

DOC #2023077630

¹SECOND AMENDMENT TO THE FIRST AMENDED RESTRICTIONS AND RESTATED RESTRICTIONS APPLICABLE TO RANCHO ESCONDIDO SUBDIVISION, SECTIONS ONE AND TWO, A SUBDIVISION OF 39.51 ACRES LOCATED IN MONTGOMERY COUNTY, TEXAS, AS SAME APPEARS UPON THE PLAT OF SAID ADDITION RECORDED IN CABINET C, SHEET 72 OF THE MAP RECORDS OF MONTGOMERY COUNTY, TEXAS (SECTION I) AND IN CABINET C, SHEET 166B OF THE MAP RECORDS OF MONTGOMERY COUNTY TEXAS (SECTION II)

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This Second Amendment to the First Amended and Restated Restrictions and Covenants Applicable to Rancho Escondido Subdivision, Sections One and Two ("Second Amendment"), is executed on the date hereinafter set forth by the Rancho Escondido Community Improvement Association, Inc. for the purpose of addressing short term rentals.

WITNESSETH:

WHEREAS, the Rancho Escondido Community Improvement Association, Inc. (the "Association") is the property owners association (as that term is used and defined in section 202.001 of the Texas Property Code) for the Rancho Escondido Subdivision; and

WHEREAS, the First Amended and Restated Restrictions and Covenants Applicable to Rancho Escondido Subdivision, Section I and II, is dated May 1, 2009 and recorded in the Montgomery County Property records under file number 2009-036937 and the First Amendment to the First Amendment and Restated Restriction and Covenants Applicable to Ranch Escondido Subdivision is dated February 12, 2010 and recorded in the Montgomery County Property records under file number 201011662 (collectively the "First Amended Restrictions"); and

WHEREAS, the Members of the Association, desire to amend the First Amended Restrictions as hereinafter set forth to address the above stated issue; and

WHEREAS, all Members of the Association have been provided written notice of this Second Amendment; and

¹ Version 12 Final

WHEREAS, this Second Amendment of the Restrictions, as set forth below, has been approved by the Members casting at least 67% of the Lots in the Association in accordance with Article 3, Section 3.2 of the First Amended Restrictions.

NOW THEREFORE, pursuant to the above recitals, this Second Amendment has been approved by at least 67% of the Lots which adopts, establishes and imposes upon the Rancho Escondido Subdivision, Sections I and II, the following amendments to the First Amended Restrictions:

- 1. Article 5, Section 5.1 of the First Amended Restrictions is deleted and replaced as follows:**

Section 5.1 Residential Use

All of the Lots and Deeded Home Sites within the Subdivision shall be improved with no more than one Single Family Residence per Deeded Home Site and used solely by one (1) Household Group for residential purposes only. No part of any Lot, or Deeded Home-Site shall be used for any type of trade or business activities; provided, however, that an Owner of a Lot, or Deeded Home Site in the Subdivision may use his or her Single Family Residence, for professional or other home occupations so long as there is no external evidence thereof; such as noise, signs advertising a business, other employees working at the Lot or Deeded Home-Site, or significant vehicular traffic. However, nothing herein shall restrict personal business meetings between Lot Owners and professionals serving them such as financial advisors, notaries, lawyers, etc., at the Lot or Deeded Home Site. The term "Single Family" as used herein shall refer not only to the architectural design of the Single Family Residence, but also to the use and the permitted number of inhabitants as set forth herein.

Any Lot or Deeded Home Site improved with a newly constructed Single-Family Residence, after the effective date of these Second Amended Restrictions, shall also be improved with a private enclosed garage capable of storing at least two, but no more than four automobiles, which shall not exceed the height of the residence and shall comply with the setback restrictions referred to in Section 5.11 hereof. Any improvement made to any Lot or Deeded Home Site after the effective date of these Second Amended Restrictions must obtain prior written approval of the plans and specifications for such improvement from the Committee.

All parts of the Subdivision are hereby designated as residential areas except the Common Areas as set forth in Article 5 Section 5.24. The Common Areas are for the private and exclusive use of all Owners and shall have no commercial activities of any nature or character. No use shall be made of any Common Areas as shown on

the plats of this Subdivision without the express written consent of the Rancho Escondido Community Improvement Association, or its successors in interest.

A. **Leasing:**

(1) **Definitions.** For purposes of this subsection; (a), the terms "Lease" and "Leasing" shall refer to the regular, exclusive occupancy of a residence by any person other than the Owner, for which the Owner receives any consideration or benefit including, without limitation; a fee, service, gratuity, or business *quid pro quo*. "Rent", "Rentals", or "Renting" shall have the same meaning as "Lease" or Leasing"; (b) the use of a "Single Family Residence" as that term is defined in Section 2.21 shall specifically preclude the use of said dwelling for, without limitation, any business use (unless previously exempted and allowed by this section), commercial use (unless previously exempted and allowed by this section), industrial use, garage apartment, apartment home, duplex, multi-family dwelling, hospital, clinic, transient housing, hotel, motel, tourist home, rooming house, boarding house, lodging house, corporate housing, inn, rooming house, bed and breakfast, party venue, meeting venue, vacation rental, renting or leasing of a room in the single-family residence on a Lot or any other portion of the Lot, including but not limited to a swimming pool or any portion of a Lot, or Short Term/ vacation Rentals (as set forth below).

(2) **Leases Approved.** If the Lease or Leasing strictly complies with the following terms and conditions, the lease shall be deemed approved without further action by either the Owner or the Board:

(a) **Written Lease.** All Leases for any Property must be in writing and shall provide that:

- (i) such Lease is specifically subject to the provisions of this Second Amendment and all other Governing Documents of the Association;
- (ii) any failure of the Owner or tenant to comply with the terms of this Second Amendment and all other Governing Documents shall be deemed to be a default under such Lease; and
- (iii) the Owner acknowledges giving to the tenant copies of this Second Amendment and all other Governing Documents, as a part of the Lease.

(b) **Notice to Association.** Within ten (10) days of a Lease being signed, the Owner of the leased Single Family Residence shall notify the Association of the Lease, send a signed copy of the Lease to the

Association or its management company, and provide any additional information the Association or Board may reasonably require.

(c) **Whole House.** Any Single Family Residence that is leased shall be leased only in its entirety; separate rooms, floors, or other areas within a Single Family Dwelling may not be separately leased.

(d) **One Family.** It is expressly forbidden to Rent or Lease and occupy an Owner's Lot or Single Family Residence to more than one Single-Family.

(e) **Lease Term.** The Lease shall provide for a minimum term of at least Thirty (30) days. Any Owner leasing a Lot or Deeded Home-Site for less than twelve months (12) in a calendar year, may only do so once per calendar year unless being leased to the same lessee and without lapse or interruption of the lease terms. By way of example and not limitation, if an Owner leases a Deeded Home-Site for a period from February through May in a calendar year, it is not permissible to lease the same Deeded Home-Site for a period from July through September in that same calendar year. The Single Family Residence may not be subleased and the Lease may not be assigned at any time during the Lease.

(f) **Termination.** In the event of termination of the Lease after the tenant has taken occupancy and prior to the end of the minimum term, the Owner may not enter into a new Lease with a term commencing prior to the date on which the previous Lease would have expired without prior approval of the Board. The Board may grant approval for such a new Lease if it determines that the Owner acted in good faith with no intent to circumvent the requirements of this subsection and could not have reasonably anticipated the early termination of the previous Lease at the time the previous Lease was signed. The decision to allow the Owner to enter into another Lease is within the sole discretion of the Board.

(3) **Leases Prohibited.** Leasing of Single Family Residences other than in strict conformity with Section 5.1, including short-term or vacation rentals, is strictly prohibited.

(4) **Advertisements.** No Single Family Residence or Lot shall be advertised or listed on any short term or vacation rental website, media platform or database (e.g., Airbnb, VRBO, FlipKey, HomeAway, Hometogo, etc.).

(5) **Additional Rules.** The Board may adopt Rules and Regulations governing Leasing and subleasing in accordance with this Section on "Leasing" that are in addition to and consistent with this Section. The Association shall have the right to enforce these Second Amended Restrictions, and all other Governing Documents, and any additional Rules and Regulations, against the Owner and the tenants, individually and collectively. These Second Amended Restrictions and all other Governing Documents, and any additional Rules and Regulations shall apply to the leased property whether or not the Owner gives notice to the tenant of such.

(6) **Incidental Use.** Nothing herein shall prevent arrangements that incidentally include occupation of a residence primarily for the convenience of the lot Owners. (e.g. house sitting, pet sitting, etc., although such arrangements are subject to the review and discretion of the Board to prevent abuse of this Section 5.1)

(7) **Enforcement.** If any Owner is found to have violated any of the provisions of this Section, the Owner shall be subject to a penalty of two times (2X) all the Lease/Rental fees charged pursuant to said violation. If no fee is charged, the Board shall use fair market rental to calculate any penalty set forth above. Further, the Owner shall be responsible for all reasonable attorneys' fees incurred by the Association in accordance with Texas Property Code Section 5.006 "Attorney Fees in Breach of Restrictive Covenant Actions" in enforcing this Section.

Except as specifically amended and modified herein, this Second Amendment shall remain in full force and effect as originally written. Attached to the instrument and specifically made a part hereof is a Certificate, signed by the President and Vice President of the Association, certifying that at least sixty-seven (67%) of the total Lots in the Association have voted in favor of and approved this Second Amendment

WITNESS WHEREOF, the undersigned President of RANCHO ESCONDIDO COMMUNITY IMPROVEMENT ASSOCIATION, INC. hereunto set my hand this 16th day of AUGUST, 2023. RANCHO ESCONDIDO COMMUNITY IMPROVEMENT ASSOCIATION, INC.

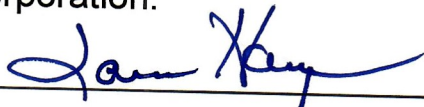


PRESIDENT Alan Leitko

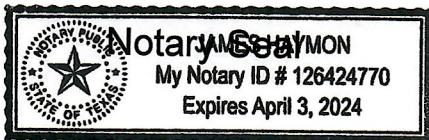
STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 16th day of AUGUST, 2023 by ALAN LEITKO, President of Rancho Escondido Community Improvement Association, Inc. a Texas nonprofit corporation, on behalf of said corporation.



Notary Public, State of Texas




CERTIFICATE

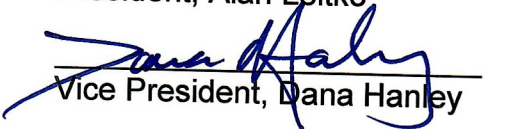
The undersigned President and Vice President, respectively, certify that, this Second Amendment to the First Amended Restrictions and Restated Covenants Applicable to Rancho Escondido Subdivision, Sections One and Two, a subdivision of 39.51 Acres in the James Edwards Survey, A-190, Montgomery County, Texas has been approved by a vote of at least sixty-seven percent (67%) of the total votes allocated to the property owners in **Rancho Escondido Community Improvement Association, Inc.**

8/16/23
Date

8/16/23
Date



President, Alan Leitko

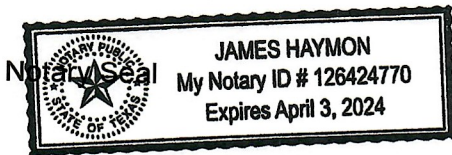


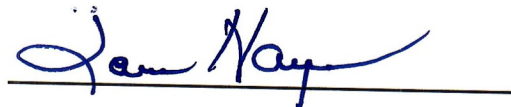
Vice President, Dana Hanley

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 16th day of August 2023, by ALAN LEITKO, President of Rancho Escondido Community Improvement Association, Inc., a Texas corporation, on behalf of said corporation.



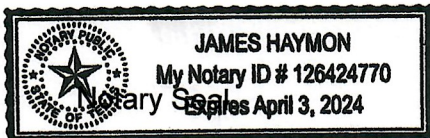


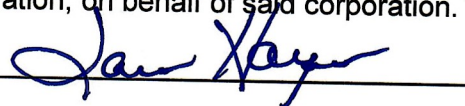
Notary Public – State of Texas

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

This instrument was acknowledged before me on the 16th day of August 2023, by DANA HANLEY, Vice President of Rancho Escondido Community Improvement Association, Inc. a Texas corporation, on behalf of said corporation.





Notary Public – State of Texas

After Recording, Return To:
R.E.C.I.A.
9600 Rancho Drive
Willis, Texas 77318

FILED FOR RECORD
08/17/2023 09:51AM



L. Brandon Steinmann
County Clerk
Montgomery County, Texas

STATE OF TEXAS,
COUNTY OF MONTGOMERY

I hereby certify that this instrument was filed in the file number
sequence on the date and time stamped herein
by me and was duly RECORDED in the Official Public
Records of Montgomery County, Texas.

08/17/2023



L. Brandon Steinmann
County Clerk
Montgomery County, Texas