determine. An Owner shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment; and upon written notice after such default the Board may accelerate and declare immediately due and payable the entire assessment of such Owner. Assessments in default shall bear interest at the highest lawful rate commencing on the fifth day after such assessment

becomes delinquent until paid in full. Each Owner (whether one or more persons) shall be, and remain, personally (and in the case of a lot with more than one Owner, jointly and severally) liable for the payment of all assessments which may be levied against such Owner by the Association in accordance with these Restrictions and Limitations; and any unpaid assessments with accrued interest thereon owed with respect to a lot may, at the option of the Association, be collected out of the sales proceeds of the lot.

Rate of Assessment for negligently or willfully damaging the common areas

5.6 Any person negligently or willfully damaging or destroying all or any portion of the common areas shall be responsible to the Association for damages, and the Association shall use any funds collected by claim, lawsuit or settlement agreement arising out of such damage or destruction, to repair such damage or destruction, to the extent of such funds.

Liability for Assessments

5.7. Each Regular Assessment and each Special Assessment shall be a separate, distinct, and personal debt and obligation of the Owner against whom the assessments are assessed. The amount of any assessment not paid when due shall be deemed to be delinquent.

Payment of Assessments on Conveyance of Lot

5.8. On the sale or conveyance of a lot, all unpaid assessments against an Owner for the Owner's share in the expenses to which Articles 5.3 and 5.4 of this Restriction refer shall first be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature, except the following:

- (a) Assessments, liens, and charges in favor of the State of Texas and any political subdivision of the State of Texas for taxes past due and unpaid on the lot.
- (b) Amounts due under mortgage instruments duly recorded.

Lien and Foreclosure for Delinquent Assessments

5.9. The Association shall have a lien on each lot for any delinquent assessments attributable to that lot. The Association is authorized to enforce the lien through any available remedy, including foreclosure pursuant to the Texas Property Code. The Owners expressly grant to the Board a power of sale in connection with and in enforcement of the Association's lien. The priority and the Association's foreclosure of the lien shall be as follows:

(a) The Association's lien for assessments is created by recordation of these restrictions which shall constitute record notice and perfection of the lien. No other recordation of a lien or notice of lien is required.

(b) By written resolution, the Board of Directors of the Association may appoint, from time to time, an officer, agent, trustee, or attorney for the Association to exercise the power of sale on behalf of the Association to the extent authorized by the Texas Property Code.

(c) The power of sale and foreclosure of the Association's lien shall be exercised as provided by Section 51.002 or Chapter 209 of the Texas Property Code.

(d) The Association lien shall be prior to other liens, except that such liens shall be subordinate, secondary, and inferior to (1) all valid liens for taxes or special assessments levied by the city, county and the state, or any political subdivision or special district thereof, and (2) valid liens securing amounts due or to become due under any purchase money Vendor's Lien and/or deed of trust filed for record prior to the date payment of such assessment for common expenses or fines become due. No such foreclosure shall affect or impair any such prior liens.

(e) The Association shall have power to bid on the lot foreclosed on at the foreclosure sale, and to acquire, hold, lease, mortgage and convey the same on behalf of the Association. The purchaser acquiring title to such lot at 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 remaining unpaid after the application thereto of the proceeds of the foreclosure sale, such common expenses or assessments shall be deemed to be common expenses collectible from all of the lot Owners, including purchaser or acquirer, his successors and assigns, on a per lot basis.

(f) Upon foreclosure of a lot, all unpaid assessments against the lot Owner shall be first paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except assessments, liens and charges in favor of the state and any political subdivision thereof for taxes due and unpaid on the lot; and amounts due under any purchase money lien and/or deed of trust which have been duly recorded with the county clerk of Nueces County, Texas.

Non-Abatement of Assessments

5.10. No diminution or abatement of assessments shall be allowed or claimed for inconveniences or discomfort arising from the making of repairs or improvements within the common area or from any action taken to comply with any law, ordinance or order of a governmental authority.

Assessment Lien Enforcement

5.11. To evidence the Association's lien, the Board may authorize an officer of the Association to prepare and sign a written notice signed setting forth the amount of any unpaid Assessments, the name of the Owner in default, and a description of the Owner's lot in the subdivision. The notice may be filed of record with the County Clerk of Nueces County, Texas (the lien shall attach from the due date of such unpaid assessment, however, not the date of the filing of the notice). A lien for assessments may be enforced by the Association by judicial foreclosure in a suit to recover a money judgment for the delinquent assessments, or through a

non-judicial sale by exercising the power of sale granted to the Association by the Owner as provided in these Restrictions and Limitations in accordance with the Texas Property Code, and shall also secure the interest, costs, and attorneys' fees incurred in such action. The Association shall have the power to bid on the lot at foreclosure and to acquire, hold, lease, mortgage, convey, or otherwise deal with the same.

Notice After Foreclosure Sale

5.12. The Association must send to the Owner of a residential lot foreclosed by the Association a notice of sale not later than the 30th day after the date of a foreclosure sale (the "Post Foreclosure Notice").

A. The Post Foreclosure Notice must be written stating the date and time the sale occurred and informing the Owner of the Owner's right to redeem their Unit.

B. The Post Foreclosure Notice must be sent by certified mail, return receipt requested, to the lot Owner's last known mailing address, as reflected in the records of the Association.

C. Not later than the 30th day after the date the Association sends the Post Foreclosure Notice the Association must record an affidavit in the Real Property Records of Nueces County stating the date on which the Post Foreclosure Notice was sent and containing a legal description of the lot.

D. The Post Foreclosure Notice must also be sent on a sale of an Owner's lot by a Sheriff or constable conducted as provided by a judgment obtained by the Association.

Owner's Right of Redemption

5.13 The Owner of a lot in the subdivision purchased by the Association at a foreclosure sale of the Association's Lien for Assessments may redeem the lot not later than the 90th day after the date of the Post Foreclosure Notice is mailed to the Owner. The Association that purchases a lot

at a sale foreclosing the Association's Assessment Lien may not transfer ownership of the lot to a person other than the redeeming lot Owner during the redemption period.

Redemption Procedure from the Association

5.14 To redeem a lot purchased by the Association at the Assessment foreclosure sale, the lot Owner must pay to the Association:

- A. all amounts due the Association at the time of the foreclosure sale;
- B. interest from the date of foreclosure sale to the date of redemption at the annual rate of 10%;
- C. costs incurred by the Association in foreclosing the lien and conveying the lot to the redeeming lot Owner, including reasonable attorney's fees;
- D. any assessment levied against the lot by the Association after the foreclosure sale;
- E. any reasonable cost incurred by the Association as Owner of the lot, including mortgage payments and costs of repair, maintenance, and leasing the property; and
- F. the purchase price paid by the Association at the foreclosure sale less any amounts due the Association that were satisfied out of the foreclosure sale proceeds.

Notice to Lender

5.15. If a lot Owner is delinquent in payment of Assessments to an Association, at the request of the Association a holder of a recorded lien against the lot may provide the Association with information about the lot Owner's debt secured by the holder's lien against the lot and other relevant information. At the request of a lien holder, the Association may furnish the lien holder with information about the subdivision and the lot Owner's obligations to the Association.

Common Fund

5.16. All funds collected by reason of assessments of the subdivision lot Owners or otherwise received from the lot Owners and all funds received for the use and benefit of, or the account of, the lot Owners shall constitute the Common Fund and shall be held, administered and accounted for by the Association as trustee for the benefit of all of the lot Owners as set forth herein. The Common Fund shall be administered and disbursed by the Association according to the terms of these Restrictions and Limitations and as determined by the lot Owners from time to time. In addition to other uses authorized herein or by the Association, the Common Fund may be expended in payment of the common expenses and in reimbursement of the expenses of the Association. The Association shall have the power to delegate the collection of all or a part of the charges for common expenses to parties who shall hold such funds as a part of the Common Fund. The funds collected by the Association constituting a part of the Common Fund shall be held in a separate account or accounts in one or more depositories selected by the Association under the style "Mustang Beach II Common Fund," or such other name as the Association shall select. If the association for the subdivision shall be terminated and if the Association shall at such time own any assets in its own right (as distinguished from those funds or property of the lot Owners administered by the Association) in excess of its liabilities, then any such excess of assets shall be added to the Common Fund and administered as such.

VI.

MEMBERSHIP IN THE ASSOCIATION

6.1 Every record Owner of a lot within the subdivision shall be a member of the Association and such membership shall be appurtenant to, and not be separated from ownership of a lot.

6.2 A lot shall be considered as "owned" when legal, record title thereto has been transferred and recorded in the Real Property Records of Nueces County, Texas. When more than one

person owns or holds an interest in a particular lot, all such persons shall be members and the vote for such lot shall be exercised as they may determine among themselves, provided, however, in no event shall more than one vote be cast with respect to any lot. Each Owner shall have one vote for each lot owned and may have multiple votes if such Owner owns more than one lot. In the event an Owner owns a portion of an additional lot, such Owner shall be entitled to a pro rata portion of the vote for such lot in addition to a vote for any other lot owned by such Owner.

6.3 All actions by the Association shall require the approval of a majority of the votes present in person or by proxy at a duly called meeting of members in accordance with the Association By-Laws at which a quorum is present, except for actions to add common areas or additional property the owners of which shall be members of the Association, which shall require approval of sixty percent (60%) of the votes present in person or by proxy at such a meeting.

VII.

ANNEXATION OF ADDITIONAL PROPERTY AND COMMON AREAS

7.1 Additional property and common areas may be annexed to or associated with the subdivision at any time. The additions authorized pursuant hereto shall be effectuated by the recordation in the Real Property Records of Nueces County, Texas, of Supplementary Restrictions and Limitations (the "Supplementary Declaration"). The Supplementary Declaration shall describe the properties to be annexed to the scheme of this document and shall state that it is being made for the purpose of annexing the property described in the Supplementary Declaration to the scheme of these Restrictions and Limitations and extending the jurisdiction of the Association to cover the property so described in such Supplementary Declaration. The Supplementary Declaration may contain such complementary additions and modifications to this

document as may be necessary to reflect the different character, if any, of the real property being annexed and as are not inconsistent with the general scheme of this document. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants and agreements established by this document with regard to any real property subject hereto prior to the recordation of such Supplementary Declaration, provided however, that Owners of lots within the existing subdivision shall, upon recordation of any Supplementary Declaration, have a right and non-exclusive easement of enjoyment in and to the canals and channels described in the plat of the property being annexed. Any Supplementary Declaration recorded in accordance with the terms hereof shall be conclusive in favor of all persons who rely thereon in good faith. From and after recordation of any Supplementary Declaration in accordance with the provisions hereof, the real property described therein shall be subject to the provisions of this document, and the jurisdiction of the Association pursuant to the terms of this Declaration, the By-Laws and the Certificate of Formation of such Association.

VIII.

RESUBDIVISION

8.1 No lot or parcel of land shall be divided by the owners or purchasers thereof, their heirs or assigns, into smaller lots, whether for lease, sale or rental purposes except as be designated or permitted on any applicable Plat, provided however, that the owners or purchasers thereof, their heirs or assigns may divide three (3) or more lots for the purpose of reclassifying or re-subdividing said lots into a larger lot or lots, or combine two (2) or more lots into one larger lot. Any reclassification or re-subdivision hereunder by anyone shall not affect or be deemed to reduce the maintenance assessment provided for in Part V herein nor the number of votes as provided for in Part VI above. Lots shall be deemed to be re-subdivided and reclassified when

an amended Plat reflecting such re-subdivision and/or re-designation is filed in Nueces County.

IX.

ENFORCEMENT

9.1 The restrictions, conditions and use limitations herein set forth shall be binding upon all parties claiming by, through, or under them and all subsequent Owners of each lot, each of whom shall be obligated and bound to observe such restrictions, conditions and use limitations, provided, however, that no such parties, shall be liable except in respect to breaches committed during his or their ownership of said lot. The violation of any such restriction, condition or use limitation shall not operate to invalidate any mortgage, deed of trust, or other lien acquired and held in good faith against said lot or any part thereof, but such liens may be enforced against any and all property covered thereby, subject, nevertheless, to the restrictions, conditions and use limitations herein mentioned. An Owner of any lot in the subdivision, or the Association, its successors and assigns, shall have the right to enforce observation or performance of the provisions of this instrument, and if any party or parties violate or attempts to violate any of the restrictions, conditions or use limitation contained herein, then it shall be lawful for such parties, or any of them, to prosecute proceedings at law or in equity against the party violating or attempting to violate the same, either to prevent such violations, or to correct such violation, or to recover damages, or to obtain such other relief for such violations as then may be legally available.

X.

AMENDMENT

10.1 At any time the Owner of the legal title to sixty percent (60%) of the lots in the

subdivision may amend these Restrictions and Limitations by filing an instrument containing such amendment in the Office of the County Clerk of Nueces County, Texas.

XI.

SEVERABILITY

11.1 Invalidation of any one of these covenants by judgment or court order shall not affect any of the other provisions which shall remain in full force and effect.

XII.

NOTICES

12.1 Any notice required to be sent to any Owner under the provisions of these Restrictions and Limitations may be given by regular mail, certified mail, facsimile or electronic mail as authorized by Texas Property Code Section 209. Except as otherwise provided, any notice shall be deemed to have been properly sent when mailed postpaid, certified mail, return receipt requested, to the last known address of the person who appears as Owner on the records of Owner of the Association, at the time of such mailing. It shall be the duty of each Owner to keep the Association currently advised as to the addresses contact phone number and email address of Owner.

XIII.

REPLACEMENT OF ORIGINAL RESTRICTIONS AND LIMITATIONS

13.1 These Amended and Restated Restrictions and Limitations amend and restate the original Limitations and Restrictions dated the 8th day of December, 1983, recorded at Volume 1899, Page 623, Document Number 353716, Official Public Records of Nueces County, Texas, and any amendments thereto, and the Restrictions and Limitations dated the 12th day of March, 2011, recorded at Document Number 2011020504, Official Public Records of Nueces County, Texas.

Doc# 2013021719

Pages 25

05/31/2013 4:12PM

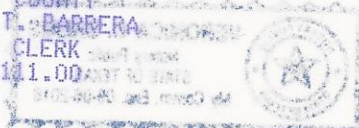
Official Records of

NUECES COUNTY

DIANA T. BARRERA

COUNTY CLERK

Fees \$11.00



Any provision herein which restricts the Sale,
Rental or use of the described
REAL PROPERTY because of Race, Color,
Religion, Sex, Handicap, Familial Status, or
National Origin is invalid and unenforceable
under FEDERAL LAW, 3/12/89.

STATE OF TEXAS
COUNTY OF NUECES

I hereby certify that this instrument was FILED
in file number sequence on the date and at the
time stamped herein by me, and was duly RECORDED
in the Official Public Records of
Nueces County, Texas
Diana T. Barrera



Diana T. Barrera

CORRECTION OF AMENDED AND RESTATED
RESTRICTIONS AND LIMITATIONS

MUSTANG BEACH UNIT II SUBDIVISION

STATE OF TEXAS §
COUNTY OF NUECES §

THIS Correction of Amended and Restated Restrictions and Limitations ("Correction") corrects a scrivener's error on that Amended and Restated Restrictions and Limitations dated March 25, 2013 ("Amended and Restated Restrictions") recorded at Document No. 2013021719, Official Public Records of Nueces County, Texas.

WHEREAS, the first paragraph and Section 13.1 of the Amended and Restated Restrictions provides that the Amended and Restated Restrictions amend and restate the original Restrictions and Limitations recorded at Volume 1899, Page 623, Document Number 353716; and

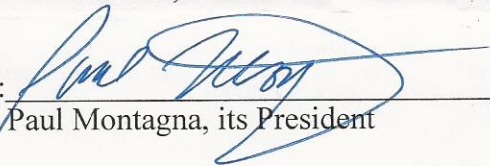
WHEREAS, said sections of the Amended and Restated Restrictions contain a scrivener's error in the recording information of the original Restrictions and Limitations which should be Volume 1899, Page 613, Document Number 353746;

NOW THEREFORE, the first paragraph and Section 13.1 of the Amended and Restated Restrictions are hereby corrected to provide that the recording information of the original Restrictions and Limitations is Volume 1899, Page 613, Document Number 353746.

This Correction amends and restates the original Correction of Amended and Restated Restrictions and Limitations recorded and Document 2013032335, Official Public Records of Nueces County, Texas, and replaces it in its entirety and such original Correction of Amended and Restated Restrictions and Limitations shall be of no further force or effect.

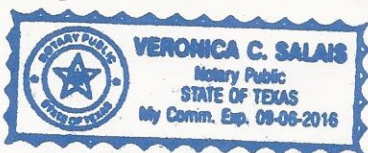
Dated: July 2, 2014

MUSTANG BEACH II PROPERTY OWNERS
ASSOCIATION, INC.

By: 
Paul Montagna, its President

THE STATE OF TEXAS §
 §
COUNTY OF NUECES §

This instrument was acknowledged before me on this 2nd day of July, 2014 by Paul Montagna, President of Mustang Beach Unit II Property Owners Association, a Texas not-for-profit corporation, on behalf of said corporation.




Notary Public, State of Texas

Return to:

✓ **WOOD, BOYKIN & WOLTER**
615 N. UPPER BROADWAY SUITE 1100
CORPUS CHRISTI, TEXAS 78401-0748

Doc# 2014025777
Pages 2
07/07/2014 3:43PM
Official Records of
NUECES COUNTY
DIANA T. BARRERA
COUNTY CLERK
Fees \$19.00

Any provision herein which restricts the Sale,
Rental or use of the described
REAL PROPERTY because of Race, Color,
Religion, Sex, Handicap, Familial Status, or
National Origin is invalid and unenforceable
under FEDERAL LAW, 3/12/89.

STATE OF TEXAS
COUNTY OF NUECES
I hereby certify that this instrument was FILED
in file number sequence on the date and at the
time stamped herein by me, and was duly RECORDED
in the Official Public Records of
Nueces County, Texas
Diana T. Barrera



Diana T. Barrera

