

**LAS MARINAS CONDOMINIUMS INFORMATION**  
**STATEMENT AND PROJECT DISCLOSURE**

1. Names and Addresses.

(a) Declarant:

SPI LAS ANGELINAS, LTD., which is a Texas limited partnership which operates by and through its General Partner, SPI Las Angelinas Management, LLC., a Texas limited liability company.

Principal Address:

P.O. Box 40195  
South Padre Island, Texas 78597

(b) Condominium Project:

(1) Name - LAS MARINAS CONDOMINIUMS

(2) Principal Address:

(a) Physical Location Address -

5909 Padre Blvd., South Padre Island, Texas 78597

(b) Mailing and Managers Address -

c/o P.O. Box 40195

South Padre Island, Texas 78597

2. Description of Condominium Project.

(a) General Description of the Condominium. LAS MARINAS CONDOMINIUMS is located at 5909 Padre Blvd., South Padre Island, Cameron County, Texas. The condominium consists of one four (4) story building, containing an aggregate of thirty two (32) Units. The residential building will have approximately the same style and floor plan and square footage, and the building will be four stories in height. The Las Marinas Condominiums will be managed and controlled by the Las Marinas Owners Association, Inc., a Texas Non-Profit corporation, (hereafter the "Association"). Each Unit Owner will be a member of the Association which will implement all of the rules and regulations of the Las Marinas Condominium Regime. The Association will have the right to make assessments against the Units and Owners thereof. The Association will have the obligation to manage the Condominium Project pursuant to the Las Marinas Condominium Regime.

There will be recreation amenities planned for the Project.

- (b) Description of Types of Units: The Units will consist of two basic floor plans for the Project. The square footage of each Unit will vary.

The site plan (general layout), elevations of the buildings and improvements, and the floor plans for the individual units are contained in Exhibits A, B and C attached to the Condominium Declaration, which shows the relative position of the improvements built upon the real property incorporated into this condominium regime. The floor plans of the Units are more particularly described in Exhibits C of the Condominium Declaration.

- (c) Maximum Number of Units: LAS MARINAS CONDOMINIUMS as described in the attached Condominium Declaration contains thirty two Units.

3. Use Restrictions.

a. Each Condominium Residential Unit shall be occupied and used by a family, its employees, and guests only as a residence and for the furnishing of services and facilities herein provided for the enjoyment of such residence. The foregoing restrictions as to residence, however, shall not be construed in such manner as to prohibit a Unit Owner from:

- (1) Maintaining his personal professional libraries;
- (2) Keeping his personal business or professional records or accounts;
- (3) Handling his personal business or professional telephone calls or correspondence.

Such uses are declared expressly customarily incidental to the principal residential use and not in violation of said restrictions. Provided however, nothing in this Section 12.01 shall be construed to prohibit the use of a Unit for vacation use, leases, or rentals.

**b. No Unit or any interest therein shall ever be subjected to any time-sharing or time interval ownership arrangement of any nature whatsoever including, but not limited to, any arrangement whereby any Owner of a Unit is entitled to use and possession of such Unit for any time period to the exclusion of any other Co-Owners of such Unit.**

**c. Each Unit Owner shall have the right to lease or rent his respective Unit, provided, however, that the rental of such Units shall be subject to the rules, regulations and procedures established by the Association and further subject to the Association's Governing Instruments and Rules. The Association may, in its sole election, choose to require that all rentals be handled by (i) the respective Owners or (ii) through a mandatory Rental Program established by or Rental Agency selected by the Association. The Developer has entered into a six month contract with PMTG Management Company, Inc. as the Rental Agent to handle all Units rentals. Rental participation through such Rental**

**Agent is mandatory during the term of the Management Agreement. Thereafter, the Association shall decide the form of future operations for rental activities.**

**d. The Association shall establish the number limits, times and all other conditions regarding the use of the Common Elements by Unit Owners and their guests.**

**f. If a Unit Owner desires to utilize the common elements for the purposes of having a party, permission must first be obtained from the Association and the property manager.**

Miscellaneous Restrictions.

a. Nothing shall be stored in or upon the Common Elements or Limited Common Elements without prior consent of the Board except in storage closets or areas or as otherwise herein expressly provided;

b. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in or on the Common Elements which will result in the cancellation of insurance of any Unit or any part of the Common Elements or which will be in violation of any law.

c. No waste shall be committed in or on the Common Elements.

d. Each Unit Owner shall provide and maintain garbage and trash receptacles as may be directed by the Board, and all garbage and trash shall be kept in said receptacles.

e. No Unit Owner or occupant shall disturb or annoy other occupants of the Condominium Property nor shall any occupant or Unit Owner commit or permit any nuisance, noxious, offensive, immoral or illegal act in his Unit or on the Property .

f. Subject to Development Rights under this Declaration, no sign of any kind shall be displayed to the public view on or from any Unit or the Common Elements without the prior written consent of the Board or the written consent of the Managing Agent acting in accordance with the Board's direction.

g. Except as expressly provided hereinabove, nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board.

h. No structure of a temporary character, trailer, tent, shack, garage, barn, or other outbuildings shall be permitted on the Property at any time temporarily or permanently, except with the prior written consent of the Board.

- i. Outdoor drying of clothes, bedding, or similar items is not permitted.
- j. Parking of vehicles in driveways and parking areas shall be subject to the Rules and Regulations of the Board applicable thereto.
- k. Except within individual Units, no planting, transplanting, or gardening shall be done, and no fences, hedges, or walls shall be erected or maintained upon the Property, except as approved by the Board.
- l. Motorcycles, motor bikes, motor scooters, or other similar vehicles shall not be operated within the Property except for the purpose of transportation, it being intended that said vehicles shall not be operated within the Property so as to annoy or disturb persons or endanger persons or Property.
- m. All parts of the Property shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist.
- n. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the Condominium Property shall be the same as the responsibility for the maintenance and repair of the Condominium Property concerned.
- o. Neither the Board nor the Association shall take or permit to be taken any action that unlawfully discriminates against one or more Unit Owners.
- p. **No Unit or any interest therein shall ever be subjected to any time-sharing or time interval ownership arrangement of any nature whatsoever including, but not limited to, any arrangement whereby any Owner of a Unit is entitled to use and possession of such Unit for any time period to the exclusion of any other Co-Owners of such Unit.**
- q. **Each Unit Owner shall have the right to lease or rent his respective Unit, provided, however, that the rental of such Units shall be subject to the rules, regulations and procedures established by the Association and further subject to the Association's Governing Instruments and Rules. The Association may, in its sole election, choose to require that all rentals be handled by (i) the respective Owners or (ii) through a mandatory Rental Program established by or Rental Agency selected by the Association. . The Developer has entered into a six month contract with PMTG Management Company, Inc. as the Rental Agent to handle all Units rentals. Rental participation through such Rental Agent is mandatory during the term of the Management Agreement. Thereafter, the Association shall decide the form of future operations for rental activities.**

r. **The Association shall establish the number limits, times and all other conditions regarding the use of the Common Elements by Unit Owners and their guests.**

s. **If a Unit Owner desires to utilize the common elements for the purposes of having a party, permission must first be obtained from the Association and the property manager.**

t. Offensive Use. No Unit Occupant shall cause or permit any unlawful, improper or offensive use of any Unit, Common Element, Limited Common Element or Common Furnishings, nor shall any Unit Occupant permit any portion of the Property to be used in any manner contrary to or not in accordance with the provisions of the Condominium Documents. Furthermore, no Unit Occupant shall cause or permit anything to be done or kept in a Unit, Common Elements, or the Limited Common Elements which might adversely affect the safety or soundness thereof, or which is reasonably likely to increase the rate of any of the Association's insurance coverage or obstruct or interfere with the rights of other Unit Occupants or annoy them by unreasonable noises, odors or otherwise, nor shall any Unit Occupants commit or permit any nuisance, objectionable or disruptive behavior, or illegal acts in or about the Property.

u. Hazards to Health and Safety. Any violation of the Condominium Documents which is deemed by the Board or the Management Firm to constitute a hazard to health or safety shall be corrected immediately. The responsible Unit Owner shall be liable for any uninsured expense of correcting such violation.

v. Maximum Occupancy Restriction. No Unit Occupant shall cause or permit his Unit to be occupied overnight by a number of persons in excess of such occupancy limits as are imposed by law and/or set forth in the then-current Rules and Regulations of the Association.

w. Pets. The Board of Directors shall establish the Rules and Regulations related to the keeping of pets.

x. Parking. One (1) automobile parking space shall be made available to each Unit Owner. The Board of Directors of the Association may or may not in its discretion assign specific parking spaces to the Unit Owners. If an assignment is made, such assignment shall not be recorded in the public records. The Board of Directors of the Association shall have the right to change the assignment of such specific parking spaces from time to time as in its sole discretion it deems advisable.

y. Mooring/Docking Spaces.

(i) The management and use of all Mooring Spaces shall be established by the board of Directors. All Mooring Spaces may only be available for use by the Owners or their respective tenants. Use of all Mooring Spaces shall be in accordance

with and subject to the Governing Documents and the Rules and Regulations established from time to time by the Board of Directors. Until the rules are changed by the Board of Directors, the use of the Mooring Spaces shall be on a first come, first served basis. In no event, however, shall a Unit's Owner/tenant be able to use more than one Mooring/Docking Space. Mooring Spaces may not be enclosed or altered in any way.

(ii) Authorized Vessels. Mooring Spaces may be used for the mooring of private vessels only and shall not be used for mooring commercial vessels. No Mooring Space may be used for the mooring of a vessel exceeding 22 feet in length.

(iii) Vessel Condition. The Owners and Tenants shall not leave any vessel in a state of disrepair on the Property. Each vessel must be maintained and operated to minimize noise, odor, and oil emissions. No such vessel may be kept on the Property if the Board of Directors deems it to be unsightly, inoperable, inappropriate, or otherwise violative of these Regulations. If the Owners or Tenants park their vessels in areas other than their assigned mooring location or leave any vessel in a state of disrepair, the Association, after giving written notice to the applicable Owner or Tenant of such violation, shall have the right to remove such vessel at the Owner's/Tenant's expense. No removal or impoundment of a vessel shall create any liability on the Association.

4. Declarant Rights and Development Rights.

(a) Special Declarant Rights. Declarant reserves the following Special Declarant Rights pursuant to Section 82.055 of the Texas Property Code for a period of ten (10) years from the date of the filing of this document:

(i) The right to complete and make improvements indicated on the Plats and Plans.

(ii) The right to maintain sales offices, management offices, leasing offices, and models in Units or on the Common Elements.

(iii) The right to maintain signs on the Condominium to advertise the Condominium, and any commercial activities conducted by Declarant or its successors, assigns or lessees.

(iv) The right to use, and to permit others to use, easements through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations under the Act of this Declaration.

(v) Unless sooner terminated by a recorded instrument signed by the Declarant, any Special Declarant Right may be exercised by the Declarant for the period of time specified in

the Act or in this Declaration, whichever is greater.

(vi) the right to exercise any development right set out in or permitted by Section 82.055 of the Texas Property Code or any subsequent enactment or statute hereafter adopted which relate to Special Declarant Rights.

(b) **Special Developer Rights.** Declarant reserves the following development rights pursuant to Section 82.060 of the Texas Property Code:

(i) the right to place any advertising or directional signs on the Development.

(ii) the right to maintain one (1) or more model Units; the right to commit the Units to a larger Condominium.

(iii) the right to add amenities to the Condominium.

(iv) the right to construct and maintain sales offices and management offices on the Development.

(v) the right to perform any of the Declarant rights identified in Section 5.13 A above.

(vi) the right to construct and create Units and to create, delete or re-designate Common Elements, or Limited Common Elements within this Condominium regime (Project) and the right to reallocate interests.

(vii) the right to subdivide Units or convert Units into Common Elements.

The aforesaid rights of the Developer shall expire on the earlier of (i) three (3) years from the date of the filing of this document or (ii) the sale of all Units by Developer.

## 5. Documents.

Unless otherwise noted, the following documents are attached to this Statement and incorporated by reference:

(a) Declaration: The Condominium Declaration for LAS MARINAS CONDOMINIUMS is attached as **EXHIBIT A.**

(b) Articles of Incorporation: The Articles of Incorporation of LAS MARINAS OWNERS ASSOCIATION, INC. are attached as **EXHIBIT B.**

(c) Bylaws: The Bylaws of LAS MARINAS OWNERS ASSOCIATION, INC. are attached as **Exhibit E** to the Declaration.

(d) Rules and Regulations: The Rules and Regulations of LAS MARINAS OWNERS ASSOCIATION, INC. are attached as **Exhibit F** to the Declaration.

(e) Leases and Contracts other than Loan Documents that are required by the Declarant to be signed by Purchasers at closing:

There are no leases or contracts to be executed by the Purchaser at closing. The Declarant does require the Purchaser to sign an Affidavit at closing. The purpose of the Affidavit is to induce lenders to make mortgage loans on Units, to induce title insurance companies to issue policies with respect to the Units, and to affirm Purchasers' understanding of the nature and condition of the property they are purchasing. A form of the Purchaser's Affidavit is attached as **EXHIBIT C**.

(f) Other Conditions Affecting the Title to the Units Being Purchased. The Real Property is subject to the following:

1) Zoning, planning, subdivision regulations and other restrictions or regulations upon the use of the Real Property as may be imposed by the City of South Padre Island, Texas, or any other governmental authorities having jurisdiction over the Real Property.

2) Development Rights and Special Declarant Rights retained by or granted to the Declarant by the Declaration and by the Act.

3) All ad valorem taxes and assessments.

4) Rights of eminent domain.

5) Easements or claims of easements now shown by the public records.

6) Encroachments, overlaps, boundary line disputes, and any other matter which would be disclosed by an accurate survey and inspection of the Real Property.

7) Terms and conditions of all permits and licenses of Federal, state, and local government, including applicable agencies and departments and private and quasi governmental agencies having jurisdiction over the Real Property.

8) Rights of other parties, the United States of America or State of Texas, in and to the shore, littoral or riparian rights to the property described above lying adjacent to the Gulf of Mexico.

9) Rights, if any, of the public to use as a public beach or recreation area any part of the described property lying between the Gulf of Mexico and the natural line of vegetation, dunes, extreme high water line or other apparent boundary lines separating the

publicly used area from the upland private area.

10) Adverse claims, if any, based upon the assertion that some portion of the land described herein is tide or submerged land, or has been created by artificial means or has accreted to such portion so created.

11) Mineral reservations, rights of way of record, use restrictions and easements filed of record as well as all unrecorded visible and apparent easements.

12) Easements created, reserved or retained by the Declarant.

13) Covenants and restrictions contained in the Declaration.

14) Articles of Incorporation, By-Laws and Rules and Regulations of Las Marinas Owners Association, Inc.

6. Projected or Pro Forma Budget.

(a) Budget: The projected budget for the first fiscal year of the Association following the date of the first conveyance to a Purchaser is attached as **EXHIBIT D**.

(b) Preparer: The budgets were prepared by Declarant.

(c) Assumptions about Occupancy: The projected budget is based on the assumption that all thirty two (32) Units are occupied for all or most of the budget year.

(d) Assumptions about Inflation: All budgets are based on a one hundred percent (100%) net collection rate, and the estimates are in current dollars unadjusted for possible inflation.

7. Liens, Leases or Encumbrances.

There are liens or mortgages existing against the Property at the present time; however, at the time of Closing, the Units will be sold and transferred free and clear of all liens and mortgages.

8. Written Warranty.

The Declarant provides a Limited Warranty to the Purchaser, a copy of which is attached hereto as is attached as **EXHIBIT G**. Prior to Closing and purchasing the Unit, Purchaser will be provided the opportunity to inspect the Unit.

9. Unsatisfied Judgments or Pending Suits.

Declarant has actual knowledge of the following matters pertaining to the Association, and the following matters to which the Association is a party, or which are material to the land title and construction of the Condominium:

- (a) Unsatisfied judgments against the Association - **NONE**.
- (b) Pending suits to which the Association is a party - **NONE**.
- (c) Pending suits which are material to the land title and construction of the Condominium - **NONE**.

10. Property Management and Rental Agreement.

**The Developer has entered into a six month contract with PMTG Management Company, Inc. as the Rental Agent to handle all Units rentals. Rental participation through such Rental Agent is mandatory during the term of the Management Agreement. A copy of the Agreement is attached as EXHIBIT H.**

11. Insurance Coverage.

The Declarant, for the benefit of the Association, will obtain a master insurance policy from an Insurance company. The effective date of the coverage shall be upon declaration and will expire one (1) year after its effective date. The following type of insurance coverage will be sought to be obtained, but the actual coverage will be determined at the time coverage is actually sought:

- (a) Property Exposure to Loss: A policy or policies of fire insurance with extended coverage endorsement for the full insurable value of the Units and Common Elements payable as provided in Article 6 of this Declaration, or such other fire and casualty insurance as the Board shall determine gives substantially equal or greater protection to the Owners and their mortgagees, as their respective interests may appear.
- (b) Windstorm and Flood Insurance and Workers' Compensation Insurance to the extent necessary to comply with any applicable laws.
- (c) Commercial General Liability. A policy or policies insuring the Board, the Owners and/or the Association against any liability to the public or to the Owners and their tenants and invitees, incidental to the ownership and/or use of the Project, including the personal liability exposure of the owners. Limits of liability under such insurance shall not be less \$1,000,000.00 for any one person injured, \$1,000,000.00 for any one accident, and \$500,000.00 for property damage. The

limits and coverage shall be reviewed at least annually by the Board and varied in its discretion, provided, however, that the said limits and coverage shall never be of fewer kinds or lesser amounts than those set forth in this Paragraph.

**Declarant is NOT providing liability coverage for accidents or occurrences that occur within the Units or that portion of the premises which is reserved for an Owner's exclusive use and occupancy.**

(d) **Areas Of Liability or Risk Not Covered.**

**Because of the exclusions in the master policy, you should consult with your own agent about purchasing a policy to cover the following exposures:**

- (a) Value of your household and personal property;
- (b) Additional living expense;
- (c) Personal injury;
- (d) Loss assessment coverage;
- (e) Value of jewelry, furs, silverware, fine art;
- (f) Business interruptions;
- (g) Value of betterments and improvements made or acquired at the expense of an individual Unit Owner.

(7) **Flood.**

Should a situation occur where you would like to present a claim under the master policy, or if you have any questions regarding your insurance coverage, please feel free to contact us.

12. **Fees or Charges for Use of Common Elements.**

The Association Board of Directors does not have the authority to impose charges for the use, rental or operation of Common facilities or Common areas.

13. **General Information.**

The EXHIBITS which follow this narrative portion provide a more detailed description of the Condominium and the rights and obligations of the Unit Owner. The Purchaser should carefully consider the EXHIBITS, as well as this narrative portion of the Condominium Information Statement. If the Purchaser does not understand any aspect of this Condominium Information Statement, the sales contract, and any other materials provided in connection with the sale of Units, the Purchaser should obtain competent legal counsel.

Declarant reserves the right to amend, in writing, the terms of this Condominium

Information Statement. If the change may adversely affect a Purchaser on a contract who has received a Condominium Information Statement, but who has not yet closed, the Declarant shall furnish a copy of the amendment to the Purchaser before closing. This Condominium Information Statement may not be changed or modified orally.

DATED the \_\_\_\_\_ day of August, 2006.

SPI LAS ANGELINAS, LTD.  
By Its General Partner  
SPI Las Angelinas Management, LLC

By: \_\_\_\_\_  
Martha Elena Garza de Paez, Manager