

## Annexation Agreement

THIS ANNEXATION AGREEMENT (“Agreement”) is made and entered into this \_\_\_ day of \_\_\_\_\_, 2022 (“Effective Date”) by and between The Islands of Rockport Home Owners’ Association, Inc. (the “HOA”), a Texas non-profit corporation, and Rockport Island, LP (“RPI”), a Texas limited partnership.

WHEREAS, RPI developed that certain subdivision in Aransas County, Texas known as The Islands of Rockport, Unit 1 (“IRP Unit 1 Subdivision”); and

WHEREAS, the IRP Unit 1 Subdivision is subject to the Declaration of Covenants, Conditions and Restrictions for The Islands of Rockport, recorded October 21, 2013 in the Real Property Records of Aransas County, Texas under Instrument No. 332057, as amended by that First Amendment to Declaration of Covenants, Conditions and Restrictions for the Islands of Rockport, recorded November 30, 2015 in the Real Property Records of Aransas County, Texas under Instrument No. 345237, and as further amended by that Second Amendment to Declaration of Covenants, Conditions and Restrictions for the Islands of Rockport, recorded June 14, 2016 in the Real Property Records of Aransas County, Texas, and as further amended by that Third Amendment to Declaration of Covenants, Conditions and Restrictions for the Islands of Rockport, recorded December 7, 2020 in the Real Property Records of Aransas County, Texas under Instrument No. 379011, and as further amended by that Fourth Amendment to Declaration of Covenants, Conditions and Restrictions for the Islands of Rockport, recorded April 20, 2022 under Instrument No. 390808 (“IRP Unit 1 Declarations”), including the current architectural guidelines adopted by the homeowner’s association of the IRP Unit 1 Subdivision; and

WHEREAS, pursuant to the IRP Unit 1 Declarations, the HOA manages and governs the IRP Unit 1 Subdivision; and

WHEREAS, RPI is in the process developing what is known as The Islands of Rockport, Unit 2 (“IRP Unit 2 Subdivision”), consistent with the site plan attached hereto as Exhibit A, which will consist of 41 lots as identified on Exhibit A (individually an “Annexed Lot” and together the “Annexed Lots”); and

WHEREAS, in order to maintain the community standards that has developed and is a part of the IRP Unit 1 Subdivision, RPI and the HOA desire that the Annexed Lots be annexed by the HOA upon the sale of each such lot and subject to the IRP Unit 1 Declarations, Bylaws and Architectural Guidelines.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the HOA and RPI agree as follows:

1. IRP Unit 2 Subdivision. RPI will prepare the final site plan and plat (“Unit 2 Plat”) for the IRP Unit 2 Subdivision in a manner consistent with the recorded plat of the IRP Unit 1 Subdivision, including without limitation similar lot sizes. The Unit 2 Plat will consist of 41 lots, however, lots may be combined prior to a sale so the total number of Annexed Lots may be less than 41.

2. Annexation Approval. The HOA will draft a Fifth Amendment to Declaration of Covenants, Conditions and Restrictions for the Islands of Rockport (the “Fifth Amendment”) that will annex each Annexed Lot upon the sale of such Annexed Lot to a third party so that such Annexed Lot is subject to and bound by the terms and conditions of the IRP Unit 1 Declarations. The HOA will in good faith use its best efforts to obtain the appropriate and required approvals of the lot owners of the IRP Unit 1 Subdivision to approve the Fifth Amendment.
3. Cost Sharing. RPI and the HOA acknowledge the necessity of an agreement relating to certain ongoing maintenance costs involving shared-use mechanical equipment, including but not limited to the separate bubble curtains serving each of the main canals off of the Intercoastal Waterway into IRP Unit 1 Subdivision and IRP Unit 2 Subdivision, respectively. RPI and the HOA agree to act in good faith in identifying all such shared-use costs and in negotiating an equitable division of all such costs as between RPI and HOA. If RPI or the HOA declare in writing, an impasse on reaching such an agreement, both RPI and HOA agree to submit to mediation of such dispute, with each party bearing one-half the cost of such mediation.
4. Lots 1 – 13. RPI and HOA agree that Lots 1 – 13 of the Annexed Lots on Estes Drive and Saint Kitts Drive as identified on Exhibit A will be allowed to individually have gates on such lots, and such allowance will be provided in the Fifth Amendment and subject to any Architectural Guidelines developed by the HOA.
5. Recording. Subject to the HOA obtaining the required approvals of the lot owners, the Fifth Amendment will be recorded in the real property records of Aransas County, Texas simultaneously with the Unit 2 Plat.
6. Successors and Assigns. This Agreement shall be binding upon, and shall inure to the benefit of the parties hereto and their respective heirs, representatives, administrators, executors, trustees, successors and assigns.
7. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any prior understandings, agreements, or representations between the parties, written or oral, to the extent they relate in any way to the subject matter hereof.
8. Amendments and Waivers. No amendments of any provision of this Agreement shall be valid unless the same shall be in writing and signed by each of the parties hereto. No waiver by either of the parties of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way rights arising by virtue of any prior or subsequent such occurrence.
9. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

10. No Partnership. This Agreement does not create a partnership. This Agreement is not intended to and shall not be construed as creating a partnership between the parties.

11. Governing Law. THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS. JURISDICTION WILL BE IN TEXAS STATE COURT. VENUE WILL BE IN ARANSAS COUNTY, TEXAS DISTRICT COURT. THE SUBSTANTIALLY PREVAILING PARTY IN ANY LITIGATION WILL BE ENTITLED TO AN AWARD OF ATTORNEY'S FEES AND COSTS.

*Signature Page Follows*

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed effective as of the Effective Date.

**Rockport Island, LP**, a Texas limited partnership

By: Rockport GP, LLC, a Texas limited liability company, its general partner

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**The Islands of Rockport Home Owners' Association, Inc.**, a Texas non-profit corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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