FOURTH SUPPLEMENT TO THE NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR FRISCO SQUARE

[Rules Regarding Leasing of Residences]

STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF COLLIN

THIS FOURTH SUPPLEMENT TO NOTICE OF FILING OF DEDICATORY
INSTRUMENTS FOR FRISCO SQUARE (this "Fourth Supplement") is made this day of

WITNESSETH:

August, 2023, by Frisco Square Homeowners Association, Inc. (the "Association").

WHEREAS, Frisco Square, Ltd., a Texas limited partnership (the "Declarant"), prepared and recorded an instrument entitled First Amended Declaration of Covenants and Restrictions for Frisco Square filed of record on May 13, 2005, as Document No. 2005-0063817 at Volume 5918, Page 03391 et seq. of the Real Property Records of Collin County, Texas (the "Declaration"). This Declaration, amended and superseded the Declaration of Covenants and Restrictions for Frisco Square, filed of record on February 11, 2002, at Volume 05103, Page 03862 et seq. of the Real Property Records of Collin County, Texas (the "Original Declaration"); and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the association that has not been previously recorded in the real property records of the county in which the planned development is located; and

WHEREAS, on or about February 8, 2006, the Association filed a Notice of Filing of Dedicatory Instruments for Frisco Square as Document No. 20060208000167040 of the Real Property Records of Collin County, Texas (the "Notice"); and

WHEREAS, on or about October 16, 2006, the Association filed a Corrected First Supplement to Notice of Filing of Dedicatory Instruments for Frisco Square as Document No. 20061016001482700 of the Real Property Records of Collin County, Texas (the "First Supplement"); and

WHEREAS, on or about August 18, 2009, the Association filed a Second Supplement to Notice of Filing of Dedicatory Instruments for Frisco Square as Document No. 20090818001035530 of the Real Property Records of Collin County, Texas (the "Second Supplement"); and

WHEREAS, on or about January 17, 2012, the Association filed a Third Supplement to Notice of Filing of Dedicatory Instruments for Frisco Square as Document No. 20120117000048470 of the Real Property Records of Collin County, Texas (the "Third Supplement"); and

WHEREAS, the Association desires to again supplement the Notice by filing the

dedicatory instrument attached hereto as Exhibit "A" and incorporated herein by reference.

NOW, THEREFORE, the dedicatory instrument attached hereto as Exhibit "A" is a true and correct copy of the original and is hereby filed of record in the Real Property Records of Collin County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

IN WITNESS WHEREOF, the Association has caused this Third Supplement to be executed by its duly authorized agent as of the date first above written.

FRISCO SQUARE HOMEOWNERS ASSOCIATION, INC.,

a Texas non-profit corporation

By: Name:

Its:

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF COLLIN

BEFORE ME, the undersigned authority, on this day personally appeared , Treasurer of Frisco Square Homeowners 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 purposes and consideration therein expressed on behalf of said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this 27 day of August, 2023.

ANDREW MOORE Notary ID #134254055 My Commission Expires March 15, 2027

Notary Public, State of Texas

3-15-7,027

My Commission Expires

Exhibit "A"

Rules Regarding Leasing of Residences

FRISCO SQUARE HOMEOWNERS ASSOCIATION, INC.

Rules Regarding Leasing of Residences

WHEREAS, Article VIII, Section 8.18 of the First Amended Declaration of Covenants, Conditions and Restrictions for Frisco Square (the "Declaration") authorizes Frisco Square Homeowners Association. Inc. (the "Association"), through its Board of Directors (the "Board"), to adopt reasonable rules regulating leasing and subleasing within Frisco Square; and

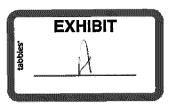
WHEREAS, in order to protect the equity of the individual property owners within the Frisco Square community and to preserve the character of the Frisco Square community as an owner-occupied residential development, the Board deems it necessary to promulgate and enforce rules governing the leasing of Residences, Townhomes and Units (collectively, "Residences").

NOW, THEREFORE, IT IS RESOLVED that the following rules and regulations (the "Rules") are established by the Board for the leasing of Residences within the Frisco Square community:

Leasing Restrictions

- 1. <u>Definition</u>. "Leasing", as used in this Section, is defined as regular, exclusive occupancy of a Residence by any person other than the Owner for which the Owner receives any consideration or benefit. including, but not limited to, a fee, service, gratuity or emolument. For purposes of this Section, if a Residence is owned by a trust and the beneficiary of the trust is living upon the Residence, that Residence shall be considered Owner-occupied rather than leased.
- 2. <u>Lease Term and General Rules</u>. Residences may be leased only in their entirety. All leases shall be in writing. No transient tenants may be accommodated in a Residence. All leases must be for an initial term of not less than six months. Owners may not advertise or list their Residences as 'for lease' for less than six months or on short-term rental websites such as www.airbnb.com, www.vrbo.com, www.homeaway.com or other vacation or short-term rental websites. The Owner must make available to the lessee copies of the Declaration, Bylaws and the rules and regulations of the Association. An Owner may not lease his Residence until at least one year has passed from the date of purchase of the Residence. An Owner who owns his Residence for one year or more may enter into a lease or rental agreement for the Residence.
- 3. <u>Applicability</u>. This rule shall not apply to any leasing transaction entered into by the holder of any first mortgage on a Residence who becomes the Owner of a Residence through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage; provided, however, that it shall apply to any leases by any purchaser from such mortgagee and any successor to such a purchaser.
- 4. <u>Leasing limitations</u>. At any point in time, no more than thirty percent (30%) of the total Residences (67 homes) located in the Frisco Square community may be leased. The goal is to preserve the Frisco Square community as one of predominantly owner-occupied Residences.

This rule shall not apply to any leasing transaction entered into by the holder of any first mortgage on a Residence who becomes the Owner of a Residence through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage; provided, however, that it shall apply to any leases by any purchaser from such mortgagee and any successor to such a purchaser.



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

A. <u>Notification of Intent to Lease</u>. Whenever the Owner of a Residence desires to lease his or her Residence, the Owner shall notify the Board by completing the Intent to Lease application and paying the applicable fee. Board permission to lease is granted on a first come, first serve basis. If the maximum number of Residences allowed to be leased in the community has not been reached, the Owner's Residence will be added to the list of actively leased Residences. The Owner's Residence will not be added to the list of actively leased Residences until the application fee has been paid.

If the maximum number of Residences in the community are being leased, the Owner's Residence will be placed on a waiting list and the Owner will be notified when an opening is available on the list of actively leased Residences. The application fee will not be required to be paid until the Owner's Residence has been added to the list of actively leased Residences. An Owner may not lease his or her Residence until it has been added to the list of actively leased Residences and the application fee has been paid. An Owner has 30 days from the date his or her Residence is added to the actively leased Residences to pay the application fee.

Once an Owner's Residence has been added to the list of actively leased Residences, the Owner must reapply every 3 years to remain on the list by filling out the Intent to Lease application and paying the applicable fee. The application and fee must be submitted no later than 30 days after the expiration of the previous application.

B. Attempt to Lease Period. An Owner must be actively looking for a lessee within 90 days from the date his or her Residence is added to the list of actively leased Residences, or from the end date of the lease for the previous lessee. 'Actively looking' may include a 'For Lease' sign in front of the Residence or the Residence listed for rent on a rental website. Additional actions may qualify as 'actively looking' at the discretion of the Board.

An Owner must have a lessee under contract within 180 days from the date his or her Residence is added to the list of actively leased Residences, or from the end date of the lease for the previous lessee.

If either of these requirements is not met, the Residence may be removed from the list of actively leased Residences and therefore cannot be leased. If this occurs, and Owner may reapply by completing the Intent to Lease application and paying the applicable fee.

<u>C. Lease Submission Application.</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 notify the Board by completing the Lease Submission application and paying the applicable fee within 30 days of the start of the lease term. The following information will be required to be provided to the Board:

(1) The name, phone number, and email address of the prospective lessee(s) and each prospective adult occupant (over age 18) along with make, model, and color of all vehicles belonging to the prospective lessee(s) and occupants which will be parked in the Community and

(2) The commencement date and term of the lease.

B. Qualifications of Prospective Occupants and Lessees.

- (1) Occupancy. The total number of occupants allowed to reside in or occupy a Residence shall not exceed the maximum number of occupants allowed in the Residence pursuant to any ordinance, code or regulation of the City of Frisco or State of Texas.
- (2) 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 or misdemeanor crimes 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.
- (3) Sex Offenders Prohibited. "Sex offenders," as defined below, are prohibited from leasing. residing in or occupying any Residence and Owners are strictly prohibited from entering any lease with or allowing any sex offender to occupy or reside in a Residence.

<u>Definition of "Sex Offender"</u>. For purposes of this Article, a "Sex Offender" is a person who is required to register as either a Level 3 (High) or Level 2 (Moderate) 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 municipal or county ordinance, or any other state or federal law or regulation. A "Sex Offender" for purposes of this Article also includes a person who is required to register as a sex offender 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.

Ownership and Residency Prohibited. A Sex Offender, as defined herein above, is prohibited from purchasing a Residence in the Community or owning any interest in a Residence. Owners are prohibited from conveying title or any interest in a Residence to a Sex Offender. A Sex Offender shall not reside, temporarily or permanently, in a Residence at the Community. An Owner who intends to lease or rent his Residence shall perform a background check upon each prospective adult occupant, to include but not limited to investigating to determine if a prospective occupant is a Sex Offender as defined in this Article. An Owner shall not lease to, or allow any person to permanently or temporarily reside within the Community who is a Sex Offender.

<u>Use of Common Area Prohibited.</u> A Sex Offender shall not enter onto the Association's Common Area, with the exception that an Owner who is a

Sex Offender may attend any duly called meeting of the Association's Board of Directors or Owners which may be held on the Association's Common Area.

(4) Board Petition. An Owner shall not lease to or allow anyone to reside in the Residence who does not meet the standards and criteria set out above. However, an Owner may petition the Board to make an exception to the required qualifications of the prospective occupants and lessees based upon special circumstances.

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

5. <u>Contents of Lease</u>. Each Owner acknowledges and agrees that any lease of his or her Residence shall be deemed to contain the following language and that if such language is not expressly contained in the lease, then such language shall be incorporated into the lease by existence of this resolution. Any lessee, by occupancy of a Residence, agrees to the applicability of this resolution and incorporation of the following language into the lease:

The lessee shall comply with all provisions of the Declaration, Bylaws and rules 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 Declaration, Bylaws or rules and regulations by the lessee, any occupant or any person living with the lessee, 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 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 areas of the Community including, but not limited to, the use of all recreational facilities and other amenities.

6. <u>Compliance with Governing Documents.</u> Pursuant to Article III, Section 3.5 and Article VIII, Section 8.2 of the Declaration, each Owner shall cause all occupants of his or her Residence to comply with the Declaration, Bylaws and the rules and regulations of the Association and shall be responsible for all violations and all losses or damage resulting from violations by such occupants, notwithstanding the fact that such occupants of the Residence are fully liable and may be personally sanctioned for any violation.

In the event the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be assessed as an assessment against the Residence and the Owner, such being deemed an expense which benefits the leased Residence and the Owner thereof.

7. Ownership Limitations. Each Owner is also restricted from owning more than five percent (5%) of the total Residences located in the Frisco Square community. The goal is to preserve the Frisco Square community as one of predominantly owner-occupied Residences. This restriction shall not apply to preclude an Owner from purchasing a Residence for the purpose of allowing a member of his or her family to reside in the Residence.

For purposes of these rules, ownership of a Residence shall be attributed to and shall be deemed to be owned by entities in accordance with the following: (i) a corporation, trust, estate or partnership shall be deemed to own a Residence owned or deemed to be owned by the shareholders, beneficiaries and partners of such entities, respectively; and (ii) the shareholders, beneficiaries and partners of a corporation, trust, estate or partnership, respectively, shall be deemed to own a Residence owned by or deemed to be owned by such entity.

A person or entity who, upon the effective date of these rules, owns more than five percent (5%) of the Residences in the Frisco Square community may not acquire any ownership interest in any additional Residences.

This rule shall not apply to any leasing transaction entered into by the holder of any first mortgage on a Residence who becomes the Owner of a Residence through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage; provided, however, that it shall apply to any leases by any purchaser from such mortgagee and any successor to such a purchaser.

Any sale of a Residence entered into which violates the terms herein shall be deemed void and of no force and effect and shall confer no title or interest in a Residence to the purported buyer, except as may be otherwise provided in the Declaration.

8. <u>Non-compliance</u>. Any lease or sale of a Residence entered into without complete and full compliance with the terms herein shall be deemed void and of no force and effect and shall confer no title or interest in a Residence to the purported lessee. For violations of the above Rules, the Association may impose an initial fine up to the amount of \$750.00. Thereafter, additional fines may be levied in amounts not to exceed \$50.00 per day for each day the violation remains uncured.

Repeated violations may result in the removal of the Residence from the list of actively leased Residences for a period of time to be determined by the Board.

IT IS FURTHER RESOLVED that this Rule is effective upon adoption hereof and publication to the Owners, to remain in force and effect until revoked, modified or amended.

Collin County Honorable Stacey Kemp Collin County Clerk

Instrument Number: 2023000102196

eRecording - Real Property

NOTICE

Recorded On: September 05, 2023 04:18 PM Number of Pages: 9

" Examined and Charged as Follows: "

Total Recording: \$54.00

******* THIS PAGE IS PART OF THE INSTRUMENT ********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information: Record and Return To:

Document Number: 2023000102196 Simplifile

Receipt Number: 20230905000559

Recorded Date/Time: September 05, 2023 04:18 PM

User: Dwayne K Station: Station 11



STATE OF TEXAS COUNTY OF COLLIN

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Public Records of Collin County, Texas.

Dracey Kemp

Honorable Stacey Kemp Collin County Clerk Collin County, TX