

**Amendment to Phase II Restrictions**  
**Country Place Subdivision**

Country Place Subdivision, Phase II, in Smith County, Texas, is subject to certain restrictive covenants which are entitled "Phase II Restrictions - Declaration of Covenants, Conditions, and Restrictions," which were executed on June 2, 1981 and recorded at Volume 1878, Page 329 of the real property records of Smith County, Texas (hereinafter "Declaration.")

Paragraph 6.07 of the Declaration allows the restrictive covenants to be amended by "written consent of the owners of a minimum of fifty-five percent of the acreage" in the subdivision. Country Place Community Association, Inc. is the property owners' association governing the Country Place Subdivision, Phase II. The Association's Board of Directors recommends that the property owners adopt the following amendment to the restrictive covenants:

**PROHIBITION ON RENTALS:**

1. Rentals generally prohibited: Beginning on the Effective Date of this section as stated below, no person may obtain or exercise the right to the use or occupancy of any Lot or any structure in the Subdivision by virtue of a lease or rental agreement, except as specifically authorized by this section. The "use or occupancy" of a lot or structure shall include but not be limited to occupying any structure as a residence, storing property on any Lot or in any structure, making any other use of any Lot or structure, or coming on or about any Lot or into any structure. This prohibition shall apply regardless of the duration of the rental agreement and whether the agreement is in writing, electronic, verbal, or otherwise.
2. Grandfather clause for current tenants: A tenant who resides in a residence in the Subdivision as of the date of this amendment may continue to occupy that residence pursuant to the existing lease or rental agreement for the lesser of the remaining portion of the current term of said agreement or one year from the effective date of this amendment. After a period of one year has passed following the Effective Date of this Amendment, no person other than an immediate family member of a record owner may occupy any structure in the Subdivision pursuant to a lease or rental agreement. The right to continue such tenancy may not be assigned, delegated, or transferred to any other person. Such property may not be leased or rented to any other person, or to a tenant who ceases to reside in the residence then wishes to reoccupy it, unless another exception applies.
3. Leaseback following sale: Following the sale of a lot with a residence, the seller(s) may continue to reside in the residence for up to six calendar months following the sale, if the leaseback arrangement is documented by a written lease agreement signed by the seller(s) and the buyer(s).

4. **Immediate family:** An immediate family member (spouse, sibling, parent, or child) of a record owner of residence located on a Lot in the Subdivision may reside in that residence by virtue of a rental or lease agreement or other arrangement with the record owner, regardless of whether the record owner(s) reside in the residence with the immediate family member(s).
5. **Enforcement:** The Board of Directors may take any steps necessary to enforce this restriction, including but not limited to imposing fines and civil damages, suspending the right of the owner and/or tenants to use common areas, and pursuing legal action seeking damages and/or injunctive relief. Any owner, tenant, occupant, or family member shall upon request provide copies of the lease agreement, proof of family relationship, or other relevant documents or information to the homeowners' association. Any fines or civil damages imposed for violation of this section shall be considered a special assessment, and shall be secured by the lien on the Owner's Lot(s).
6. **Meaning of "lease" or "rental":** For purposes of this section, a person "leases" or "rents" a structure if he exchanges anything of value for the right to occupy, use, and/or enjoy any Lot or structure in the Subdivision. The consideration provided to the owner need not be paid in cash or similar monetary means. The agreement does not have to be in writing.
7. **Effective Date:** This section shall become a part of the restrictive covenants governing the Country Place Subdivision, Phase II, as referenced above, and shall be effective beginning on the date it is filed with the real property records of Smith County, Texas after being duly adopted by the members (the "Effective Date").