

TERLINGUA RANCH MAINTENANCE ASSOCIATION

THE STATE OF TEXAS

COUNTY OF BEWSTER

Great Western Corporation, a Texas corporation, is the owner of certain land situated in Brewster County Texas, and hereby establishes the Terlingua Ranch Maintenance Association under the following terms and conditions:

DEFINITIONS

1. The term "Developer" shall mean Great Western Corporation.
2. The term "Terlingua Ranch" shall mean the property described on the attached Exhibit "A", together with any additional property which Developer may add to the terms of this agreement as hereinafter provided.
3. The term "Subject Property" shall mean the property described on the attached Exhibit "B".
4. The term "Maintenance Association" shall mean the Terlingua Ranch Maintenance Association created by this instrument.
5. The term "Maintenance Fund" shall mean the maintenance charges collected from Tract owners by the Maintenance Association.
6. The terms "Tract" or "Tracts" shall mean a portion of the Subject Property conveyed by Developer to third parties by deed or sold to third parties by Developer under a contract for deed.
7. The terms "Administrator" or "Custodian" shall mean Developer (or its designated successor as provided herein) as manager of the Maintenance Fund.

I.

~~A monthly maintenance charge of \$2.50 per month is hereby imposed upon each Tract within the Subject Property. In the event that any Tract is subdivided, then the original Tract and each subdivided portion thereof shall be subject to a monthly maintenance charge of \$2.50 per month. Each maintenance fee shall be paid monthly by each Tract owner to Developer, as the Custodian and Administrator of the Maintenance Fund. The maintenance charge shall apply to all Tract owners who have received a deed from Developer or who are purchasing a Tract on contract for deed from Developer but such maintenance charge shall not apply to Developer as owner or holder of title to any portion of Subject Property.~~

~~Any transfer of title to any portion of the Subject Property by Developer to any person, firm or corporation succeeding it as developer shall not cause the maintenance charge to attach to the property so transferred. Developer reserves~~

the right and is hereby granted the right at all times to exempt any Tract from payment of the maintenance charge, and such decision shall be binding upon and conclusive upon all persons in interest. **[Replaced in entirety January 1, 1980. See below]**

Effective January 1, 1980, a monthly maintenance charge of \$2.50 per month plus 4 cents per whole acre, per month, is hereby imposed upon each Tract within the Subject Property. In the event that any individual, partnership, firm or corporation owns or is purchasing more than one (1) Tract within the Subject Property the, in that event, said Tracts in excess of one (1) shall be exempt from said \$2.50 per month charge. However, no Tract, or portion thereof, shall be exempt from said 4 cents per whole acre per month charge. In the event that any Tract is subdivided, then that Tract and each subdivided portion thereof shall be subject to a monthly maintenance charge of \$2.50 per month plus 4 cents per whole acre per month. Each maintenance fee shall be computed monthly and paid by each Tract owner to the custodian and Administrator of the Maintenance Fund. The maintenance charge shall apply to all Tract owners who have received a deed from Developer or who are purchasing a Tract on contract for deed from Developer as owner or holder of title to any portion of the Subject Property. Any transfer of title to any portion of the Subject Property by Developer to any person, firm or corporation succeeding it as Developer shall not cause the maintenance charge to attach to the property so transferred. **[Dated and effective January 1, 1980, Vol. 220, page 713, Brewster County, Texas] [Replaced in entirety January 1, 1986. See below]**

Effective January 1, 1986, a monthly maintenance charge of \$4.25 per month plus 4 cents per whole acre, per month, is hereby imposed upon each Tract within the Subject property. In the event that any individual, partnership, firm or corporation owns or is purchasing more than one (1) tract within the Subject Property then, in that event, said Tracts in excess of (1) shall be exempt from said \$4.25 per month charge. However, no Tract, or portion thereof, shall be exempt from said 4 cents per whole acres per month charge. In the event that any Tract is subdivided then that Tract and each subdivided portion thereof shall be subject to a monthly maintenance charge of \$4.25 per month plus 4 cents per whole acre. Each maintenance fee shall be computed monthly and paid by each Tract owner to the Custodian and Administrator of the Maintenance Fund. The maintenance charge shall apply to all Tract owners who have received a deed from Developer or who are purchasing a Tract on contract for deed from Developer but such maintenance charge shall not apply to Developer as owner of holder of title to any portion of the Subject Property. **[Removed to amend March 24, 1999, Vol. 116, page 111, Brewster County, Texas]** Any transfer of title to any portion of the Subject Property by Developer to any person, firm or corporation succeeding it as Developer shall not cause the maintenance charge to attach to the property so transferred. **[Dated and effective January 1, 1986, Vol. 260, page 618, Brewster County, Texas; with amendment as noted above.]****[Replaced in entirety, July 23, 2005. See below.]**

Effective November 1, 2005, an annual assessment of \$142 is hereby imposed upon each Tract within the Subject property. On the first day of November of each year thereafter, an annual cost of living adjustment equal to the consumer price index will be added to the annual assessment amount of the previous year. In the event that any individual, partnership, firm or corporation owns or is purchasing more than one (1) tract within the Subject Property then said Tracts in excess of one (1) shall be exempt from said \$142 charge. Each assessment shall be computed annually on or about the first day of December and paid by each Tract owner to the Custodian and Administrator of the Maintenance Fund on or before the 31st day of March each year. **[Dated and effective July 23, 2005, Vol 186, Page 546, Brewster County, Texas.]**

II.

Developer shall act as the Custodian and Administrator of said Maintenance Fund, and it shall have the right to collect, hold and expend any and all monies paid or to be paid into said Maintenance Fund to carry out the provisions hereof. Developer shall not be liable or responsible to any person or persons whomsoever for failure or inability to collect such maintenance charge or any part thereof from any person or entity.

III.

Administrator shall have the right at any time to reduce or waive said maintenance charge as in its judgment the maintenance needs of Terlingua Ranch may require; moreover, Administrator shall have the right at any time to abandon such maintenance charge without incurring liability to any person whomsoever by filing a written instrument in the Office of the County Clerk of Brewster County, Texas, declaring such discontinuance and abandonment. In addition, Developer shall also have the right to either transfer the obligations as Administrator of the Maintenance Fund to a non-profit corporation (in which the members shall be parties who are current in their payment to the Maintenance Fund) or to any other entity or party to act as administrator of such Maintenance Fund by filing a written instrument in the Office of the County Clerk of Brewster County, Texas, and after such transfer Developer shall have no further liability or obligation with respect to the Maintenance Fund.

IV.

The Maintenance Fund shall be used by Administrator for the common good and benefit of owners of Terlingua Ranch without regard to whether or not maintenance funds are collected from the benefited portion of Terlingua Ranch. Administrator may use the Maintenance Fund for the following general purposes:

- A. For developing, improving or maintaining safety and/or health projects for Terlingua Ranch;
- B. For developing, improving and maintaining any and all recreational or other areas which owners of Tracts in the Subject Property may be privileged to have the right to use, solely or in conjunction with others, in Terlingua Ranch;
- C. For improving and maintaining roads located within Terlingua Ranch;
- D. For developing, improving and maintaining hunting parks (including game feeding, stocking, water well and water storage installations and maintenance) available for use by owners of Terlingua Ranch;
- E. For developing, improving and maintaining recreational facilities in Terlingua Ranch (including hunting lodge facility available for use, solely or in conjunction with others, by owners of Tracts of the Subject Property);
- F. For providing services to the owners of Terlingua Ranch;
- G. For all other purposes which Administrator may consider to be of general benefit or useful to the owners of Terlingua Ranch.

V.

It is agreed and understood that the judgment of the Developer, or its successors as custodian and administrator of said Maintenance Fund, in the expenditure of the Maintenance Fund shall, when done in good faith, be binding, final and conclusive on all parties in interest.

VI.

Developer and its successors shall not be entitled to any compensation for acting as Administrator of the said Maintenance Fund.

VII.

The payment of the monthly maintenance charge by each Tract owner shall be secured by an express lien retained by Developer as Administrator of the Maintenance Fund, which lien is placed and imposed on each Tract subject to the maintenance charge. Such lien may be foreclosed in the same manner as a vendor's lien under the laws of Texas, without prejudice, however, to any other rights, powers, or causes of action which the holder of said lien may have against any party who is then or who has theretofore been the owner of any Tract affected thereby. Said lien shall be secondary, subordinate and inferior to all existing liens and to the rights of Developer under any and all contracts for deed for the sale of Tracts and to any liens, deeds of trust and encumbrances whatsoever given to secure the purchase price of the Tract, or any part thereof, or given to any bank, savings and loan association, insurance company, trust company, fraternal benefit organization or corporation with banking related

powers, credit union or other lending institutions or other party lawfully lending money for the purpose of making repairs or for constructing improvements whatsoever on any Tract, or acquiring any note or other evidence of indebtedness previously made for any such purposes. If any such lender or party acquiring such indebtedness should be in doubt as to the purpose for which such loan was made or indebtedness incurred, or as to whether the lien herein granted is subordinate to any lien or deed of trust given for the purpose of securing any such mortgage or indebtedness, such lender or party acquiring such indebtedness may rely conclusively upon the written statement of Developer with respect thereto. Developer may release or subordinate said lien or any provisions of this agreement in whole or in part with respect to any Tract should it deem it advisable for any reason whatsoever without affecting said lien insofar as it applies to any other Tracts. Developer reserves the right, in its sole judgment, to waive or to terminate the express lien retained in this paragraph with respect to any Tract or to all of the Subject Property by filing a written instrument setting forth such waiver or termination in the Office of the County Clerk of Brewster County, Texas.

VIII.

All rights of Developer set for herein shall inure to the successor of Developer as Administrator of the Maintenance Fund as provided herein.

Developer reserves the right to add additional property to the terms of this agreement by filing a written instrument setting forth such additional property in the Office of the County Clerk of Brewster County, Texas.

IX.

~~The provisions of this agreement shall continue and be binding upon Developer, its successors and assigns, and each Tract owner, their heirs, personal representatives, successors and assigns, for a period of 30 years from November 1, 1970. At the expiration of said 30 year period the provisions herein set out shall automatically be extended for an additional 10 year period and for successive periods of 10 years unless an instrument signed and acknowledged by the owners of the legal title to 51% of the Subject Property (as shown by the Deed Records of Brewster County, Texas) agreeing to terminate this agreement is filed in the Office of the County Clerk of Brewster County, Texas. [Replaced in entirety July 25, 1998. See below]~~

The provisions of the agreement shall continue and be binding upon Developer, its successors and assigns, and each Tract owner, their heirs, personal representatives, successors and assigns, for a period of 30 years from November 1, 1970. At the expiration of said 30 years period the provisions herein set out shall automatically be extended for an additional 10-year period and for successive periods of 10 years unless an instrument signed and acknowledged

by the owners of the legal title to 51% of the Subject Property (as shown by the Deed Records of Brewster County, Texas) agreeing to terminate this agreement is filed in the Office of the County Clerk of Brewster County, Texas, except that as long as Property Owners Association of Terlingua Ranch, Inc. remains the Administrator of the Maintenance Fund, an absolute majority of the Members in Good Standing of the Association will be required to agree to terminate this agreement, at which time the Board of Directors of the Association will file an instrument on behalf of the Members of the Association in the Office of the County clerk of Brewster County, Texas, agreeing to terminate this agreement. **[Dated and agreed July 25, 1998, Vol. 127, page 299, Brewster County, Texas]**

X.

~~At any time the owners of the legal title to 51% of the Subject Property (as shown by the Deed Records of Brewster County, Texas) may amend this agreement by filing an instrument, containing such amendment, in the Office of the County Clerk of Brewster County, Texas except that prior to the expiration of 20 years from November 1, 1970, no such amendment shall be valid or effective without joinder of Developer.~~

~~At any time, the Property Owners' Association of Terlingua Ranch, Inc., a Texas non-profit corporation (the "Association"), pursuant to a majority vote of the votes entitled to be cast by the members of the Association present or represented by proxy at a legally called meeting of the members of the Association at which a quorum shall be present, may amend this agreement. After such vote, such amendment shall be effective upon the filing by a duly authorized officer of the Association of a sworn instrument containing such amendment in the office of the County Clerk of Brewster County, Texas, except that prior to the expiration of twenty years from November 1, 1970, no such amendment attempting to require the payment by the Developer of any maintenance fee, charge or dues shall be binding upon Developer unless such amendment shall be joined by Developer. **[Replaced in entirety July 30, 1979. See below]**~~

~~At any time, the Property Owners Association of Terlingua Ranch, Inc., a Texas non-profit corporation (the "Association"), pursuant to a majority vote of the votes entitled to be cast by the members of the Association present or represented by proxy at a legally called meeting of the members of the Association at which a quorum shall be present, may amend this agreement. After such vote, such amendment shall be effective upon the filing by a duly authorized officer of the Association of the sworn instrument containing such amendment in the office of the County Clerk of Brewster County, Texas, except that prior to the expiration of twenty years from November 1, 1970, no such amendment attempting to require the payment by Developer of any maintenance fee, charge or dues shall be binding upon Developer unless such amendment shall be joined by Developer.~~

~~[Dated and effective July 30, 1979, Vol. 217, page 195, Brewster County, Texas.]~~
[Replaced in entirety January 27, 1990. See below]

~~At any time, the Property Owners Association of Terlingua Ranch, Inc., a Texas non-profit corporation (the "Association"), pursuant to a majority vote of the votes entitled to be cast by the members of the Association present or represented by mail or by proxy at a legally called meeting of the members of the Association at which a quorum shall be present, may amend this agreement. The Association may also conduct an election by mail, which must be duly called by the Board of Directors of the Association, which shall be sufficient to amend this Agreement. The deadline for submitting ballots in an election by mail shall not be less than 45 days from the time the ballots are mailed to the members. After such vote, such amendment shall be effective upon the filing by a duly authorized officer of the Association of the sworn instrument containing such amendment in the office of the County Clerk of Brewster County, Texas, except that prior to the expiration of twenty years from November 1, 1970, no such amendment attempting to require the payment by Developer of any maintenance fee, charge or dues shall be binding upon Developer unless such amendment shall be joined by Developer.~~
~~[Dated and effective January 27, 1990, Vol. 18, page 526, Brewster County, Texas.]~~
[Replaced in entirety March 24, 1999. See below]

~~At any time, a majority of the Members in Good Standing of the Property Owners Association of Terlingua Ranch, Inc., a Texas nonprofit corporation (the "Association") whose property on Terlingua Ranch is covered by this agreement, may amend this agreement in an election by mail, which must be duly called by the Board of Directors of the Association. The deadline for submitting ballots in a [sic] election by mail shall not be less than 45 days from the time the ballots are mailed to the members. After such vote, such amendment shall be effective upon the filing by a duly authorized officer of the Association of the sworn instrument containing such amendment in the office of the County Clerk of Brewster County, Texas, except that prior to the expiration of twenty years from November 1, 1970, no such amendment attempting to require the payment by Developer of any maintenance fee, charge or dues shall be binding upon Developer unless such amendment shall be joined by Developer.~~
~~**[Dated and effective March 24, 1999. Vol. 116, page 111, Brewster County, Texas.]**~~
[Replaced in entirety July 15, 2005. See below.]

At any time, a majority of Members in Good Standing of the Property Owners Association of Terlingua Ranch, Inc., a Texas nonprofit corporation (the "Association") whose property on Terlingua Ranch is covered by this agreement, and who cast a vote, may amend this agreement in an election by mail, which must be duly called by the Board of Directors of the Association. The deadline for submitting ballots in an election by mail shall not be less than 45 days from the time the ballots are mailed to the members. If it appears from the ballot

returns that a majority of the votes cast, with at least a quorum voting, have been cast in favor of an amendment, it shall become a part of this agreement. After such vote, such amendment shall be effective upon the filing by a duly authorized officer of the Association of the sworn instrument containing such amendment in the office of the County Clerk of Brewster County, Texas. **[Dated and effective July 15, 2005, Vol 186, Page 545, Brewster County, Texas.]**

Original Document: DATED AND EFFECTIVE as of November 1, 1970, Vol. 173, page 213-227, Brewster County, Texas

Amendments dated and effective as noted above.