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AGREEMENT

7 Pages

Parties: SILVBRLEAF RESORTS INC

to

HOLLY LAKE RANCH ASSOCIATION INC ETAL

FILEDANDRECORDED-REALRECORDS	CLERKS NOTES
On: 10/03/2012 at 02:57 PM	
Document Number: <u>2012-00011778</u>	
Receipt No: <u>20_12_1_0_</u>	
Amount: S <u>37.75</u> — —	
Kelley Price, County Clerk Wood County, Texas	



STATE OF TEXAS
COUNTY OF WOOD

I hereby certify that this instrument was filed on the date and time stamped hereon by me
and was duly recorded in the named records or Wood County, Texas.

Kelley Price • County Clerk

Recorded By: Christan Robinson, Deputy

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED
REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER
FEDERAL LAW.

Record and Return To:

HOLLY LAKE RANCH ASSOCIATION INC
ATTN: ROB JAMES
220 HOLLY LODGE CIRCLE
HOLLY LAKE RANCH, TX 75765



AGREEMENT

THIS AGREEMENT (the "Agreement") is executed as of September 27, 2012, by and between Silverleaf Resorts, Inc. ("Silverleaf") and Holly Lake Ranch Association (the "Association").

RECITALS:

WHEREAS, pursuant to certain Recreational Easements in favor of the Association executed by Silverleaf or a predecessor to Silverleaf and recorded in Volume 637, Page 297, Volume 800, Page 352, Volume 726, Page 262, and Volume 02104, Page 00765 of the Real Property Records of Wood County, Texas (the "Recreational Easements"), the Association agreed to pay the costs of insuring all buildings, amenities, and other improvements owned by Silverleaf and located in the easement area granted to the Association, the proceeds of which policies are payable to Silverleaf as the insured thereunder; and

WHEREAS, the Recreational Easements provide that Silverleaf has the option to use the insurance proceeds, at its option, in any one or more of the following ways: (a) apply the same or part thereof to any indebtedness which might be owing by the Association to Grantor, or (b) use the same or part thereof to fulfill any of the covenants of the Association contained in the easements as Silverleaf may determine, or (c) use the same or any part thereof to replace or restore the property covered thereby to a condition satisfactory to Silverleaf, or (d) use the same or any part thereof for any purpose whatsoever as its own funds and property, without any obligation of refund or accounting to the Association; and

WHEREAS, Silverleaf and the Association wish to modify Silverleaf's options for the use of any insurance proceeds described hereinabove to provide that Silverleaf will use the insurance proceeds to replace or restore the property covered thereby to a condition satisfactory to Silverleaf.

NOW, THEREFORE, for and in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Silverleaf and the Association hereby agree as follows:

1. **Use of Insurance Proceeds.** Notwithstanding anything to the contrary contained in any and all Recreational Easements executed by Silverleaf, or any predecessor to Silverleaf, in favor of the Association recorded in Wood County, Texas, Silverleaf hereby agrees that any insurance proceeds payable to Silverleaf with respect to any damage to buildings or other improvements located in the areas covered by the Recreational Easements, shall be used to replace or restore those buildings or improvements and for no other purpose.

2. Maintenance of Holly Lake. Pursuant to Paragraph 11 of the Second Amended and Restated Declaration of Restrictions, Covenants, and Conditions for Holly Lake, Wood County, Texas recorded in Book 01756, Page 00496 of the Real Property Records of Wood County, Texas (the "Declaration"), Holly Lake Resort Club is responsible for the management and maintenance of Holly Lake, including, but not limited to, the maintenance of the buildings, the common elements, the facilities and the amenities connected therewith and for the payment of all cost and expenses incurred in connection with the maintenance of these items. Accordingly, Holly Lake Resort Club is performing and will continue to perform its maintenance obligations as set forth in the Declaration.

3. Holly Lake Recreational Facilities and Buildings. The Recreational Easements grant the Association and its members the permanent right to use all recreational facilities and buildings on the property covered by the Recreational Easements including any recreational facilities and buildings subsequently constructed by the developer or the Association on the easement property.

4. Binding. This Agreement shall inure to the benefit of Association and its members and their successors and assigns and shall be binding upon Silverleaf and its successors and assigns.

5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

6. Entire Agreement. This is the entire agreement of Silverleaf and the Association with regard to the matter set forth herein.

IN WITNESS WHEREOF, Silverleaf and the Association have executed this Agreement as of the date first set forth above.

SILVERLEAF:

SILVERLEAF RESORTS, INC.,
a Texas corporation

By: [Signature]
Name: [Redacted]
Its: Gt.p

STATE OF TEXAS

COUNTY OF WOOD

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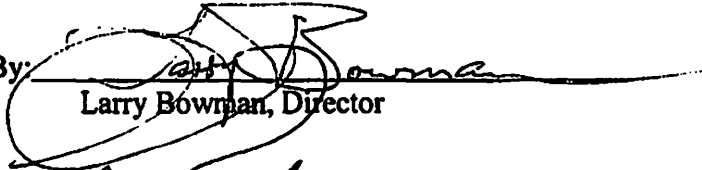
This I, _____, on the 27th of September, 2012 by **Joe W. Conner.**

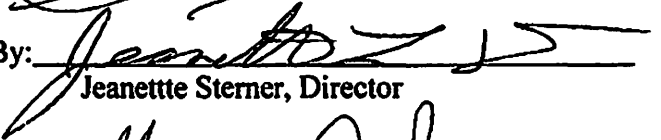
[Signature]
BARBARA COOPER
Notary Public, State of Texas
My Commission Expires
January 20, 2013

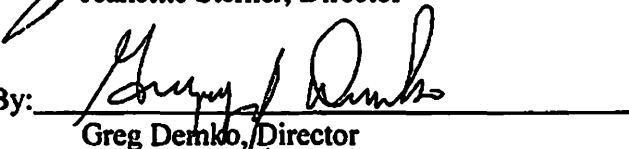
[Signature]
NOTARY PUBLIC in and for the
STATE OF TEXAS

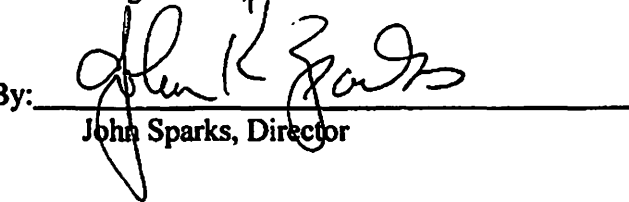
ASSOCIATION:

HOLLY LAKE RANCH ASSOCIATION, INC.

By: 
Larry Bowman, Director

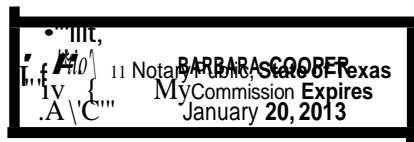
By: 
Jeanette Sterner, Director

By: 
Greg Demko, Director

By: 
John Sparks, Director

STATE OF TEXAS
COUNTY OF WOOD

This Instrument was acknowledged before me on the 2-P of September, 2012 by Larry Bowman, Jeanette Stamer, Greg Demko and John Sparks.




NOTARY PUBLIC in and for the
STATE OF TEXAS

**UNANIMOUS CONSENT
OF
BOARD OF DIRECTORS
OF
HOLLY LAKE RANCH ASSOCIATION**

September 27, 2012

We, the undersigned, being the duly elected Directors of Holly Lake Ranch Association, a Texas non-profit corporation (the "Association"), by our signatures hereto agree to, consent to and adopt the following resolutions for, on behalf of and in the name of the Association to the same extent and effect as if all such actions were taken upon resolutions duly made, seconded, and unanimously adopted at a formal Special Meeting of the Board of Directors of the Association held on the 27th day of September, 2012, pursuant to due call and notice thereof as required by the Bylaws of the Association and the laws of the State of Texas:

WHEREAS, there has been presented to and discussed at this meeting: (a) those certain Amended and Restated Bylaws of Holly Lake Ranch Association to be effective as of September 27, 2012 { the "Amended and Restated Bylaws"), a copy of which is attached hereto, (b) that certain Agreement (the "Agreement") to be executed by and between Silverleaf Resorts, Inc. ("Silverleaf") and the Association pursuant to which Silverleaf and the Association agree to certain modifications of the recreational easements granted in favor of the Association with respect to the use of insurance proceeds, the maintenance of Holly Lake and the use of recreational facilities and buildings by the Association, a copy of which is attached hereto, and (c) that certain Release from Holly Lake Ranch Association for the Benefit of Silverleaf Resorts, Inc. (the "Release"), whereby the Association agrees to release any and all claims against Silverleaf, a copy of which is attached hereto; and

WHEREAS, the undersigned members of the Board of Directors of the Association deem it to be in the best interest of the Association that the Amended and Restated Bylaws be adopted and the Agreement and Release be executed;

NOW, THEREFORE, RESOLVED, that the form, terms and provisions of the Amended and Restated Bylaws, the Agreement and the Release and all of the instruments, documents, certificates and agreements evidencing or relating to the Amended and Restated Bylaws, the Agreement and the Release or otherwise reasonably required in connection with the Amended and Restated Bylaws, the Agreement and the Release as determined by any Director of the Association, upon all and subject to all terms and conditions a, any Director of the Association deems necessary or appropriate in the sole discretion of such Director, shall be, and the same hereby are ratified and approved in all respects;

FURTHER RESOLVED, that each of the Directors of the Association hereby approves the adoption of the Amended and Restated Bylaws and is authorized and directed to execute and deliver on behalf of the Association the Agreement and the Release in the form and upon the terms as hereby discussed by this Board of Directors and to execute and deliver such other documents as such Director shall deem necessary to acknowledge and approve the Agreement

and the Release, the execution and delivery of which shall become conclusive evidence of the power granted to such Director hereby;

FURTHER RESOLVED, that each Director is authorized and directed to perform all such other acts as may be reasonably required to acknowledge and approve the Amended and Restated Bylaws, the Agreement and the Release and any and all transactions contemplated in connection therewith all upon such terms and conditions as such officer deems necessary or appropriate.

IN WITNESS WHEREOF, the undersigned Directors have executed this Consent effective as of the first day written above.

CLASS A DIRECTORS:


Robert Levy


Jane McMillan


James MacBride

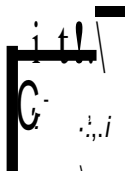

Rebecca Hitt

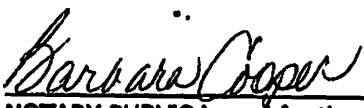

Michael Hall

STATE OF TEXAS

COUNTY OF WOOD

This Instrument was acknowledged before me on the 2nd day of September, 2012 by **Robert Levy, Jane McMillan, James MacBride, Rebecca Hitt and Michael Hall,**

 **BARBARA COOPER**
Notary Public, State of Texas
Commission Expires
January 20, 2013


**NOTARY PUBLIC in and for the
STATE OF TEXAS**

CLASS B DIRECTORS:


Larry Bowman


Jeanette Sterner


Greg Demko

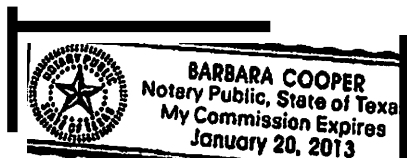

John Sparks

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STATE OF TEXAS

COUNTY OF WOOD

This Instrument was acknowledged before me on the 21st of September, 2012 by Larry Bowman, Jeanette Sterner, Greg Demko and John Sparks.




NOTARY PUBLIC in and for the
STATE OF TEXAS

FILED AND RECORDED lri:lit.ruman a: 2012-00011778
10/03/2012 02:57:47 Pm Pages: 7
Kelley Price-County Clerk
av. crobinson, Wood County, T