SECOND AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE OAKS OF STONEY CREEK [Leasing]

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STATE OF TEXAS

COUNTIES OF DALLAS AND COLLIN

KNOW ALL MEN BY THESE PRESENTS:

THIS SECOND AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE OAKS OF STONEY CREEK (this "Second Amendment") is made this _____ day of _____, 2020, by The Oaks at Stoney Creek Homeowners Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, Arrowhead Estates, Ltd., a Texas limited partnership (the "Declarant"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions and Restrictions for the Oaks of Stoney Creek" on or about June 2, 1995 as Instrument No. 19950602000370890 of the Real Property Records of Collin County, Texas, and as Instrument No. 199501077117 of the Real Property Records of Dallas County, Texas (the "Declaration"); and

WHEREAS, the Declaration was amended by the First Amendment to the Declaration of Covenants, Conditions and Restrictions for the Oaks of Stoney Creek" on or about June 2, 1995 as Instrument No. 19950602000370890 of the Real Property Records of Collin County, Texas, and as Instrument No. 199702340505 of the Real Property Records of Dallas County, Texas (the "First Amendment"); and

WHEREAS, Article V, Section 5.12 of the Declaration provides that the Declaration may be amended with the consent of fifty-one percent (51%) of the then Owners (including Declarant) of the lots (with one vote to be cast for each lot so owned) evidenced by a document in writing bearing each of their signatures; and

WHEREAS, more than fifty-one percent (51%) of the Owners of the lots (with one vote to be cast for each lot so owned) have agreed to the following amendment to the Declaration as evidenced by their signatures

NOW, THEREFORE, the Declaration is hereby amended as follows:

1. Article II of the Declaration is amended to add a new Section 2.19 thereto, to state as follows:

Section 2.19. <u>Leasing Restrictions</u>. "Leasing," as used in this Section, is defined as regular, exclusive occupancy of a dwelling on a lot (a "Dwelling") by any person other than the Owner. "Leasing" shall not include a lease back in connection with the sale of a lot, where the seller of the lot transfers title to the lot and then leases the Dwelling on the lot back from the purchaser. Lots owned by an Owner and occupied by an immediate family member of the Owner shall not be considered leased for the purposes of this Section. For purposes hereof, "immediate family member" shall include the mother, father, daughter, son, sister, brother, grandmother, grandfather, grandson, or granddaughter of the Owner of the lot.

Dwellings may be leased only in their entirety. Owners are strictly prohibited from leasing individual rooms in the Dwelling. No short-term rentals or transient tenants may be accommodated in a Dwelling. Dwellings may not be used or leased for hotel purposes. For purposes of this Section, "short term rentals" shall mean lease/rental periods of less than thirty-one (31) days, including leasing a Dwelling on a nightly basis. Owners may not list their Dwellings as for lease on short-term rental websites such as <u>www.airbnb.com</u>, <u>www.vrbo.com</u>, <u>www.homeaway.com</u> or other vacation or short-term rental website. All leases must be for an initial term of not less than one (1) year. Thereafter, leases may be renewed on an annual basis, provided the Owner must notify the Board of his intent to renew the lease on the Dwelling and obtain the Board's written notice that the Owner may lease the Dwelling pursuant to this Section, and further provided that the lease meets the standards and criteria set out in this Section.

From the effective date of this amendment, no more than ten percent (10%) of the Dwellings located in the community may be leased at any point in time. The goal is to preserve the community as one of predominantly owner-occupied Dwellings. An Owner seeking to lease his or her Dwelling must notify the Board in writing of his or her desire to lease the Dwelling, and Owners may lease on a first come, first serve basis. Upon the expiration of a lease term, the Owner of the Dwelling must again notify the Board of his or her desire to renew the lease on the Dwelling in order to give an equal opportunity to all Owners to lease their Dwellings.

Whenever the Owner of a Dwelling has received a bona fide offer to lease his or her Dwelling and desires to accept such offer, the Owner shall give the Board not less than fifteen (15) days' written notice of his or her desire to accept such offer, and provide, at the Owner's sole cost and expense, the following to the Board: (i) the name, date of birth and current address of the prospective lessee(s) and each prospective adult occupant (over age 18); and (ii) a copy of the proposed lease agreement. If ten percent (10%) or more of the Dwellings are then currently subject to leases, the Owner may not lease the Dwelling. If the terms of the lease do not meet the standards, criteria and requirements described in this Section, then the Board shall notify the Owner that the lease fails to meet the requirements of this Section. Owners shall not lease to or allow anyone to reside in the Dwelling if the lease does not meet the standards and criteria set out above.

Notwithstanding any provision to the contrary, the Board shall be empowered to allow leasing of Dwellings that do not comply with the above requirements upon the Owner's written application for an exception because of undue hardship on the Owner. With respect to Dwellings which are currently subject to a lease as of the date of the adoption of this Second Amendment, the leasing cap does not apply, provided that the Association must have a copy of the current written lease for the Dwelling within thirty (30) days of the recordation of this Second Amendment. All other leasing restrictions

contained in this Section will apply to such Dwellings. Notwithstanding this exemption for current leases, upon the sale or other conveyance of title to the lot on which the Dwelling is located, all leasing restrictions contained herein will apply.

2. Except as modified by the First Amendment and this Second Amendment, the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, the Association has caused this Second Amendment to be executed by its duly authorized officer this _____ day of ______, 2020.

THE OAKS AT STONEY CREEK HOMEOWNERS ASSOCIATION. INC., A Texas non-profit corporation

By:	
Name:	
Title:	

ACKNOWLEDGMENT

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STATE OF TEXAS

COUNTY OF _____

This instrument was acknowledged before me on by ______, of The Oaks at Stoney Creek Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said corporation, on the _____ day of ______, 2020.

Notary Public, State of Texas

My Commission Expires:

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