AFTER RECORDING RETURN TO:

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FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR <u>FRISCO HILLS</u>

STATE OF TEXAS COUNTY OF DENTON

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KNOW ALL MEN BY THESE PRESENTS:

INTRODUCTORY PROVISIONS

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Frisco Hills was filed of record on January 12, 2012, and recorded as Document No. 2012-3257 in the Official Public Records of Denton County, Texas ("*Declaration*"); and

WHEREAS, the Declaration affects certain tracts or parcels of real property in the City of Little Elm, Denton County, Texas, more particularly described on Exhibit A attached hereto and incorporated herein by reference for all purposes (collectively, the "*Property*"); and

WHEREAS, pursuant to Article VII, Section 7.1 of the Declaration, it may be amended by a vote of at least sixty-seven percent (67%) of the total votes in the Homeowners Association of Frisco Hills, Inc. ("<u>Association</u>"), in person, by proxy, or as allowed by law, at a duly called meeting; and

WHEREAS, on _____, 20___, the following amendments to the Declaration were proposed and approved with the affirmative vote of at least sixty-seven percent (67%) of the total votes of the Members of the Association; and

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

1. Article 2, Sections 2.5(e) and (k) of the Declaration is hereby deleted and amended

to read, in its entirety, as follows:

Section 2.5 <u>Uses Specifically Prohibited</u>.

(e) No Lot or other area on the Property shall be used as a dumping ground for rubbish or a site for the accumulation of unsightly materials of any kind, including, without limitation broken or rusty equipment, disassembled or inoperative cars, other vehicles or discarded appliances and furniture. Trash, garbage, or other waste shall be kept in sanitary containers. All incinerators or other equipment for the storage or other disposal of such material shall be kept in clean and sanitary condition. Materials incident to construction of improvements may be stored on Lots during construction so long as construction progresses without undue delay.

> Trash containers must be stored behind the front elevation of the home, placed on the side of the home or in the garage, except for the day of trash pickup and placed back at the end of the day after trash pick up.

No sign of any kind shall be displayed to the public view on (k) any Lot, except: (i) political signs which may be placed on the Lot no earlier than 90 days prior to an election and which must be removed within 10 weeks after the election for which such sign is displayed; (ii) one (1) professional security service sign of not more than one (1) square foot; (iii) one (1) sign of not more than five (5) square feet advertising the property for rent or sale during any period that the Lot actually is for rent or sale; (iv) signs used by a Builder to advertise the Property during the construction and sales period; (v) school pride signs not to exceed 3 square *feet for period of time that a resident's child is in attendance at that school;* or (vi) birthday, congratulatory, or similar signs that contain individualized messages not to exceed a total space of 15 feet in length or 3 feet in height, for a period of no longer that 72 hours, each of which shall comply with all statutes, laws or ordinances governing same. The Board of Directors or its agents shall have the right to remove any sign, billboard or other advertising structure that does not comply with the above, and in so doing shall not be subject to any liability for trespass or otherwise in connection with such removal.

2. Article 2, Section 2.5(d) of the Declaration is hereby deleted and amended to read,

in its entirety, as follows:

Section 2.5 Uses Specifically Prohibited.

(d) No animals or livestock shall be raised, bred or kept on the Property for sales or commercial purposes or for food. Dogs, cats or other household pets may be kept for the purpose of providing companionship for the private family; however, those pets which are permitted to roam free, or, in the sole discretion of the Board, constitute a nuisance to the occupants of other Lots shall be removed upon request of the Board. If the pet owner fails to honor such request, the Board may, at its sole discretion, remove or otherwise provide for the removal of the pet. Notwithstanding anything contained herein to the contrary, the Board in its sole discretion and without incurring any further duty or obligation to owners and occupants within the Property, may decide to take no action and refer complaining parties to the appropriate municipal or governmental authorities for handling and final disposition. Pets shall be kept on a leash or otherwise confined inside a fenced area whenever outside the dwelling. but may not be tied to any object. Pets shall not be permitted to roam, bark, growl, howl or otherwise disturb the use and enjoyment of Property. Pets shall be registered, licensed, and inoculated as required by law and must be properly tagged for identification. It is the Owner's responsibility to keep the front of their Lot clean and free of pet debris and to pick up and properly dispose of their pet's waste wherever deposited. Notwithstanding anything seemingly herein to the contrary, no more than three (3) household pets will be permitted on each Lot.

(d)(1) The following dogs shall not reside or be present within the Frisco Hills addition: (a) a dog which has been declared by a municipal or governmental authority to be potentially dangerous, potentially vicious, dangerous or vicious; (b) a dog which has caused bodily injury to any resident of the Frisco Hills addition; (c) a dog which has initiated a fight with any other dog belonging to a resident of the Frisco Hills addition; (d) a dog which by its aggressive behavior has caused a resident of the Frisco Hills addition; or avoid being injured by the dog; or (e) any dog that violates noise restrictions of the application a municipal or governmental authority on a repeated basis.

3. Article 2, Section 2.7 of the Declaration is hereby deleted and amended to read, in its entirety, as follows:

Section 2.7 Fences and Walls.

Any fence or wall must be constructed of masonry, brick, wood, or other material approved by the ACC. No chain link fences are permitted except on the Common Properties or any school property. No fence or wall shall be permitted to extend nearer to any street than the front of any residence. However, all side yard fencing on corner Lots shall run parallel to the curb and may be placed no nearer than five feet (5') inside the side Lot line and shall not extend beyond a point of five feet (5') behind the front of the residence on that side. Fences or walls erected by Declarant shall become the property of the Owner of the Lot on which the same are erected and as such shall be maintained and repaired by such Owner except as is provided in Article IV and Article IX. Any fence or portion thereof that faces a public street shall be so constructed so that all structural members and posts will be on the side of the fence facing away from the street so that they are not visible from any street. No portion of any fence shall extend more than eight feet (8') in height. In relation to the use and installation of an eight foot (8') tall fence, see the additional guidelines

- a) cannot be placed within a retaining wall or within the influence zone of a retaining wall without an accompanying structural design by a licensed professional engineer and permit from the jurisdictional authority.
- b) cannot be placed immediately adjacent to another fence or screening wall.
- c) for a corner lot, they can only be 8' tall along the backyard portion of the street side of a house (screen backyard, but not parallel to the house).
- *d)* cannot be used where the rear yard of a corner lot abuts the side yard of another lot (keyed lot).
- e) if replacing existing fence, the requesting owner must have written authorization from adjacent owner(s).
- f) cannot be used in-lieu-of wrought iron or screen walls along Common Areas.

4. Article 2 of the Declaration is hereby amended to add Section 2.12 and to read, in

its entirety, as follows:

Section 2.12 <u>Leasing and Occupancy Restrictions</u>. In order to preserve the quality of life of Members and residents and the high standards of maintenance and care of the Common Area, and to promote the leasing of a Residence by responsible individuals, a Residence may be leased only in accordance with the following provisions:

(a) <u>General</u>. Subject to Section 2.2, no Residence shall be used for other than single-family residential purposes and the Common Area shall be used only for purposes consistent with single-family residential use. The occupancy of a Residence by the Owner thereof along with family members, an au pair, home health personnel or servants shall not be deemed a commercial purpose. The Association is allowed to ask for verification of the status of the foregoing individuals other than the Owner of the Residence.

The leasing of a Residence shall not be deemed a commercial or business purpose so long as the leasing of the Residence complies with this section. For purposes of this Section 2.12, the terms "lease" or "leasing" shall refer to the regular, exclusive occupancy of a Residence by any natural person other than the Owner, for which the Owner receives any type of consideration or benefit.

A Residence may be leased only in its entirety. Short-term rentals and/or lease agreements, such AirBNB©, VRBO©, or other temporary leases other than as described in subsection (f) below are prohibited. All leases shall be in writing and provide that the terms of the lease are subject to the provisions of the Declaration, Bylaws, Resolutions, Policies, Design Guidelines, Rules and Regulations, and any and all dedicatory instruments of the Association. All leases must be for an initial term of at least twelve (12) months unless otherwise approved by the Board in writing. Thereafter, leases may be renewed on an annual basis, provided the Owner must notify the Board of his or her intent to renew the lease on the Residence, and obtain the Board's permission to renew the lease. The Owner or lessee shall not assign or sublet the rental or lease agreement. The Owner must make available to the lessee copies of the Declaration, Bylaws, Resolutions, Policies, Design Guidelines, Rules and Regulations, and any and all dedicatory instruments of the Association. The Owner must provide a copy of the lease to the Association. AN OWNER WHO FAILS TO SUBMIT THE INFORMATION REQUESTED HEREIN MAY NOT LEASE A RESIDENCE AS SUCH FAILURE CONSTITUTES A VIOLATION.

- *(b)* Leasing Cap. No more than ten percent (10.0%) of the total number of Lots in the Subdivision shall be leased at any given time ("Leasing Cap"). In calculating the Leasing Cap, any Lot occupied by a member of the Owner's immediate family pursuant to a lease shall not be considered. Any Lot subject to a lease on the date this First Amendment is filed with the office of the Denton County Clerk (the "Effective Date") shall be included when calculating the Leasing Cap and shall be referred to herein as a "Pre-Amendment Leased Lot." An **Owner of a Pre-Amendment Leased Lot as of the Effective** Date is referred to herein as an "Exempt Owner." Although all Pre-Amendment Leased Lot will be considered and counted for purposes of the Leasing Cap, any Pre-Amendment Leased Lot will be eligible for lease, even if it exceeds the Leasing Cap, so long as record title to such Lot remains in the name of an Exempt Owner. Once title to a Pre-Amendment Leased Lot is transferred by an Exempt Owner to a third-party, said Lot will lose its status as a Pre-Amendment Leased Lot. After a Lot loses its Pre-Amendment Leased Lot status it will not be eligible for leasing unless permitted in accordance with the restriction *imposed by the Leasing Cap.*
- (c) <u>Notice of Intent to Lease</u>. Whenever the Owner of a Residence has received a bona fide offer to lease his or her Residence and desires to accept such offer, the Owner shall give the Board written notice of his or her desire to accept such offer and provide, at the Owner's sole cost and expense, the following information to the Board:
 - *i.* A copy of the rental or lease agreement;
 - *ii.* The name, and current address of the prospective lessee(s) and each prospective adult occupant (over age 18) along with current license plate numbers

for all vehicles belonging to the prospective lessee(s) and occupants which will be parked in the Frisco Hills subdivision;

- iii. A written certification by the Owner that a criminal background report was obtained on the prospective lessee(s) and occupant(s) and the occupants have not committed any criminal act set forth below in (d)(ii).
- (d) <u>Occupancy Restrictions</u>.
 - i. Occupancy. The total number of occupants allowed to reside in or occupy a Residence shall not exceed the maximum number of occupants allowed in a residential dwelling pursuant to any ordinance, code or regulation of the jurisdictional authority.
 - *ii.* Certain Criminals Prohibited. Owner may not lease to or allow any person to reside in or occupy a Residence who has been convicted of any felony crimes involving crimes against persons; use of firearms; sex crimes; illegal drugs; robbery; aggravated robbery; murder; criminal gang activity; discharge of firearms; gambling; manufacture, sale or use of drugs; manufacture or sale of alcoholic beverages; prostitution; theft; burglary; larceny; destruction of property; or any crime involving a minor.

THESE REQUIREMENTS DO NOT CONSTITUTE A GUARANTEE OR REPRESENTATION THAT LESSEES OR OCCUPANTS RESIDING WITHIN THE FRISCO HILLS COMMUNITY HAVE NOT BEEN CONVICTED OF A CRIME OR ARE NOT SUBJECT TO DEFERRED ADJUDICATION FOR A CRIME.

> (e) <u>Leasing Limitations</u>. Upon acquiring an ownership interest in a Lot or Residence, the owner may not lease the Residence, or any portion thereof, until the expiration of twelve (12) months from the date of the closing of the sale of the Lot or recording of the deed to the Lot which conveys title, whichever is earlier; provided that the Owner may lease the Residence thereon pursuant to

Board approval of a hardship. After the expiration of the twelve (12) month period, the Owner may lease the Residence subject to the other terms contained in this Section 2.12. AN OWNER WHO FAILS TO SUBMIT THE INFORMATION REQUESTED HEREIN MAY NOT LEASE A RESIDENCE AS SUCH FAILURE CONSTITUTES A VIOLATION OF THESE RULES. The Board may adopt and enforce reasonable rules regulating leasing and subleasing.

- (f) Hardship. Notwithstanding any provision to the contrary, the Board shall be empowered to allow leasing of one or more Residences prior to the twelve (12) month leasing ban or other appropriate instances as determined solely by the Board upon written application by an Owner to avoid undue hardship. By way of illustration and not by limitation, circumstances which would constitute undue hardship are those in which (i) an Owner must relocate his or her Residence and cannot, within ninety (90) days from the date the Residence was placed on the market, sell the Lot while offering it for sale at a reasonable price no greater than its current appraised market value; (ii) the Owner dies and the Lot is being administered by his estate; (iii) the Owner takes a leave of absence or temporarily relocates and intends to return to reside in the Residence; (iv) the Residence is to be leased to a member of the Owner's immediate family, which shall be deemed to encompass children, grandchildren, grandparents, brothers, sisters, parents and spouses; (v) deployment or active military duty status in any branch of the United States of America military; and (vi) the Owner suffers a sudden illness and due to such illness is forced to make provisions to temporarily lease the Residence for extended periods of absence for medical or financial reasons. Those Owners who have demonstrated that the inability to lease their Lot would result in undue hardship and have obtained the requisite approval of the Board may lease their lot for such duration as the Board reasonably determines is necessary to prevent undue hardship.
- (g) <u>Compliance with Declaration, Bylaws and Rules and</u> <u>Regulations</u>. Each Owner shall cause all occupants of his Residence to comply with the Governing Documents of

the Association and shall be responsible for all violations and all losses or damage resulting from violations by such occupants. The Owner shall provide the lessee a copy of the governing documents of the Association. The Association shall have the power and authority to enforce these Leasing and Occupancy Rules as to the Owner and/or occupants which may include, but is not limited to, levying violation fines and filing suit for necessary damages, including injunctive relief.

ALL OWNERS MUST PROVIDE A CURRENT LEASE AGREEMENT TO THE ASSOCIATION. FAILURE TO PROVIDE A COPY OF THE LEASE AGREEMENT UPON REQUEST MAY SUBJECT THE OWNER TO A VIOLATION FINE FOR NONCOMPLIANCE WITH THIS SECTION 2.12.

5. Article 5, Section 5.2 of the Declaration is hereby deleted and amended to read, in its entirety, as follows:

Section 5.2 Maintenance of Improvements.

Each Owner shall maintain the exterior of all buildings, fences, walls, and other improvements on his Lot in good condition and repair, and shall replace worn and rotten parts, and shall regularly repaint all painted surfaces and shall not permit the roofs, rain gutters, down spouts, exterior walls, windows, doors, walks, driveways, parking areas or other exterior portions of the improvements to deteriorate in an unattractive manner. All fences shall be kept neat, clean, and in good repair. Any fence which is damaged, leaning, or otherwise not in good repair shall be repaired within seven (7) days of receiving notice from the Association. The terms and provisions of the Frisco Hills Declaration, except as modified herein, are hereby declared to be in full force and effect with respect to the Property. The Property shall continue to be held, occupied, sold and conveyed subject to the terms and conditions of the Frisco Hills Declaration and this First Amendment to the Declaration of Covenants, Conditions and Restrictions for Frisco Hills which shall run with title to the Property and are binding on all parties having any right, title or interest in and to the Property or any part thereof, including their heirs, representatives, successors, transferees and assigns, and shall inure to the benefit of each Owner thereof.

IN WITNESS WHEREOF, the Board of Directors of the Association has caused this First Amendment to the Frisco Hills Declaration to be effective when filed with the office of the Denton County.

HOMEOWNERS ASSOCIATION OF FRISCO HILLS, INC., a Texas non-profit corporation

By:_____, President

STATE OF TEXAS § COUNTY OF DENTON §

BEFORE ME, the undersigned Notary Public, on this day personally appeared , the duly-elected President of the Homeowners Association of Frisco Hills, Inc., a Texas non-profit corporation, known to me to be the person whose name is subscribed on the foregoing instrument and acknowledged to me that he/she executed the same for the purposes therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND AFFIRMED SEAL OF OFFICE on this the ____ day of _____, 20___.

Notary Public, State of Texas

CERTIFICATION OF APPROVAL OF THE FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, <u>CONDITIONS AND RESTRICTIONS FOR FRISCO HILLS</u>

I, _____, the duly elected Secretary of the Homeowners Association of Frisco Hills, Inc. hereby certify:

That the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Frisco Hills ("*First Amendment*") was approved by the affirmative vote of at least sixty-seven (67%) of all the Members at a duly called meeting of the Homeowners Association of Frisco Hills, Inc. ("*Association*") as evidenced and recorded in the records of the Association, and that the same does now constitute an official amendment to the Frisco Hills Declaration and shall be filed of record with the office of the Denton County Clerk.

By:_____, Secretary