

**CERTIFICATE FOR
RECORDATION OF DEDICATORY INSTRUMENT OF
BEAVER LAKE RANCH ASSOCIATION, INC.**

STATE OF TEXAS

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COUNTY OF COLLIN

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KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Section 202.006 of the Texas Property Code requires that "A Property Owners' Association shall file its dedicatory instruments in the Real Property Records of each county in which the Property to which the dedicatory instruments relates is located."; and

WHEREAS, Beaver Lake Ranch Association, Inc., a Texas nonprofit corporation (the "Association") desires to comply with Section 202.006 by filing of record in the Real Property Records of Collin County, Texas, the attached instrument; and

WHEREAS, the attached instrument constitutes a "dedicatory instrument" as defined by Section 202.001 of the Texas Property Code; and

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Beaver Lake Ranch Association, Inc., was recorded Instrument No. 2003-0098796 in the Real Property Records of Collin County, Texas, including any amendments thereof, additions, annexations and supplements thereto and entitled "Beaver Lake Ranch Declaration of Covenants, Conditions, and Restrictions" (The "Declaration") subjected to the scheme of development therein certain land located in Collin County, Texas;

NOW THEREFORE, the undersigned authorized representative of the Association hereby executes this Certificate to effect the recording of the dedicatory instrument attached hereto on behalf of the Association.

[signature page follows]

EXECUTED this 11 day of Sept, 2017

BEAVER LAKE RANCH ASSOCIATION, INC.,
A Texas non-profit corporation

By: Ed Case
Edwin Case, Secretary
Beaver Lake Ranch Association, Inc.

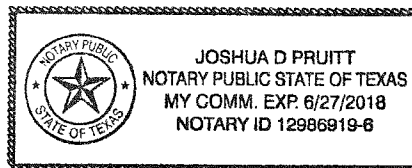
STATE OF TEXAS

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COUNTY OF COLLIN

This instrument was acknowledged before me on the 11 day of Sept, 2017, by Edwin Case, Secretary of BEAVER LAKE RANCH ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of said corporation.

[Signature]
Notary Public in and for the State of Texas



After Recording, Return to:
Manning & Meyers, Attorneys at Law
4340 N. Central Expressway, Suite 200
Dallas, Texas 75206

**RULES AND REGULATIONS GOVERNING LEASING AND RENTAL PROPERTIES
BEAVER LAKE RANCH ASSOCIATION, INC.**

Effective August 1, 2017

STATE OF TEXAS §
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COUNTY OF COLLIN §

KNOW ALL MEN BY THESE PRESENTS:

The Rules and Regulations Governing Rental Properties of Beaver Lake Ranch Association, Inc. (the "Rules and Regulations Governing Leasing and Rental Properties") are made effective the 1st day of August, 2017, by Beaver Lake Ranch Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Beaver Lake Ranch Association, Inc., was recorded at Instrument No. 2003-0098796 in the Real Property Records of Collin County, Texas, including any amendments thereof, additions, annexations and supplements thereto and entitled "Beaver Lake Ranch Declaration of Covenants, Conditions, and Restrictions" (the "Declaration") subjected to the scheme of development therein certain land located in Collin County, Texas;

WHEREAS, Pursuant to Article V of the Declaration & Bylaws of the Association, the affairs of the Association shall be managed by the Board of Directors, who may exercise all powers of the Association and do all lawful acts and things as are not by statute, the Declaration, the Articles of Incorporation or the Bylaws directed to or required to be exercised or done by the members.

WHEREAS, Pursuant to the Declaration and the Bylaws of the Association, if as and when the Board, in its sole discretion, deems necessary, it may take such action to enforce the terms and provisions of the Declaration, the Articles of Incorporation and these Bylaws by appropriate means and carry out the obligations of the Association thereunder, including without limitation, the expenditure of funds of the Association, the employment of legal counsel and accounting services, the commencement of legal causes of action, the promulgation and enforcement of the Association rules which may include the establishment of a system of fines and/or penalties enforceable as special individual assessments as provided in the Declaration and to enjoin and/or seek legal damages from any Owner for violations of such provisions or rules.

WHEREAS, Pursuant the Declaration and the Bylaws of the Association, the Board may establish, make, amend from time to time and enforce compliance with reasonable rules and regulations for the operation and use of the Common Properties by any means authorized under the Declaration, Bylaws or Articles of Incorporation, which shall include the right to impose reasonable monetary fines.

WHEREAS, Pursuant to the Declaration and the Bylaws of the Association, the Board

may have the powers necessary or incidental to the operation and management of the Association and the Common Properties.

WHEREAS, Pursuant to the Declaration of the Association, the Board shall have the power to make reasonable rules and regulations for the operation and use of the Common Properties and to amend them from time to time.

WHEREAS, a duly called meeting of the Board of Directors of the Association took place on Sept 6th, 2017. At said board meeting the Board voted upon and passed the following Rules and Regulations Governing Leasing and Rental Properties.

RESOLVED: that, pursuant to the Texas Property Code and that certain Declaration for Beaver Lake Ranch Association, Inc. which was filed of record under Collin County Clerk's Instrument No. 2003-0098796 in the Land Records of Collin County, Texas (the "**Declaration**"), and any amendments thereto, and the Bylaws of the Association, the Board of Directors of the Association hereby adopt the following Rules and Regulations Governing Rental Properties which shall read as follows:

NOW, THEREFORE, the Rules and Regulations Governing Leasing and Rental Properties of the Association are hereby created and shall read as follows as follows:

1.1- Definitions:

- a. Association- "Association" means the Beaver Lake Ranch Association, Inc.
- b. Dedicator Instruments- "Dedicator Instruments" means each governing instrument covering the establishment, maintenance, and operation of the Association. This term includes the Declaration, Bylaws, Rules and Regulations of the Association and all amendments thereto.
- c. Homeowners- "Homeowners" means the same as Owner or Owners under these Rules and the Dedicatory Instruments of the Association.
- d. Landlord- "Landlord" means the owner of the Property, even if that owner has a management company that is in charge of leasing the Property.
- e. Lease- A "lease" includes any written or oral agreement between a landlord and a tenant that establishes or modifies the terms, conditions or other provisions regarding the use and occupancy of the Property.
- f. Leasing- "Leasing" is defined as the regular, exclusive occupancy of the residence on the Property by any person other than the Owner for which the Owner, or any designee of the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity or emolument. If the Property is owned by a trust and the beneficiary of the trust is living in the Property, that Property shall be considered Owner-occupied rather than leased.
- g. Lessee- "Lessee" shall be considered the same as Tenant for purposes of these Rules.
- h. Lease to Purchase Agreements & Contracts for Deeds- Shall be considered the same as Leasing for purposes of these Rules.
- i. Renting- "Renting" shall be considered the same as Leasing for purposes of these Rules.
- j. Tenant- "Tenant" means the person(s) authorized by the lease to occupy the residence, which would include the named lessee(s). There may be more tenants than lessees for

a Property unless the context indicates otherwise.

1.2- Leasing Approved within the Association:

- a. Owners may lease their property within Beaver Lake Ranch Association, Inc. (the "Association").

1.3- Lease Submission:

- a. Homeowners leasing their property must submit a copy of the lease and a copy of the Association Rental Form to the Association within ten days of execution of the lease. The Association Rental Form must include:
 - o The name and date of birth of every adult occupant of the property;
 - o Current license plate numbers for all vehicles belonging to the occupants which will be parked within the community;
 - o Phone number and email address of adult tenants and occupants of the property; and
 - o Criminal Background Check for each adult occupant of the Property to be leased.
- b. All leases must be in writing. No oral or non-written leases are acceptable. All leases must explicitly state that each lease is subject to the terms of the Dedicatory Instruments of the Association.
- c. Landlords must certify the following in each Association Rental Form:
 - o The tenant and all occupants have not been convicted of a violent crime felony or assault & battery misdemeanor; and
 - o The tenant and all occupants do not appear on the Federal or any State Sex Offender Registry.
- d. Homeowners currently leasing their property at the time these rules and regulations go into effect must abide by all requirements under Section 1.3a of these Rules.
- e. Owners who do not reside at Beaver Lake Ranch Association, Inc., Inc. are required to provide their current address, email address and phone number to the Association. No PO Boxes shall be allowed, only physical addresses.
- f. Any and all subleases will be treated as new leases submitted to the Association.
- g. Should the Association discover any missing information from the Association Rental Form, the Owner of the property shall be notified and shall have 7 days to supplement the Association Rental Form.
- h. Any Owner that violates this rule shall be fined \$500.00 per month.

1.4- Maximum Number of Rental Properties:

- a. No more than 25% of the properties within the Association may be leased or be rental properties.
- b. Any Owner that rents their property without Association approval causing the Association to have greater than 25% rental capacity shall incur a fine of \$500.00 per month.
- c. In the case of an owner who has occupied his property for at least a year, the Owner may submit a Hardship Petition to the Association when a condition has caused the need to rent the property. A Hardship Petition is only necessary when the total properties rented in the subdivision exceed 25% of all properties in violation of Section 1.4a of these Rules and Regulations Governing Leasing and Rental Properties.

- d. Should an Owner wish to rent their property, but doing so would violate Section 1.4a of these Rules, then that Owner may elect to have their name placed on a waiting list maintained by the Association. Owners on the waiting list shall maintain priority when currently leased properties lease expires and is not renewed by the Owner, is terminated in accordance with these Rules and Regulations, or if a current lease expires and the property is not re-leased within six (6) months of the property becoming vacant.

1.5- Qualification of Tenant:

- a. All Tenants are required to meet all qualifications as contained in these rules and regulations. A Landlord may not rent to a tenant if that tenant has not satisfied all qualifications in these rules and regulations and has not provided evidence of such qualifications to the Association.
- b. Any Owner that violates this rule shall be fined \$500.00 per month.

1.6- Occupancy Restrictions:

- a. Subject to any exception under State, Local or Federal Law, the Maximum number of persons that may occupy a property is 10.
- b. No person under the age of 18 years of age may reside in a home unless such residence is with a parent, legal guardian or designee in writing as such minor's parent or legal guardian. An owner must provide satisfactory proof of ages and relationship status among the occupants of such owner's property upon the request of the Association.
- c. No property may be occupied by a person who constitutes a threat to the health or safety of other persons, or whose occupancy could result in physical damage to the property of others.
- d. Rentals of less than 100 percent of the property are prohibited. No fraction or part of a residence may be leased.
- e. In the case of a tenant who wishes to lease their property in violation of this rule, the owner may submit a Hardship Petition to the Association when a condition has caused the need to rent the property. Reasonable accommodations shall be made to all tenants in compliance with the Federal Fair Housing Act and all applicable State and Federal Laws.
- f. Any Owner that violates this rule shall be fined \$500.00 per month.

1.7- Minimum Rental Period:

- a. No owner may rent their property for a term of less than twelve months unless otherwise approved by the board in writing.
- b. Daily, Weekend, Weekly and Monthly rentals are hereinafter prohibited.
- c. End of current lease carryover month-to-month terms are permitted if the lease, which has reached its stated end date, had a one year or greater original term, and the month-to-month carryover does not last more than six months.
- d. Any Owner that violates this rule shall be fined \$500.00 per month.

1.8- Business Use:

- a. No property may be used for business, professional, or commercial use.

1.9- Tenants with Criminal Backgrounds:

- a. No owner may rent their property to a tenant or occupant that has been convicted of any

- felony or misdemeanor crime involving violence; 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; stalking; terrorism; or
- b. No owner may rent their property to a tenant or occupant that is a registered sex offender. For purposes of this provision, a "registered sex offender" is a person who is registered as a Level 3 (High Risk) or Level 2 (Moderate Risk) sex offender pursuant to Chapter 62 of the Texas Code of Criminal Procedure (Sex Offender Registration Program as it now exists or as it may be amended in the future), or pursuant to any other law of the State of Texas, or any local municipal or county ordinance, or pursuant to any other state or federal law or regulation. "Registered sex offender" for purposes of this Section also includes a person who is required to register as a sex offender and who is required to have a risk assessment but who has not been assigned a risk assessment level by the applicable authority or for whom such a risk assessment level is not yet available to the public via the applicable registry program.
 - c. Tenants who have been found guilty of one or more of the criminal offenses outlined in Section 1.9a above may reside within the Association twenty years after the expiration of the associated probationary period and/or parole period associated with their offense. This includes person(s) who have received deferred adjudication and/or have not yet satisfied the probationary period of a deferred adjudication for any of the above mentioned offences. This provision does not apply to tenants or occupants that have been found guilty of a crime in violation of Section 1.9b above. Tenants or occupants in violation of Section 1.9b above may never occupy or rent a property within the Association.
 - d. Any owner that violates this rule shall incur a fine of \$1,500.00 per month.

1.10- Compliance with Association Rules & Regulations:

- a. Each Landlord must provide their Tenant with a copy of the Association Declaration, Bylaws and any and all Rules and Regulations of the Community. For the purposes of this provision, Landlords may comply by providing digital copies to their Tenants.
- b. All Tenants must comply with the Declaration, Bylaws and Rules and Regulations of the community. A statement requiring such must appear in the Tenant's lease. Owners are subject to being fined for failure of their Tenants to abide by the Declaration, Bylaws and Rules and Regulations of the Community.
- c. Each Owner shall be responsible for all violations and losses or damage resulting from violations by tenants, guests or occupants of that owner's property. Notwithstanding the fact that such tenants or occupants are fully liable and may be personally sanctioned for any violation.
- d. When the Association notifies an owner of his tenant's violation, the Owner shall promptly obtain his tenants compliance or exercise his rights as a landlord for the tenant's breach of the 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 state law for the default in the lease, including eviction of the tenant. In the event the Association proceeds as agent and attorney in fact and on behalf of the Owner, to evict the tenant and occupants, any costs, including attorney's fees and court

- costs, associated with the eviction may be assessed as an Individual Assessment against the Property.
- e. The Owner of a leased Property is liable to the Association for any expenses incurred by the association in connection with enforcement of the Dedicatory Instruments against that owner's tenant.
 - f. Each OWNER HEREBY APPOINTS THE ASSOCIATION AS THE OWNER'S ATTORNEY IN FACT FOR THE PURPOSES OF TAKING LEGAL ACTION TO DISPOSSESS, EVICT, OR OTHERWISE REMOVE THE OCCUPANTS OF THE OWNER'S PROPERTY AS THE BOARD OF DIRECTORS MAY DEEM NECESSARY TO ENFORCE COMPLIANCE WITH THE DEDICATORY INSTRUMENTS OF THE ASSOCIATION.
 - g. A Landlord may not use the Amenities of the Association if that Landlord's Tenant is using the amenities.
 - h. A Homeowner that is delinquent in any fines, assessments, collection costs or fees owing to the Association and fails to cure the delinquency with 60 days after written notification will have their Authority to Rent terminated and may be subject to additional fines and penalties under these Rules and Regulations.
 - i. Any owner that violates this rule shall incur a fine of \$500.00 per month and is subject to having their ability to rent their property within the Association revoked.
 - j. In the case of multiple violations and fines thereon are limited in aggregate to \$1,500 per month.

2.0- Contents of Lease:

- a. Each Owner acknowledges and agrees that any lease of a Property shall be required to contain the following language and that if such language is not expressly contained in the lease, then such language shall be deemed as being incorporated into the lease. Any lessee/tenant, by occupancy of a residence, agrees to the incorporation of the following language into the lease:

The tenant (lessee) named in this lease and all occupants of the leased Property shall comply with all provisions of the Dedicatory Instruments of the Association and shall control the conduct of all other occupants and guests of the leased residence in order to ensure their compliance.

Any violation of the Dedicatory Instruments of the Association, federal or state law, or local ordinance by the tenant (lessee), by any occupant, by any person living with the lessee, or by any invitee of the tenant is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Texas law. The Owner hereby delegates and assigns to the Association, acting through its Board of Directors, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Dedicatory Instruments of the Association, including the power and authority to evict the lessee and occupants as the attorney-in-fact on behalf and for the benefit of the Owner.

The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Area including, but not limited to, the use of all recreational facilities and other amenities.

- b. Any lease entered into without complete and full compliance of the Dedicatory Instruments of the Association and without compliance with these Rules and Regulations Governing Leases and Rental Properties shall be deemed void and of no force and effect and shall confer no interest in a Property or residence to the purported tenant or lessee.
- c. Any owner that violates this rule shall incur a fine of \$1,500.00 per month.

3.0- Indemnity & Representation

- a. The requirements within the above Rules and Regulations Governing Leasing and Rental Properties do not constitute a guarantee or representation to other owners within the Association that persons residing within the Community have not been convicted of a crime or are subject to deferred adjudication for a crime.
- b. All current and future owners, residents, guests and invitees understand and agree that the Association and its Directors, Officers, Representatives, Agents, Employees and Attorneys have no obligation to, and will not take any affirmative action to, perform any checks or investigations to determine if owners, occupants or tenants have Criminal Background.
- c. Each owner, resident, tenant and occupant understands and agrees for himself and his guests that the Association and its Directors, Officers, Agents, Representatives, Employees and Attorneys are not providers, insurers or Guarantors of Security within the Beaver Lake Ranch Association, Inc. Each Owner, resident, tenant and occupant accepts his or her sole responsibility to provide security for their own person and property and assumes the risk for any and all loss or damage to same.
- d. Each owner, resident, tenant or occupant is responsible for maintaining appropriate insurance coverage upon the Property.
- e. Each owner, by leasing their property within the Association, agrees to indemnify the Association and its Board of Directors from any and all causes of action arising out of the leasing of their property or action by any tenant, lessee, occupant or guest of the property.

4.0- Savings Clause

- a. It is not the intent of these Rules and Regulations to discriminate against any individual subject to protections under any state or federal law; if it is found that any provision of this policy is in violation of any law, then that provision shall be interpreted to be as restrictive as possible to preserve as much of the original provision as allowed by law.

IN WITNESS WHEREOF, the undersigned member of the Board of Directors of Beaver Lake Ranch Association, Inc. certifies that these Rules and Regulations were unanimously approved and adopted by the Board of Directors.

EXECUTED this 11 day of Sept, 2017

BEAVER LAKE RANCH ASSOCIATION, INC.,
A Texas non-profit corporation

By: Edwin Case
Edwin Case, Secretary
Beaver Lake Ranch Association, Inc.

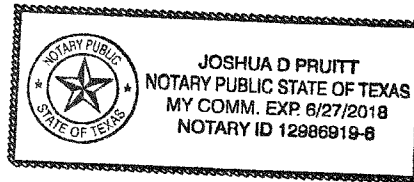
STATE OF TEXAS

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COUNTY OF COLLIN

This instrument was acknowledged before me on the 11 day of Sept, 2017, by Edwin Case, Secretary of BEAVER LAKE RANCH ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of said corporation.

[Signature]
Notary Public in and for the State of Texas



After Recording, Return to:
Manning & Meyers, Attorneys at Law
4340 N. Central Expressway, Suite 200
Dallas, Texas 75206



Filed and Recorded
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Stacey Kemp, County Clerk
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