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DOC #2018055664

**COST SHARING AGREEMENT**

STATE OF TEXAS                    §  
   §  
COUNTY OF MONTGOMERY       §

This Cost Sharing Agreement ("Agreement") is entered into by White Oak Ranch Homeowners Association, Inc., a Texas non-profit corporation ("White Oak Ranch HOA"), and Villas at White Oak Ranch Community Association, Inc., a Texas non-profit corporation ("Villas HOA") (White Oak Ranch HOA and Villas HOA are sometimes referred to collectively herein as the "Associations"), to be effective as of the 12 day of June, 2018 (the "Effective Date").

**WITNESSETH:**

WHEREAS, White Oak Ranch, a residential subdivision in Montgomery County, Texas ("White Oak Ranch subdivision"), is encumbered by the Declaration of Covenants, Conditions and Restrictions for White Oak Ranch, recorded on July 23, 2001, under Montgomery County Clerk's File No. 2001-062678 in the Official Public Records of Real Property of Montgomery County, Texas ("White Oak Ranch Declaration"); and

WHEREAS, Villas at White Oak Ranch, a residential subdivision in Montgomery County, Texas ("Villas subdivision") is encumbered by the Declaration of Covenants, Conditions and Restrictions for Villas at White Oak Ranch, recorded on August 18, 2017, under Montgomery County Clerk's File No. 2017074923 in the Official Public Records of Real Property of Montgomery County, Texas ("Villas Declaration"); and

WHEREAS, owners in Villas subdivision have the right to utilize certain Roadways and Facilities, as defined in this Agreement, that are within White Oak Ranch subdivision;

WHEREAS, the Roadways and Facilities are administered, managed, operated, maintained, and repaired by White Oak Ranch HOA;

WHEREAS, the Associations desire to enter this Agreement for cost sharing related to the administration, management, operation, maintenance, and repair of certain portions of Roadways and Facilities.

NOW, THEREFORE, in consideration of the mutual benefits and obligations herein exchanged by the Associations, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, White Oak Ranch HOA and Villas HOA hereby agree as follows:

- 1. Definitions. For the purpose of this Agreement, "Villas at White Oak Ranch Section One & Two" means Tract One (1) identified in that Special Warranty Deed with Vendor's Lien recorded in the Official Public Records of Real Property of Montgomery County, Texas under Clerk's File No. 2017064676.

2. "Roadways and Facilities" means Tract Three (3) [White Oak Ranch Subdivision, Section One (1) Private Streets, Tract Four (4) [White Oak Ranch Subdivision, Section One (1) Reserves A, B, C, D, E, F, G & H] and Tract Five (5) [White Oak Ranch Subdivision, Section One (1) Boat Ramp] identified in that Special Warranty Deed with Vendor's Lien recorded in the Official Public Records of Real Property of Montgomery County, Texas under Clerk's File No. 2017064676.

3. Right of Use. The Associations agree the existing and future owners in White Oak Ranch HOA and the owners in Villas HOA and any existing or future members of the Associations, and their guests and invitees, have the right to use the Roadways and Facilities, subject to all rights and obligations related to same contained in the dedicatory instruments for the Associations and any other documents recorded in the Official Public Records of Real Property in Montgomery County, Texas.

4. Maintenance Areas. White Oak Ranch HOA is responsible for the administration, maintenance, improvement, repair, replacement, utilities of the Roadways and Facilities. The Roadways and Facilities must be kept in good, attractive, functional, and usable condition.

The parties agree that Villas HOA will share in the costs for the administration, maintenance, improvement, repair, replacement and utilities for the following portions of the Roadways and Facilities beginning in the year 2020:

The Villas HOA shall pay 50% of the total costs for:

- White Oak Ranch subdivision private streets and rights of way along White Oak Drive
- White Oak Ranch subdivision Reserves A, B, and C, which includes the pond
- White Oak Ranch subdivision Lot 55, (boat ramp) including the lake buoys
- Villas HOA will share in the cost of an off-site storage facility that is utilized for the mutual benefit of the parties.

The Villas HOA shall pay 10% of the total costs for:

- White Oak Ranch Private streets and right of ways along White Oak Trace
- White Oak Ranch Private streets and right of ways along White Oak Pointe

The Villas HOA will not share in the costs for the administration, maintenance, improvement, repair, replacement, utilities, and liability insurance for the following streets and reserves, regardless of whether they are part of the Roadways and Facilities as mentioned above:

- White Oak Ranch subdivision private streets and rights of way along Oak Leaf Court, Oak Cove Point and Oak Bend Circle
- White Oak Ranch subdivision Reserves D, E, F, G or H

5. Cost Sharing Mechanics. The Villas HOA will pay to White Oak Ranch HOA the initial total sums ("Fees") as follows:

- 2018: The percentage of actual expenses described in Item 4 above, not to exceed \$14,500.00; and
- 2019: \$17,500.00

Starting with year 2020, and for all subsequent years thereafter, the percentages listed in Item 4. Maintenance Areas, will take effect. White Oak Ranch HOA will provide total costs to the Board of Directors for the Villas HOA for their review and will open books at year end for determination of payment. Transparency is the key to this agreement working for both Associations in the future. The following timeline for a budget, review, annual payment, open books and reconciliation after year-end is proposed unless further modified by consent of both Associations.

- 1) White Oak Ranch HOA delivers proposed budget for subsequent year by Dec 1
- 2) Villas HOA will make two equal annual payments to White Oak Ranch HOA covering its proportionate share of the budget on Mar. 1 and Sept. 1
- 3) White Oak Ranch HOA will close books for the year Jan. 31 of the following year and open to the Board of Directors for the Villas HOA.
- 4) Excess or shortfall of budgeted versus realized expenses will be subtract or add to Villas HOA payment for Mar. 1

6. Villas HOA Common Areas. White Oak Ranch HOA owners and guests may utilize the private streets in Villas HOA customary vehicular and pedestrian use; however, White Oak Ranch HOA owners and guests have no right to access or utilize any other Common Areas, facilities or amenities of the Villas HOA at any time.

7. No Increase Use. Villas HOA agrees not to increase the use of the Roadways and Facilities beyond the Residents and Guests of Villas HOA Sections One and Two.

8. Release, Waiver, and Indemnity. **VILLAS HOA, ON BEHALF OF ITSELF, ITS MEMBERS, AND SUCH MEMBERS' OCCUPANTS, GUESTS, LICENSEES, AND INVITEES, DOES HEREBY RELEASE, AND AGREE TO HOLD HARMLESS WHITE OAK RANCH HOA, ITS MANAGERS, BOARD, OFFICERS, INSURERS, AGENTS, COUNSEL, SUCCESSORS AND ASSIGNS FROM ANY AND ALL CLAIMS OR CAUSES OF ACTION OF ANY KIND WHATSOEVER, AT COMMON LAW, STATUTORY OR OTHERWISE, KNOWN OR UNKNOWN, NOW EXISTING OR THAT MIGHT ARISE HEREAFTER, DIRECTLY OR INDIRECTLY ATTRIBUTABLE TO THIS AGREEMENT OR THE USE OF THE ROADWAYS AND FACILITIES. LIKEWISE, WHITE OAK RANCH HOA, ON BEHALF OF ITSELF, ITS MEMBERS, AND SUCH MEMBERS OCCUPANTS, GUESTS, LICENSEES, AND INVITEES, DOES HEREBY RELEASE, AND AGREE TO HOLD HARMLESS VILLAS HOA, ITS MANAGERS, BOARD, OFFICERS, INSURERS, AGENTS, COUNSEL, SUCCESSORS AND ASSIGNS FROM ANY AND ALL CLAIMS OR CAUSES OF ACTION OF ANY KIND WHATSOEVER, AT COMMON LAW, STATUTORY OR OTHERWISE, KNOWN OR UNKNOWN, NOW EXISTING OR THAT MIGHT ARISE HEREAFTER, DIRECTLY OR INDIRECTLY ATTRIBUTABLE TO THIS AGREEMENT OR THE USE OF THE ROADWAYS AND FACILITIES.**

**THIS RELEASE IS SPECIFICALLY INTENDED TO RELEASE ALL CLAIMS OF ANY KIND AGAINST EACH RESPECTIVE ASSOCIATION FOR ITS OWN NEGLIGENCE AND REGARDLESS OF WHETHER SUCH NEGLIGENCE IS THE SOLE, JOINT, COMPARATIVE OR CONTRIBUTORY CAUSE OF ANY CLAIM, DEMAND, CAUSE OF ACTION, OR LIABILITY INDEMNIFIED AGAINST RELATED TO THIS AGREEMENT OR USE OF THE ROADWAYS AND FACILITIES.**

9. Rules and Regulations. The Parties agree construction hours will be Monday through Saturday, 7:00 a.m. – 7:00 p.m. Construction activities are prohibited on Sundays and holidays. The Villas HOA contractors will not enter the White Oak Ranch subdivision except to utilize White Oak Drive for access to the Villas subdivision. Villas HOA will not install a separate access gate to Section One or Two of the Villas subdivision.

10. Fence. Villas HOA will erect a six (6) foot privacy fence along the shared property line between the lots in White Oak Ranch subdivision that front White Oak Trace and the lots in Villas subdivision that front Lakeside Villas Court on or before August 1, 2018. The material used for the fence will be at the discretion of the Villas HOA, provided however, the fence may not be constructed of wood or chain link material.

11. Headings. All paragraph headings contained herein are for convenience only and will not be deemed to be a part of this Agreement.

12. Amendment or Termination. No agreement will be effective to add to, amend, change, modify, or supplement any provisions hereof or the rights granted hereunder in whole or in part unless such instrument is in writing, executed by all of the parties hereto.

13. Remedies. In the event of default by any party in the performance of its obligations hereunder, any non-defaulting party will have the right to exercise all legal or equitable remedies, including the right to enforce specific performance of the provisions hereof. This Agreement is governed by the laws of the State of Texas. All litigation arising out of or related to this Agreement must be brought in the District Courts of Montgomery County.

14. Term. This Agreement will remain in effect for a period of five (5) years from the Effective Date, after which it will automatically renew for successive five (5) year terms unless amended or terminated by written instrument signed by both parties.

15. Recordation. The Parties acknowledge and agree this Agreement may be recorded in the Official Public Records of Real Property of Montgomery County, Texas for the purpose of providing notice of its content to all persons dealing with property subject to the respective dedicatory instruments of the Associations.

*[Signature pages follow.]*



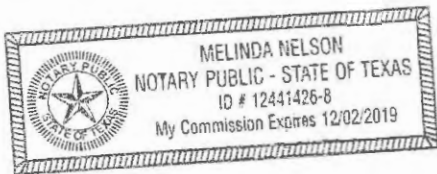


WHITE OAK RANCH HOMEOWNERS  
ASSOCIATION, INC., a Texas non-profit corporation

By: William J. Dunn  
Name: WILLIAM J. DUNN  
Title: President White Oak Ranch HOA Board  
Date: 12 June 2018

STATE OF TEXAS                   §  
   §  
COUNTY OF MONTGOMERY   §

This instrument was acknowledged before me on the 12<sup>th</sup> day of June, 2018, by William J. Dunn, President of White Oak Ranch Homeowners Association, Inc., a Texas non-profit corporation, on behalf of the corporation.



Melinda Nelson  
Notary Public in an for the State of Texas

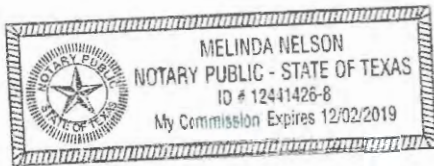
VILLAS AT WHITE OAK RANCH COMMUNITY ASSOCIATION, INC., a Texas non-profit corporation

By: [Signature]  
Name: ADRIAN JACOB  
Title: PRESIDENT  
Date: 6/12/18

STATE OF TEXAS                   §  
   §  
COUNTY OF MONTGOMERY       §

This instrument was acknowledged before me on the 12 day of June, 2018, by Adrian Jacob, President of Villas at White Oak Ranch Community Association, Inc., a Texas non-profit corporation, on behalf of the corporation.

[Signature]  
Notary Public in an for the State of Texas



William Dunn  
12356 Oak Cove Pointe  
Covode, TX 77304

FILED FOR RECORD  
06/12/2018 03:02PM

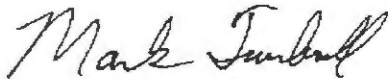


COUNTY CLERK  
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS,  
COUNTY OF MONTGOMERY

I hereby certify that this instrument was filed in the file number sequence on the date and time stamped herein by me and was duly RECORDED in the Official Public Records of Montgomery County, Texas.

06/12/2018



County Clerk  
Montgomery County, Texas