

SECOND AMENDMENT
to
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
for
GRAND LAKES

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

WHEREAS, Centennial Homes, Inc., a Texas corporation, as Declarant, caused the "Declaration of Covenants, Conditions and Restrictions for Grand Lakes" (the "**Declaration**") to be recorded in the Official Public Records of Real Property of Fort Bend County, Texas under Clerk's File No. 9757011, which instrument imposes various covenants, conditions, restrictions easements, liens and charges upon the real property described in Exhibit "A" attached thereto; and

WHEREAS, additional land was thereafter annexed and made a part of the subdivision subjected to the provisions of the Declaration and the jurisdiction of Grand Lakes Community Association, Inc. (the "**Association**") by Supplemental Declarations duly recorded in the Official Public Records of Real Property of Fort Bend County, Texas;

WHEREAS, the Declaration was amended by instrument entitled "Amendment to Declaration of Covenants, Conditions and Restrictions for Grand Lakes" recorded in the Official Public Records of Real Property of Fort Bend County, Texas under Clerk's File No. 9838251 (the Declaration as amended hereinafter still referred to as "Declaration"); and

WHEREAS, Article XIII, Section 4, of the Declaration, entitled "**Amendments**" provides the Declaration may be amended when approved by Members entitled to cast not less than seventy-four percent (74%) of the aggregate of the votes of all Members of the Association; and

WHEREAS, Section 209.0041(h) of the Texas Property Code provides that a declaration may be amended only by a vote of sixty-seven percent (67%) of the total votes allocated to property owners entitled to vote on the amendment of the declaration, unless the declaration contains a lower percentage, in which event the percentage in the declaration controls; and

WHEREAS, the Declaration provides for amendment by the approval of a higher percentage of owners than the percentage set forth in Section 209.0041 of the Texas Property Code; therefore, Section 209.0041 controls with respect to the percentage of votes necessary to effect an amendment to the Declaration.

WHEREAS, Owners representing not less than sixty-seven percent (67%) of the total votes entitled to be cast desire to amend the Declaration.

NOW, THEREFORE, the following provisions of the Declaration are amended as set forth below:

1. Article XI, Section 1 (a), of the Declaration, is amended and restated, to read as follows:

(a) Each Occupant may use the Residential Lot and the Living Unit and other improvements to the Residential Lot for single family residential purposes only. A "single family" is a group of individuals related by blood or marriage, or maintaining a common household as husband and wife, or by co-owners (excluding cooperative-type ownership if being used to avoid the intent of this restriction). As used in this Section, "single family residential purposes only" specifically prohibits, without limitation, any business use (whether for profit or not), commercial use (whether for profit or not), industrial use, apartment homes, duplex, multi-family dwellings, hospitals, clinics, transient housing, hotels, motels, tourist home, rooming house, renting or leasing of a room(s) in the Living Unit on a Residential Lot, boarding house or Short Term Rentals (as defined in this Declaration) and such uses are expressly prohibited. No room(s) in the Living Unit on a Residential Lot and no space in any other structure on a Residential Lot may be leased or rented, however, this Section shall not preclude a Residential Lot from being leased or rented in its entirety as a single residence to one (1) family or person in accordance with Article XIII, Section 13 of this Declaration.

No Residential Lot shall be made subject to any type of timesharing agreement, fraction-sharing or any other type of agreement where the right to the exclusive use of the Residential Lot rotates among members of the program on a fixed or floating time schedule over a period of time. No Residential Lot shall be used in a manner in which an Owner that is a business entity organized under the Texas Business Organizations Code or the statute of any other state allows the business entity's co-owner(s), organizer(s), manager(s), partner(s), member(s), shareholder(s), business associate(s) or guest(s) to live on the Residential Lot for a time period that is less than one hundred eighty (180) consecutive days.

No Living Unit, building, garage, outbuilding or structure on a Residential Lot may be used as income property unless leased in accordance with this Declaration. Any use of a Residential Lot or the Living Unit on a Residential Lot that requires that the Owner pay the State of Texas hotel occupancy tax (whether or not the tax is actually being paid) is a use of the Residential Lot for non-single family residential purposes and constitutes a business use of the Residential Lot in violation of this section.

Notwithstanding the foregoing, however, any Occupant of a Residential Lot may engage in a home occupation on a full or part time basis upon the Residential Lot if and only if (A) such business is transacted or conducted (insofar as activity on or within the Residential Lot is concerned) entirely through telephone or electronic communication (including facsimile transmissions, computer modems and similar communications equipment), (B) there is no visible manifestation exterior to the Living Unit structure that would indicate the such home occupation is being conducted in the Living Unit, and (C) the home occupation usage complies with the following other specific restrictions:

(i) No employees of the business (other than the permitted occupant(s) or

- permitted resident(s) conducting the business) shall be permitted on the Residential Lot in connection with the conduct of the business;
- (ii) The business shall not permit customers to visit the Residential Lot in connection with the business conducted thereon;
 - (iii) No inventory of the business (other than samples) shall be stored on the Residential Lot;
 - (iv) The home occupation use shall not generate any noise that would be in excess of or materially different in nature from that normally associated with a strictly residential use;
 - (v) The home occupation use shall not cause there to be traffic generated on or in the vicinity of the Residential Lot in excess of that normally associated with a strictly residential use;
 - (vi) There shall be no assembly, fabrication or manufacturing process carried out on the Residential Lot in connection with such home occupation;
 - (vii) There shall be no shipping of goods, parts, products, equipment, inventory or materials to or from the Residential Lot in connection with such home occupation; and
 - (viii) There shall be absolutely no signage or advertisement of the home occupation business located on the Residential Lot, whether permanent or temporary in nature.

Unless otherwise approved in writing by the Board of Directors, not more than one (1): (a) bona fide full time, live-in domestic worker; or (b) bona fide “nanny” is entitled to reside on a Residential Lot.

This section shall not apply to the Common Properties, any unrestricted reserve or reserves, or property designated as a Commercial Lot or for commercial development as shown on any plat or map of the Property, or any amendment thereto.

2. Article XIII, Section 13, of the Declaration, entitled “**Renting or Leasing**”, is amended and restated, to read as follows:

Section 13. **Leasing.** The term “lease” as used herein means any type of agreement or arrangement which provides to a person(s) or entity(s) other than the Owner of the Residential Lot the use of and right to possess a Residential Lot and/or the Living Unit on a Residential Lot. A Residential Lot and/or the Living Unit on a Residential Lot may be leased for single family residential purposes only. Single family residential purposes specifically prohibits leasing the Residential Lot to more than one single family. Single family residential purposes requires the intent to occupy the Residential Lot and the Living Unit on the Residential Lot for the entire term of the lease. A lease must be for a term of not less than one hundred eighty (180) consecutive days. A lease for a term of less than one hundred eighty (180) consecutive days is prohibited except as otherwise provided herein. Upon the end of a lease term of at least one hundred eighty (180) consecutive days, a new lease for a period of at least one hundred eighty consecutive (180) days is required, however, a “month-to-month” lease is allowed if the lessee(s) is the same person(s) who signed the original lease. The

Association's Board of Directors does not have the authority to and will not approve or disapprove any lease.

This section will not preclude (A) the Association or an institutional lender from leasing a Living Unit upon taking title following foreclosure of its security interest in the Residential Lot and Living Unit or upon acceptance of a deed in lieu of foreclosure or (B) the seller or transferor of a Residential Lot and Living Unit from leasing back the Living Unit on such Residential Lot for a period of time up to one hundred eighty (180) days after the closing of the sale or transfer of such Residential Lot and Living Unit.

A lease to persons who do not comprise a single family is prohibited. A lease must provide to the lessee(s) the exclusive right to use and possess the entire Residential Lot and the entire Living Unit situated on the Residential Lot. An Owner may not lease a room or any portion less than the entire Residential Lot and the entire Living Unit on the Residential Lot. The lessee(s) of a Residential Lot is not permitted to sublease the Residential Lot or the Living Unit on the Residential Lot or any portion thereof.

A lease must be in writing. Leasing the Residential Lot and/or the Living Unit on a Residential Lot does not relieve the Owner of the Residential Lot from the obligation to comply with this Declaration and/or the Association's Dedicatory Instruments [as that term is defined by Texas Property Code Section 202.001(1) or its successor statute]. All lessees are subject to this Declaration and the Association's Dedicatory Instruments. There may only be one lease for a Residential Lot (including the Living Unit on the Residential Lot) at a time. Upon written demand from the Association, the Owner of the Residential Lot must provide a true and correct copy of the lease to the Association within fourteen (14) business days of the date such written demand is mailed. The Owner may redact any sensitive personal information as defined in the Texas Property Code §209.016 or its successor statute prior to providing a copy of the lease to the Association. Upon written demand of the Association, the Owner of the Residential Lot must provide to the Association the name(s) and phone number(s) for all lessees of a Residential Lot and/or Living Unit on a Residential Lot who have reached the age of at least eighteen (18) years within fourteen (14) business days of the date such written demand is mailed.

Short Term Rentals are expressly prohibited. A Short Term Rental is any type of lease, agreement, or arrangement which provides to a person or entity other than the Owner of the Residential Lot the use of and the right to possess the Residential Lot and/or the Living Unit on the Residential Lot for less than one hundred eighty (180) consecutive days.

The Association may, after the notice required by law, if any, is given, levy a fine on the Owner of the Residential Lot in the amount of five hundred and 00/100 dollars (\$500.00) per day for a violation of any term or provision of this Section 13. This fining provision supersedes any conflicting provision in any fining policy adopted by the Association.

In the event of a violation of this Section 13, the Association may exclude an

Owner's tenant(s) or lessee(s) from vehicular access to any private street(s) owned by or under the jurisdiction of the Association and any such tenant or lessee will not be given access to the Association's Common Properties, including, but not limited to, the Association swimming pool(s) and splashpad(s).

It is not the intention of this Section 13 to exclude from a Residential Lot or the Living Unit on a Residential Lot any individual who is authorized to so remain by any state or federal law. If it is found that this provision is in violation of any law, then this provision will be interpreted to be as restrictive as possible to preserve as much of this provision as allowed by law.

The Association's Board of Directors may adopt any rules, guidelines or policies necessary to further define, interpret and/or clarify this Section 13 and any such rules, guidelines or policies will have the same force and effect as if stated in this Declaration.

Except as amended herein, all provisions in the Declaration, as previously amended, remain in full force and effect.

Capitalized terms used herein have the same meanings as that ascribed to them in the Declaration, unless otherwise indicated.

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IN WITNESS WHEREOF, the President of Grand Lakes Community Association, Inc. hereby executes this instrument to certify that owners representing not less than sixty-seven percent (67%) of the votes entitled to be cast have approved the Amendments set forth in this instrument in accordance with Section 209.0041(h) of the Code. The Amendments will be effective upon recording in the Official Public Records of Real Property of Fort Bend County, Texas.

DATED this _____ day of _____, 2020.

**GRAND LAKES COMMUNITY
ASSOCIATION, INC.**

By: _____

Printed: _____

Its: President

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned notary public, on this ___ day of _____, 2020 personally appeared _____, President of Grand Lakes Community Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purpose and in the capacity therein expressed.

Notary Public in and for the State of Texas