

AFTER RECORDING RETURN TO:



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RESTRICTIVE COVENANT

Bungalows at Camp Margaritaville Crystal Beach Club Membership

Declarant: MVCB BUNGALOWS LLC, a Texas limited liability company

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This Restrictive Covenant for Bungalows at Camp Margaritaville Crystal Beach Club Membership (this "**Restrictive Covenant**") is made by **MVCB BUNGALOWS LLC**, a Texas limited liability company ("**Declarant**"), and is as follows:

RECITALS:

A. Declarant is developing certain real property located in Galveston County, Texas known as Bungalows at Camp Margaritaville Crystal Beach (the "**Development**").

B. A club will be established adjacent to the Development (the "**Club**"). The owners (each, an "**Owner**") of (i) the lots located in the Development, as more particularly described on Exhibit "A" attached hereto, and (ii) any additional lot or property added to this Restrictive Covenant pursuant to Paragraph 1 below will be obligated to acquire and maintain a membership in the Club ("**Bungalows at Camp Margaritaville Crystal Beach Club Membership**"), which will provide each Owner with the limited right to use the Club and related facilities and amenities as determined from time to time by Declarant or owner of the Club (the "**Club Owner**"). Each lot or property subject or made subject to this Restrictive Covenant is referred to herein as a "**Residential Lot**".

NOW, THEREFORE, it is hereby declared: (i) the property described on Exhibit "A" attached hereto and any additional lot or property added to the terms and provisions of this Restrictive Covenant by the Declarant pursuant to Paragraph 1, will be held, sold, conveyed, and occupied subject to the following covenants, conditions, restrictions, liens, and charges, which will run with the Residential Lot and be binding on all parties having any right, title, or interest in or to such property or any part thereof, their heirs, successors, and assigns; and (ii) that each contract or deed which may be executed with regard to any Residential Lot will also conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions, restrictions, liens, and charges, regardless of whether the same are set out or referred to in said contract or deed:

1. **Property Subject to Restrictive Covenant and Annexation of Additional Property.** All Residential Lots are subject to the terms, covenants, conditions, restrictions and obligations set forth in this Restrictive Covenant. Declarant may add additional property to the terms and provisions of this Restrictive Covenant by filing of a notice of addition of land to this Restrictive Covenant in the Official Public Records of Galveston County, Texas. Upon the filing of any such notice, the property described therein will be considered Residential Lot(s) subject to the terms, covenants, conditions, restrictions and obligations set forth in this Restrictive Covenant, and the rights, privileges, duties and liabilities of the Residential Lot(s) and persons subject to this Restrictive Covenant will apply to such additional property as modified by such notice.

2. **Owner's Obligation to Acquire Bungalows at Camp Margaritaville Crystal Beach Club Membership.** Upon acquisition of a Residential Lot, each Owner will automatically become the holder of a Bungalows at Camp Margaritaville Crystal Beach Club Membership, with such rights, privileges, and obligations as may be determined from time to time by Declarant or the Club Owner. **Each Owner will be required to pay an initiation fee for the Bungalows at Camp Margaritaville Crystal Beach Club Membership to Declarant upon acquisition of a Residential Lot unless waived in writing by Declarant.** Thereafter, the Owner will be required to maintain the Bungalows at Camp Margaritaville Crystal Beach Club Membership, including the payment of all monthly dues or other required usage fees, for so long as the Owner remains the owner of the Residential Lot. Such amounts are subject to change from time to time at the sole discretion of Declarant or Club Owner. Notwithstanding anything herein to the contrary, Declarant and the Club Owner reserve the right to exempt certain Residential Lots from the payment of all or a portion of their Bungalows at Camp Margaritaville Crystal Beach Club Membership initiation fees or monthly dues and/or to establish a founders club or similar program whereby Declarant or the Club Owner can establish an alternate fee schedule for members of the founders club.

3. **Obligations of Owners.** Each Owner must: (i) at the closing of such Owner's Residential Lot, execute and deliver any documents required by Declarant or the Club Owner, including, without limitation, a Bungalows at Camp Margaritaville Crystal Beach Club Membership Profile and a Bungalows at Camp Margaritaville Crystal Beach Club Membership Agreement; (ii) comply with all rules and regulations of the Club for a Bungalows at Camp Margaritaville Crystal Beach Club Membership, as amended from time to time (the "Bungalows at Camp Margaritaville Crystal Beach Club Rules"); and (iii) pay the monthly dues for a Bungalows at Camp Margaritaville Crystal Beach Club Membership (the "Bungalows at Camp Margaritaville Crystal Beach Club Membership Dues") from the date Owner acquires the Residential Lot. The monthly Bungalows at Camp Margaritaville Crystal Beach Club Membership Dues are anticipated to increase from time to time and each Owner will be subject to and obligated to pay such increased amounts as they become due. A Bungalows at Camp Margaritaville Crystal Beach Club Membership may not be transferred, sold, or conveyed to, or used by any person other than the Owner of the Residential Lot to which such Bungalows at Camp Margaritaville Crystal Beach Club Membership applies, and the members of the Owner's immediate family, as specified in the Bungalows at Camp Margaritaville Crystal Beach Club Rules.

4. **Owner Acknowledgment.** Each Owner, by acceptance of a deed or contract of sale to a Residential Lot acknowledges that the Owners' membership in the Club is not exclusive, and that Declarant or Club Owner may sell various categories of membership in the Club to persons living outside the Development as it may determine in its sole discretion.

5. **Applicability.** Neither Declarant nor any of its affiliates, will ever, under any circumstances, be obligated to acquire and/or maintain a Bungalows at Camp Margaritaville Crystal Beach Club Membership related to such Residential Lot.

6. **Collection and Enforcement.** Declarant or the Club Owner, or their assignee, will, at its sole cost and expense, be responsible for the collection of any and all fees and dues

associated with the Bungalows at Camp Margaritaville Crystal Beach Club Memberships, and for the enforcement of the terms and provisions of this Restrictive Covenant. Declarant and the Club Owner will expressly have the authority to assign the responsibility for collection of fees or dues to a property owners association created for the administration of the Development. In the event of any such assignment hereunder, the assignee may change and collect a reasonable administrative fee as a component of the fees and/or dues required to be paid hereunder to discharge the costs of collection.

7. **Assessment Lien and Foreclosure.** An express lien on each Residential Lot is hereby retained by Declarant and the Club Owner to secure the payment of dues, fees, and collection costs associated with the Bungalows at Camp Margaritaville Crystal Beach Club Membership. The lien reserved herein is superior to all other liens and charges against the Residential Lot, except for only tax liens and all sums unpaid on a mortgage lien of record. The lien retained herein may be enforced by the foreclosure on the defaulting Owner's Residential Lot by Declarant or the Club Owner, or their assignee, in like manner as a mortgage on real property. Declarant or the Club Owner, or their assignee, may institute a suit against the Owner personally obligated to pay the dues and/or for the foreclosure of the lien judicially. In any foreclosure proceeding, whether judicial or non-judicial, the Owner will be required to pay the costs, expenses, and reasonable attorney's fees incurred by Declarant or the Club Owner, or their assignee, and by the Owner. Declarant or the Club Owner, or their assignee, will have the power to bid on the Residential Lot at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey, or otherwise deal with the same. Notwithstanding any provision in this paragraph to the contrary, Declarant or the Club Owner, or their assignee, will not take any action to foreclose such lien unless and until Declarant or the Club Owner, or their assignee, has provided the holder or holders of any mortgage on the Residential Lot to be foreclosed on (collectively, the "**Mortgagee**") with written notice of the Owner's default and extending to the Mortgagee 20 days from the date of the notice to cure such default in order to protect its lien on the Residential Lot. If the Mortgagee elects not to cure the Owner's default hereunder within the 20-day period, then Declarant or the Club Owner, or their assignee, may take any required action to foreclose the lien provided for above.

8. **Severability and Construction.** The provisions contained herein will be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion will not affect the validity or enforceability of any other provision or portion. Unless the context requires a contrary construction, the singular will include the plural and the plural the singular. All captions and titles used in the foregoing agreement and covenant are intended as solely for convenience of reference and will not enlarge, limit, or otherwise affect that which is set forth in any of the paragraphs hereof.

9. **Miscellaneous.**

9.01. **Term.** The terms, covenants, conditions, restrictions, easements, charges, and liens set out in this Restrictive Covenant will run with and bind the property subject or made subject to this Restrictive Covenant, and will inure to the benefit of and be enforceable by Declarant or the Club Owner, or their assigns, for a term beginning on the date this Restrictive

Covenant is recorded in the Official Public Records of Galveston County, Texas, and continuing through and including January 1, 2094, after which time this Restrictive Covenant will be automatically extended for successive periods of five years, unless amended or terminated as provided herein.

9.02. No Warranty of Enforceability. Declarant makes no warranty or representation as to the present or future validity or enforceability of any restrictive covenants, terms, or provisions contained in this Restrictive Covenant. Any Owner acquiring a Residential Lot in reliance on one or more of such restrictive covenants, terms, or provisions will assume all risks of the validity and enforceability thereof and, by acquiring the Residential Lot, agrees to hold Declarant and the Club Owner harmless from any liability or risks related to validity or enforceability.

9.03. Amendment. This Restrictive Covenant may be amended or terminated by recording, in the Official Public Records of Galveston County, Texas, an instrument executed and acknowledged by: (a) Declarant during the Development Period (as defined in that certain Declaration of Covenants, Conditions and Restrictions for Bungalows at Camp Margaritaville Crystal Beach, recorded as Document No. 2025012948 in the Official Public Records of Galveston County, Texas, as may be amended from time to time (the "Declaration")); and (b) the Club Owner and a majority of the Board (as defined in the Declaration) after the expiration or termination of the Development Period.

9.04. Enforcement. Declarant or the Club Owner, or their assigns will have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, charges, and other terms now or hereafter imposed by the provisions of this Restrictive Covenant. Failure to enforce any right, provision, covenant, or condition granted by this Restrictive Covenant will not constitute a waiver of the right to enforce such right, provision, covenants, or condition in the future.

9.05. Acceptance by Grantees. Each grantee of a Residential Lot, by the acceptance of a deed or other conveyance, accepts the same subject to all terms, restrictions, conditions, covenants, reservations, easements, liens, and charges and the jurisdictional rights and powers created or reserved by this Restrictive Covenant, and all rights, benefits, and privileges of every character hereby granted, created, reserved, or declared. All impositions and obligations hereby imposed will constitute covenants running with the Residential Lots, and will bind any person having at any time any interest or estate in a Residential Lot, and will inure to the benefit of each Owner in like manner as though the provisions of this Restrictive Covenant were recited and stipulated at length in each and every deed of conveyance.

9.06. Notices. Any notice permitted or required to be given to an Owner under this Restrictive Covenant must be in writing and may be delivered either personally or by mail. If delivery is made by mail, it will be deemed to have been delivered on the third day (other than a Sunday or legal holiday) after a copy of the notice has been deposited in the United States mail, postage prepaid, addressed to the person at the address given by such person to Declarant or the

Club Owner, or their assignee, in connection with the Owner's Bungalows at Camp Margaritaville Crystal Beach Club Membership or, if there is no such notice, at the address of the Owner's Residential Lot. Any Owner's address for notice may be changed by notice in writing given to Declarant or the Club Owner, or their assignee.

9.07. Assignment of Declarant's Rights. Notwithstanding any provision in this Restrictive Covenant to the contrary, Declarant or the Club Owner may, by written instrument, assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Restrictive Covenant to any person or entity and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other person or entity in any of its privileges, exemptions, rights, and duties hereunder.

EXECUTED to be effective on the date this document is recorded in the Official Public Records of Galveston County, Texas (the "Effective Date").

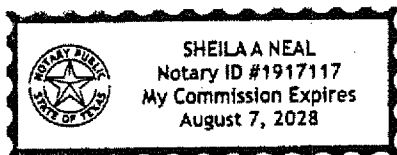
DECLARANT:

MVCB BUNGALOWS LLC,
a Texas limited liability company

By: [Signature]
Printed Name: Brad Ballard
Title: Managing partner

STATE OF TEXAS §
 §
COUNTY OF Galveston §

This instrument was acknowledged before me on the 14th day of March, 2023 by Brad Ballard, Managing partner of MVCB BUNGALOWS LLC, a Texas limited liability company, on behalf of said entity.



[Signature]
Notary Public, State of Texas

Exhibit "A"

Lots

Lot(s) 1 through 14, in Block 1, Lot(s) 1 through 18, in Block 2, Lot(s) 1 through 26, in Block 3, Lot(s) 1 through 17, in Block 4, Lot(s) 1 through 8, in Block 5, Lot(s) 1 through 22, in Block 6, Reserve(s) 1 through 6, and Green Space Reserve(s) A and B, of BUNGALOWS AT CAMP MARGARITAVILLE, a subdivision in Galveston County, Texas, according to the map or plat thereof, recorded in/under Instrument No. 2025000577 of the Plat Records of Galveston County, Texas.

FILED AND RECORDED

Instrument Number: 2025012984

Recording Fee: 49.00

Number Of Pages: 8

Filing and Recording Date: 03/20/2025 2:51PM

I hereby certify that this instrument was FILED on the date and time stamped hereon and RECORDED in the OFFICIAL PUBLIC RECORDS of Galveston County, Texas.



A handwritten signature in black ink, reading "Dwight D. Sullivan". The signature is fluid and cursive, with a horizontal line drawn underneath it.

Dwight D. Sullivan, County Clerk
Galveston County, Texas

NOTICE: It is a crime to intentionally or knowingly file a fraudulent court record or instrument with the clerk.

DO NOT DESTROY - *Warning, this document is part of the Official Public Record.*