

**CERTIFICATE OF CORPORATE RESOLUTION  
OF THE BOARD OF DIRECTORS**

**COURTYARDS OF THREE FOUNTAINS ASSOCIATION**

**LEASING RULES AND REGULATIONS**

RELATING TO

**COURTYARDS OF THREE FOUNTAINS CONDOMINIUM, a condominium according to that certain "Condominium Declaration (for) Courtyards of Three Fountains" recorded in Volume 62, Page 1 et seq. of the Condominium Records of Harris County, Texas, and all amendments thereto.**

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The undersigned, being the duly acting Officer of **COURTYARDS OF THREE FOUNTAINS ASSOCIATION**, a Texas non-profit corporation (the "Association"), does hereby certify that at a duly constituted meeting of the Board of Directors of the Association held on \_\_\_\_\_, 20\_\_\_\_, with at least a majority of the Board of Directors present, the following resolutions was duly made and approved by the Board of Directors:

**WHEREAS**, the Association is responsible for the administration, governance and maintenance of the **COURTYARDS OF THREE FOUNTAINS CONDOMINIUM**, as described in the Condominium Declaration (for) Courtyards of Three Fountains recorded in Volume 62, Page 1, et seq. of the Condominium Records of Harris County, Texas, and all amendments thereto as (said recorded documents and all exhibits and amendments thereto being referred to as "Declaration"); and

**WHEREAS**, the Association exists pursuant to state law and its governing documents; and

**WHEREAS**, without limitation: Section 82.102(a) (7) of the Texas Property Code; Article 2, Section 23 of the Declaration; Article 13, Section 5 of the Declaration; and Article V Section 10 of the Bylaws of the Association authorizes the Association, acting by and through its Board of Directors, to adopt and amend rules regulating the use, occupancy, leasing or sale of the units; and

**WHEREAS**, the Board of Directors for the Association has deemed it necessary to adopt Rules and Regulations relating to leasing of the units in the Condominium;

**NOW, THEREFORE, BE IT RESOLVED**, the Board of Directors on behalf of the Association hereby adopts the following Leasing Rules and Regulations titled "Leasing Rules", as follows:

**LEASING RULES**

**1. OCCUPANCY STANDARDS.**

- (a) **NUMBERS.** A Unit may be occupied by no more than two (2) persons per bedroom, unless higher occupancy is mandated by public agencies that enforce compliance with the familial status protection of the Fair Housing Act.
- (b) **OCCUPANCY DEFINED.** Occupancy of a Unit for purposes of these Rules, shall mean occupancy of at least 30 continuous days or 60 non-

continuous days in any twelve (12) month period.

## **2. TERM OF LEASES.**

No Unit shall be leased, rented, or used for any other occupancy sharing arrangement for a term of less than six (6) months. No lease, rental, or other occupancy sharing arrangement for hotel or transient use shall be allowed.

## **3. TENANT SCREENING.**

- (a) Each Owner shall be required to, and shall be solely responsible for reviewing, researching, and determining the character, criminal background, sex-offender background, prior conviction background, prior landlord referrals, and/or suitability of each prospective tenant and/or other occupant of his or her Unit in such manner which is reasonable and prudent of landlords in Houston, Harris County, Texas for properties comparable to The Courtyards Condominium at the time such lease application is made/lease entered into (the "Tenant Screening" herein).
- (b) In the event that any Owner fails or refuses to perform a Tenant Screening, in addition to the remedies of the Association as set forth in Paragraph 8 below, such Owner shall be liable to any party whomsoever who suffers any damage or injury resulting from the acts of any such tenant/occupant which would have been reasonably foreseeable had the Owner performed such review and research as to such matters and such matters disclosed information which a reasonable and prudent landlord in Houston, Harris County, Texas leasing similar property would have considered unfavorable and grounds for rejection of lease approval.
- (c) Further, in the event that the Tenant Screening discloses matters which a reasonable and prudent landlord in Houston, Harris County Texas leasing similar property would have considered unfavorable and grounds for rejection of lease approval, and such Owner elects to lease to such tenant/occupant notwithstanding same, then such Owner shall be liable to any party whomsoever who suffers any damage or injury resulting from the acts of any such tenant/occupant which would have been reasonably foreseeable given the matters disclosed by such review and research.
- (d) The Association, the Board of Directors, the Officers, and the agents of the Association shall have no obligation to independently review, research, and/or determine the character, criminal background, sex-offender background, prior conviction background, prior landlord referrals, and/or suitability of any prospective tenant/occupant of any Unit in the property.

## **4. TENANT CONDUCT.**

Each Owner shall be responsible for and shall pay for damage to the common elements or any unit caused by the negligence or willful misconduct of the

Owner's tenant, any other occupant of the Owner's Unit, or the tenant/occupant's family, guests, employees, contractors, agents, or invitees. Each Owner shall be liable to the Association for violations of the Declaration, Bylaws, or Rules and Regulations of the Association by any tenant of the Owner, or any occupant of the Owner's Unit, or any of the tenant/occupant's family, guests, employees, agents, or invitees, and for costs incurred by the Association to obtain compliance, including attorney fees, whether or not suit is filed.

**5. LEASE REQUIREMENTS.**

Each lease of any Unit must: (i) be in writing, and (ii) provide that such lease is specifically subject in all respects to the provisions of the Declaration, Bylaws, and any rules and regulations of the Association; and that any failure by the lessee to comply with the terms and conditions of such documents shall be a default under such lease.

**6. PROHIBITION AS TO COMMERCIAL USE.**

The Declaration provides that each and every Unit shall be used and is restricted solely for residential purposes, and that no business, professional, or other commercial activity of any type shall be operated from or out of any Unit.

The use of any Unit for hotel, motel, transient use, or other "occupancy sharing" use by individuals who do not utilize such Unit as a bona-fide primary or secondary residence shall be for all purposes deemed to constitute a business or other commercial activity prohibited by the Declaration. For purposes of these Leasing Rules, an otherwise permissible "lease" and "leasing" arrangement shall not include any use of any the Unit for hotel, motel, transient, or other "occupancy sharing" use by individuals who do not utilize such Unit as a bona-fide primary or secondary residence. The use of any Unit for hotel, motel, transient, or other "occupancy sharing" use shall be and is strictly prohibited. "Hotel, motel, occupancy sharing, or transient use" shall be defined so as to include, without limitation, any use for which the payment of a state and/or local short-term rental occupancy tax, such as the Texas Hotel Tax, would be applicable. Further, any lease, rental or other occupancy sharing agreement covering less than the entire Unit shall be prohibited. No Unit may be used as a "boarding house" or "rooming house" or other "occupancy sharing" arrangement where less than the entirety of the Unit is subject to a lease, rental, or other occupancy sharing arrangement. An "occupancy sharing" arrangement shall not be deemed to constitute the occupancy of Unit by two or more individuals (related, unrelated, or as "roommates" or otherwise) who utilize such Unit for single family residential use, as their bona-fide primary or secondary residence.

**7. NAMES OF TENANTS, COPIES OF LEASE(S), COMPLIANCE WITH SCREENING REQUIREMENTS, AND VEHICLE REGISTRATION.**

- (a) Not later than the 30th day after the date an Owner leases a Unit to a tenant/occupant, as required by Section 82.114(e)(3) of the Texas Uniform Condominium Act, the Owner shall provide the Association with: the name, address, and telephone number of each and every person occupying the Unit as a tenant/occupant under lease;

- (b) Not later than the 30th day after the date an Owner leases a Unit to a tenant/occupant, as required by Section 82.114(e)(4) of the Texas Uniform Condominium Act, the Owner shall provide the Association with: the name, address, and telephone number of any person managing the Unit as agent of the Unit Owner; and
- (c) Not later than ten (10) days after the date an Owner leases a Unit to a tenant/occupant, the Owner shall provide the Association with a written Statement signed by the Owner stating that the Owner conducted the Tenant Screening as required by paragraph 3 above. Such written Statement shall outline specifically, the scope of such Tenant Screening and what records or resources were reviewed in connection with such Tenant Screening. The actual Tenant Screening reports need not be furnished.
- (d) Owners who have leases presently in existence as of the Effective date of these Leasing Rules and Regulations shall, not later than the thirty (30) days after the Effective Date hereof, provide the Association or its managing agent with the information required pursuant to sub-paragraphs (a) and (b) above.

**8. REMEDIES IN THE EVENT OF NON-COMPLIANCE.**

Owners who fail or refuse to provide the documentation required by paragraph 3 and paragraph 7 above within the time required shall be subject to the levy of an initial fine in the amount of One hundred Dollars (\$100.00), with a subsequent fine of One hundred Dollars (\$100.00) per month thereafter until such time that all of the required information is properly delivered.

**9. FURTHER AMENDMENTS.**

As provided by the Declaration, Bylaws, Rules, and the Texas Uniform Condominium Act, the Board of Directors of the Association shall have the continuing right to further amend the Leasing Rules and Regulations from time to time hereafter.

**10. EFFECTIVE DATE:** These Leasing Rules shall be effective on and after \_\_\_\_\_, 20\_\_.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**COURTYARDS OF THREE FOUNTAINS ASSOCIATION,**

a Texas non-profit corporation

By: \_\_\_\_\_  
(signature)

\_\_\_\_\_  
(name printed)

Its: \_\_\_\_\_  
(title/position)

**STATE OF TEXAS           §**  
**§**  
**COUNTY OF HARRIS       §**

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, \_\_\_\_\_ of **COURTYARDS OF THREE FOUNTAINS ASSOCIATION**, a Texas non-profit corporation, on behalf of such corporation.

\_\_\_\_\_  
Notary Public, State of Texas

Record and Return to:

Frank, Elmore, Lievens, Chesney & Turet, LLP  
Attn: Richard C. Lievens  
9225 Katy Freeway Suite 250  
Houston, TX 77024