AFTER RECORDING RETURN TO: Gregory S. Cagle, Esq. CAGLE PUGH, LTD. LLP 4301 Westbank Drive, Suite A-150 Austin, Texas 78746

FOURTH AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COUNTRY CLUB ESTATES AND SECOND AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COUNTRY CLUB ESTATES, UNITS II AND III

Cross reference to that certain <u>Declaration of Covenants, Conditions and Restrictions for Country</u> <u>Club Estates</u>, recorded at Volume 1176, Page 963, of the Official Public Records of Guadalupe County, Texas; as amended by that certain <u>Amended Declaration of Covenants, Conditions and</u> <u>Restrictions for Country Club Estates</u>, recorded at Volume 1187, Page 200, of the Official Public Records of Guadalupe County, Texas; as further amended by that certain <u>Second Amended</u> <u>Declaration of Covenants, Conditions and Restrictions for Country Club Estates</u>, recorded at Volume 2155, Page 54, of the Official Public Records of Guadalupe County, Texas; as further supplemented by that certain <u>Declaration of Covenants, Conditions and Restrictions and Statement of Annexation for Country Club Estates Unit II and Country Club Estates Unit III, recorded at Volume 2157, Page 193, of the Official Public Records of Guadalupe County, Texas; as further amended by that certain <u>Amended Declaration of Covenants, Conditions and Restrictions for Country Club Estates and Country Club Estates Unit II and Unit III, recorded at Volume 2792, Page 575, of the Official Public Records of Guadalupe County, Texas.</u></u>

FOURTH AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COUNTRY CLUB ESTATES AND SECOND AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COUNTRY CLUB ESTATES UNITS II AND III

<u>RECITALS</u>:

A. WHEREAS, that certain real property known as Country Club Estates and Country Club Estates Units II and III (the "Property") is subject to and further described within that certain <u>Declaration of Covenants, Conditions and Restrictions for Country Club Estates</u>, recorded at Volume 1176, Page 963, of the Official Public Records of Guadalupe County, Texas; as amended by that certain <u>Amended Declaration of Covenants, Conditions and Restrictions for Country Club Estates</u>, recorded at Volume 1187, Page 200, of the Official Public Records of Guadalupe County, Texas; as further amended by that certain <u>Second Amended Declaration of Covenants, Conditions and Restrictions and Restrictions for Country Club Estates</u>, recorded at Volume 2155, Page 54, of the Official Public Records of Guadalupe County, Texas; as further supplemented by that certain <u>Declaration of Covenants</u>, <u>Conditions and Restrictions and Restrictions and Statement of Annexation for Country Club Estates Unit II and Country Club Estates Unit III</u>, recorded at Volume 2157, Page 193, of the Official Public Records of Guadalupe County, Texas; as further amended by that certain <u>Amended Declaration of Covenants</u>, <u>Conditions and Restrictions for Country Club Estates and Country Club Estates Unit II and Unit III</u>, recorded at Volume 2157, Page 193, of the Official Public Records of Guadalupe County, Texas; as further amended by that certain <u>Amended Declaration of Covenants</u>, <u>Conditions and Restrictions for Country Club Estates and Country Club Estates Unit II and Unit III</u>, recorded at Volume 2792, Page 575, of the Official Public Records of Guadalupe County, Texas (hereinafter collectively referred to as the "Declaration").

B. WHEREAS, the Declaration establishes Country Club Estates Homeowners' Association, Inc. (the "Association") as a property owners' association and makes the owners of any lots within the Property mandatory members of such property owners' association.

C. WHEREAS, members of the Association desire to amend the terms and provisions of Declaration.

D. WHEREAS, Section 209.0041 of the Texas Property Code provides that a declaration may be amended by a vote of sixty-seven percent (67%) of the total votes allocated to lot owners entitled to vote on the amendment to the declaration and that such provision supersedes any contrary requirement in a dedicatory instrument.

E. WHEREAS, as evidenced by the attached certification by the Secretary of the Association, members of the Association representing at least sixty-seven percent (67%) of the total votes allocated to members entitled to vote on an amendment to the Declaration approved this amendment at a meeting of the Association's membership conducted on , 2024.

NOW THEREFORE, the Declaration is hereby amended as follows:

1. <u>Association Name</u>. Section A of Article I of the Declaration is hereby deleted and replaced with the following:

A. *"Association"* shall mean and refer to Country Club Estates Homeowners' Association, a Texas nonprofit corporation, its successors and assigns.

2. <u>Leasing of Lots</u>. Article V of the Declaration is hereby modified by the addition of the following Section Z:

Z. Leasing of Lots.

Leasing Generally. In order to preserve the character of the Property as (a) predominantly Owner-occupied, and to comply with the eligibility requirements for financing in the secondary mortgage market, the leasing of Lots shall be governed by the restrictions imposed by this Section Z. Except as provided herein, the leasing of Lots shall be prohibited. "Leasing" for the purpose of this Declaration is defined as regular, exclusive occupancy of a Lot or Living Unit by any person (including a corporation, partnership, trust or other legal entity) other than the Owner for which the Owner or any related party of the Owner receives consideration or benefit, including, but not limited to, a fee, service, gratuity or emolument, regardless of whether or not such occupancy is pursuant to a written lease. The determination of whether occupancy of a Lot or Living Unit constitutes a Lease shall be determined by the Board of Directors in its sole and absolute discretion, which shall be binding provided it is made in good faith. For purposes hereof, occupancy by a roommate of an Owner who occupies his or her Living Unit as such Owner's primary residence shall not constitute Leasing hereunder. Notwithstanding anything to the contrary, this Section Z shall not apply to a lease of a Lot or Living Unit entered into in conjunction with the sale of the Lot, whereby the Owner selling the Lot continues to occupy the Living Unit thereon following the sale of such Lot to a new Owner pursuant to a lease agreement with the new Owner purchasing such Lot (commonly referred to as a "leaseback agreement").

(b) <u>Leasing Permits</u>. Owners desiring to lease their Lots may do so only if they have applied for and received from the Board of Directors either a "Leasing Permit" or a "Hardship Leasing Permit." The Board of Directors shall have the authority to establish conditions as to the duration and use of such permits consistent with this Section Z. All Leasing Permits and Hardship Leasing Permits shall be valid only as to a specific Owner and Lot and shall not be transferable between either Lots or Owners.

(i) An Owner's request for a Leasing Permit shall be approved if current, outstanding Leasing Permits have not been issued for more than ten percent (10%) of the total number of Lots in the Property and the Owner has owned and resided in the Living Unit constructed upon the Lot for at least twelve (12) months preceding the request for a Leasing Permit. A Leasing Permit shall be automatically revoked upon the happening of any of the following events: (1) the sale or transfer of the Lot to a third party (excluding sales or transfers to (a) an Owner's spouse, (b) a person cohabitating with the Owner, and (c) a corporation, partnership, company, or legal entity in which the Owner is a principal); (2) the failure of an Owner to lease his or her Lot within one hundred eighty (180) days of the Leasing Permit

having been issued; (3) the failure of an Owner to have his or her Lot leased for any consecutive one hundred eighty (180) day period thereafter; (4) failure of the Owner to timely pay assessments levied by the Association pursuant to Article IX of this Declaration; (5) a material violation of the leasing restrictions contained in this Section Z, as determined by the Board of Directors in its sole and absolute discretion; or (6) the occurrence of the date referenced in a written notification by the Owner to the Association that the Owner will, as of said date, no longer need the Leasing Permit. If current Leasing Permits have been issued for more than ten percent (10%) of the total number of Lots in the Property, no additional Leasing Permits shall be issued (except for Hardship Leasing Permits) until the number of outstanding current Leasing Permits falls below ten percent (10%) of the total number of Lots in the Property. Owners who have been denied a Leasing Permit shall automatically be placed on a waiting list for a Leasing Permit and shall be issued the same if they so desire when the number of current outstanding Leasing Permits issued falls to ten percent (10%) or less of the total Lots in the Property. The issuance of a Hardship Leasing Permit to an Owner shall not cause the Owner to be removed from the waiting list for a Leasing Permit.

If the failure to lease will result in a hardship, the Owner may seek (ii) to lease on a hardship basis by applying to the Board of Directors for a Hardship Leasing Permit. The Board of Directors shall have the authority to issue or deny requests for Hardship Leasing Permits in its discretion after considering the following factors: (1) the nature, degree, and likely duration of the hardship, (2) the harm, if any, which will result to the Property if the permit is approved, (3) the number of Hardship Leasing Permits which have been issued to other Owners, (4) the Owner's ability to cure the hardship, and (5) whether previous Hardship Leasing Permits have been issued to the Owner. A "hardship" as described herein shall include, but not be limited to the following situations: (1) an Owner must relocate his or her residence outside Guadalupe County, Texas and cannot, within six (6) months from the date that the Lot was placed on the market, sell the Lot except at a price below the current appraised market value, after having made reasonable efforts to do so; (2) where the Owner dies and the Lot is being administered by his or her estate; and (3) the Owner takes a leave of absence or temporarily relocates and intends to return to reside in the Lot. Hardship Leasing Permits shall be valid for a term not to exceed one (1) year. Owners may apply for additional Hardship Leasing Permits. Hardship Leasing Permits shall be automatically revoked if during the term of the permit, the Owner is approved for and receives a Leasing Permit.

(c) <u>Lease Agreement</u>. All leases shall be in writing and there shall be no subleasing of Lots or assignment of leases without prior written approval from the Board of Directors. Within five (5) business days after executing a lease agreement for the lease of a Lot or any renewal thereof, or within five (5) business days from a written request from the Board of Directors, the Owner shall provide the Board of Directors with a copy of the lease and the name, telephone number and email address of the tenant(s) under the lease agreement (hereinafter collectively referred to as the "Tenant") and the name of all

other individuals 18 years of age or older occupying the Lot with Tenant. The Owner must provide the Tenant copies of the Declaration, Bylaws, and all rules and regulations adopted by the Association and the Owner must provide to the Board of Directors written confirmation signed by the Tenant confirming that the Tenant was provided copies of the Declaration, Bylaws, and all rules and regulations adopted by the Association.

(d) Lease Term. No Lot, or any portion thereof, shall be leased or rented, or otherwise advertised for lease or for rent, for an initial term of less than twelve (12) months. After the expiration of an initial twelve-month lease term, such lease may be extended for additional periods of time of no less than thirty (30) days. No Owner may lease or rent, or offer to lease or rent a Lot, or any portion thereof, for short-term (consisting of an initial lease term of less than twelve (12) months), vacation or transient purposes (including short-term house swapping) or on a fractional basis. No Owner may enter into a lease agreement for a Lot more than one (1) time in a contiguous twelve-month period. For example, if an Owner enters into a twelve-month lease agreement for his or her Lot with a Tenant and the Tenant terminates the lease agreement after two months, the Owner may not lease the Lot again until twelve months after the terminated lease agreement originally commenced.

(e) <u>Single-Family Residential Lease Required</u>. A Lot shall be leased to a Tenant for single family residential use only. A Lot shall not be leased to multiple Tenants who are not related to each other by consanguinity or affinity.

(f) <u>Lease Provisions</u>. Each Owner covenants and agrees that any agreement for the lease of a Lot shall contain the following language and agrees that if such language is not expressly contained in the lease agreement, then such language shall be incorporated into the lease by existence of this covenant, and the Tenant, by occupancy of the Lot, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(i) The Tenant shall comply with all provisions of the Declaration and all rules and regulations adopted by the Association and shall control the conduct of all other residents and guests of the leased Lot in order to ensure such compliance.

(ii) Failure by the Tenant or his invitees to comply with the Declaration or any applicable laws governing use of the Lot is deemed to be a default under the lease and authorizes the Owner to terminate the lease without liability and to evict the Tenant in accordance with applicable law. When the Association notifies an Owner of his Tenant's violation, the Owner will promptly obtain his Tenant's compliance or exercise his rights as a landlord for Tenant's breach of lease. If the Tenant's violation continues or is repeated, and if the Owner is unable, unwilling, or unavailable to obtain his Tenant's compliance, then the Association has the power and right to pursue the remedies of a landlord under the lease or applicable law for the default, including termination of the lease and eviction of the Tenant, subject to the terms of this Declaration.

(iii) If an Owner who is leasing his or her Lot fails to pay any assessment levied by the Association pursuant to Article IX of the Declaration or any other charge levied by the Association for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment to the Association of any rent received from the Tenant during the period of delinquency, and, upon request by the Board of Directors, the Tenant shall pay to the Association all unpaid Assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by Tenant. However, Tenant need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board of Directors' request. All such payments made by Tenant shall reduce, by the same amount, Tenant's obligation to make monthly rental payments to the Lot's Owner. If Tenant fails to comply with the Board of Directors' request to pay Assessments or other charges, it shall constate a default under the lease and authorizes the Association to terminate the lease without liability and to evict the Tenant in accordance with applicable law.

(iv) Notwithstanding the absence of an express provision in the lease agreement for enforcement of the Declaration by the Association, each Owner appoints the Association as his attorney-in-fact, with full authority to act in his place in all respects, solely for the purpose of enforcing the Declaration against his Tenants, including but not limited to the authority to institute forcible detainer proceedings against his Tenant on his behalf. If the Association proceeds to evict the Tenant, any costs, including reasonable attorney's fees actually incurred and court costs associated with the eviction shall constitute an assessment, as provided for under Article IX of the Declaration, and may be collected in any manner authorized by Article IX for the collection of unpaid assessments.

(g) <u>Compliance with Governing Documents</u>. The Owner of a leased Lot shall cause all Tenants and other occupants of the Lot and their invitees (collectively, the "Occupants") to comply with the Declaration and all rules and regulations adopted by the Association, and the Owner shall be responsible for all violations thereof by any of the Occupants. If a Tenant or other Occupant violates the Declaration or rules and regulations adopted by the Association for which a fine is imposed, the fine shall be assessed against the Owner.

(h) <u>Owner Responsibility and Waiver of Liability</u>. The Owner of a leased Lot is liable to the Association for any expenses incurred by the Association in connection with enforcement of the Declaration and rules and regulations adopted by the Association against the Owner and/or the Owner's Tenant. The Association is not liable to the Owner for any damages, including lost rents, suffered by the Owner in relation to the Association's enforcement of the Declaration and rules and regulations adopted by the Association's enforcement of the Declaration and rules and regulations adopted by the Association against the Owner's Tenant.

(i) <u>Violation of Leasing Restrictions</u>. The Board of Directors shall have the

power and authority to levy fines against Owners who violate any of the leasing restrictions established by this Section Z, which may include daily fines for each day that a violation continues. Fines levied against an Owner shall constitute an assessment, as provided for under Article IX of the Declaration, and may be collected in any manner authorized by Article IX for the collection of unpaid assessments. In addition, the Board of Directors shall have the power and authority to terminate an Owner's Leasing Permit if an Owner shall fail to timely pay any fines levied for the violation of these leasing restrictions.

3. <u>**Grandfathering of Existing Leases.**</u> All Owners who are renting or leasing their Lots at the time of the recordation of this Amendment shall automatically be granted a temporary Leasing Permit (an "Existing Lease"), provided the Owner has submitted a copy of the Existing Lease's written agreement to the Association within thirty (30) days of such recordation and the Existing Lease is still in effect at the time of recordation. Such temporary Leasing Permit shall be valid until the termination of the Existing Lease or any extension thereof, provided there is no change in the individual tenants under the Existing Lease. Notwithstanding anything to the contrary, an Owner with a temporary Leasing Permit may apply for a regular Leasing Permit without waiting for the expiration of the temporary Leasing Permit.

4. <u>Limited Grandfathering of Existing Owners</u>. All Owners who have owned their Lot for at least twelve (12) months at the time of the recordation of this Amendment shall not be required to have owned and resided in the Living Unit constructed upon the Lot for at least twelve (12) months preceding a request for a Leasing Permit associated with such Lot. Notwithstanding anything to the contrary, all Lots shall be subject to all other leasing restrictions in Section Z even if such Lot has been owned by the Owner for at least twelve (12) months prior to the recordation of this Amendment.

5. <u>Miscellaneous</u>. Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Declaration. Unless expressly amended by this instrument, all other terms and provisions of the Declaration remain in full force and effect as written and are hereby ratified and confirmed.

6. <u>Effective Date</u>. This Amendment shall be effective upon its recording in the Official Public Records of Guadalupe County, Texas.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

SECRETARY'S CERTIFICATE

The undersigned Secretary of Country Club Estates Homeowners' Association, Inc. (the "Association"), a Texas non-profit corporation, hereby certifies that this Fourth Amended Declaration of Covenants, Conditions and Restrictions for Country Club Estates and Second Amended Declaration of Covenants, Conditions and Restrictions for Country Club Estates Units II and III was approved by members of the Association representing at least sixty-seven percent (67%) of the total votes allocated to members entitled to vote on such amendment, at a meeting of the Association's members conducted on , 2024.

COUNTRY CLUB ESTATES HOMEOWNERS' ASSOCIATION, INC.

Donna Myers, Secretary

STATE OF TEXAS

COUNTY OF GUADALUPE

THIS INSTRUMENT was acknowledged before me this _____ day of _____, 2024 by Donna Myers, Secretary of Country Club Estates Homeowners' Association, Inc.

§ § §

Notary Public of Texas

7

AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COUNTRY CLUB ESTATES AND COUNTRY CLUB ESTATES UNITS II AND III