

SUNCREEK RANCH PROPERTY OWNERS ASSOCIATION, INC.

POLICY REGARDING EXEMPT LOTS

STATE OF TEXAS §
 §
COUNTY OF BRAZORIA §

WHEREAS, Suncreek Ranch Property Owners Association, Inc., (the "Association:") a Texas nonprofit corporation, is the governing entity for Suncreek Ranch, Sections 1, 2, 3, and 4, additions in Brazoria County, Texas, according to the maps or plats thereof, recorded in the Map Records of Brazoria County, Texas, under Cabinet 21, Sheet 361, Cabinet Q, Sheet 86, Cabinet 23, Sheet 1, and Cabinet 23, Sheet 47, respectively, along with any amendments, supplements and replats thereto (the "Subdivision"); and

WHEREAS, each section of the Subdivision is subject to a Declaration of Covenants, Conditions, and Restrictions, recorded in the Real Property Records of Brazoria County, Texas, under Clerk's File Nos. 01-017120, 01-052958, 02-026564, 02-037569, respectively, along with any amendments and supplements thereto (collectively referred to as the "Declaration"); and

WHEREAS, Article VI of the Declaration provides for the establishment, levying, and enforcement of the Maintenance Charge for lots within the Subdivision; and

WHEREAS, Section 6.02(d) of the Declaration authorizes the Association, in its own judgment and discretion, to exempt any Lot in the Subdivision from the Maintenance Charge in accordance with Section 6.07 ("Exempt Lots"), provided that when such Exempt Lots are sold to any party the Maintenance Charge is automatically reinstated; and

WHEREAS, Section 6.07 of the Declaration provides that no land or improvements devoted to dwelling use shall be exempt from the Maintenance Charge; and

WHEREAS, Section 8.10 of the Declaration authorizes the Association to adopt, amend, repeal and enforce Rules and Regulations, as may be deemed necessary or desirable with respect to the interpretation and implementation of the Declaration, and the operation of the Association; and

WHEREAS, the Association desires to adopt Rules and Regulations, to provide for the uniform, orderly, and equitable designation of Lots in the Subdivision as Exempt Lots, and to establish an applicable process for Owners to request that their Lot(s) be Exempt Lots; and

WHEREAS, this Dedicatory Instrument consist of Restrictive Covenants as defined by Texas Property Code §202.001, et. seq, and the Association shall have and may exercise discretionary authority with respect to these Restrictive Covenants;

NOW THEREFORE, pursuant to the foregoing and as evidenced by the certification hereto, the Association hereby adopts, establishes and imposes on the Subdivision the following:

1. Terms used, but not otherwise defined, in this Dedicatory Instrument have the same meaning as those terms that are defined in the Declaration.
2. Only Owners of more than one Lot may apply for an Exempt Lot.
3. A Lot that has a dwelling constructed on it and is occupied for single family residential purposes, is defined herein as a "Non-Exempt Lot".
4. Any Lot that is used for dwelling purposes cannot be considered an Exempt Lot, the Association Board of Directors has the sole and complete discretion to determine whether a Lot is used for dwelling purposes.
5. Owners of more than one Lot in the Subdivision may apply for one or more of their additional Lots to be an Exempt Lot.
6. A Lot may be deemed an Exempt Lot only if:
 - a. The Lot Owner owns at least one Non-Exempt Lot (with a dwelling constructed on it and occupied for single family residential purposes), and pays the full Maintenance Charge on such Non-Exempt Lot(s),
 - b. The Exempt Lot is adjacent to a Non-Exempt Lot, or adjacent to another Exempt Lot that is adjacent to a Non-Exempt Lot, with all such lots being owned by the same owner as stated on the deed to the said lots,
 - c. The Lot Owner applies for the Exempt Lot, using the form attached hereto as it may be amended from time to time by the Association, and
 - d. The Owner applying for the Exempt Lot, agrees to waive the vote associated with such Exempt Lot in exchange for the exemption.
7. The Association's Board of Directors shall review each application submitted to it and will approve the exemption for such Lot, if it meets all of the criteria listed herein; the date of the exemption shall be the date the application form is signed by the Association or its designated agent.
8. Once deemed to be an Exempt Lot, the Exempt Lot will not be subject to any Annual Maintenance Charge or Special Assessment Charge levied after the date of exemption, but may be subject to charges for forced maintenance as applicable, and as provided by the Declaration.
9. Upon the sale of an Exempt Lot to any party, the Exempt Lot will automatically lose its exemption, become subject to the Full Maintenance Charge, including all Annual and Special Maintenance Charges and Assessments, and the Owner shall retain all voting rights attached to the Lot, and the party acquiring such Lot must apply for an exemption if that party so desires, and if the Lot qualifies.

- 10. The Exempt Status of a Lot lasts for one calendar year only, but shall automatically renew for each successive year, so long as:
 - a. this policy is in effect,
 - b. the Lot is not sold,
 - c. a dwelling is not constructed on the Lot, and
 - d. the Lot is not used for dwelling purposes.

- 11. The Board of Directors for the Association shall have the right and discretion at any time to amend or repeal this Policy in its entirety, in its sole discretion; in the event this policy is repealed all Exempt Lots shall lose the exemption and be subject to the Full Maintenance Charge, including all Annual and Special Maintenance Charges and Assessments, and the Owner shall retain all voting rights attached to the Lot.

- 12. Exempt Lots remain subject to all other provisions of the Declaration.

- 13. The Owner of the Exempt Lot, hereby agrees to notify the Association upon the sale of the Exempt Lot to any party, or in the event construction of a dwelling is commenced on the Exempt Lot, or the Exempt Lot is used for dwelling purposes, or the board determines the application contains a materials misrepresentation of fact (a "Disqualifying Event").

- 14. In the event the Exempt Lot becomes disqualified for the exemption in accordance with this Policy, all Maintenance Charges, including all Annual and Special Maintenance Charges and Assessments, which came due after the date of the Disqualifying Event, shall become due and payable and shall accrue as of the date the Association discovers such Disqualifying Event and sends demand to the Owner for payment of such Charges.

CERTIFICATION

"I, the undersigned, being a Director of Suncreek Ranch Property Owners Association, hereby certify that the foregoing Policy, including the attached Application, was adopted by at least a majority of the Association Board of Directors at an open meeting of the Board, properly noticed to the members, at which a quorum of the Board was present."

By: *[Signature]*

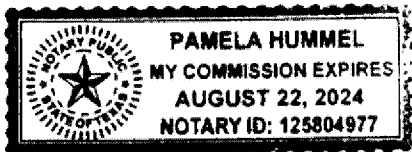
Print Name: Craig Morris

Title: President

STATE OF TEXAS §
§
COUNTY OF BRAZORIA §

BEFORE ME, the undersigned authority, on this 5th day of October, 2020, personally appeared the person whose name is subscribed to the foregoing instrument and acknowledged to me that they signed it with the authority and for the purposes expressed therein.

Pamela Hummel
Notary Public, State of Texas



SUNCREEK RANCH PROPERTY OWNERS ASSOCIATION, INC.

APPLICATION FOR EXEMPT LOT

WHEREAS, Suncreek Ranch Property Owners Association, Inc. (the "Association") has adopted a policy regarding Exempt Lots (the "Policy");

NOW THEREFORE, the person executing this Application for Exempt Lot, hereby agrees with the Association, as follows:

1. The person executing this Agreement (the "Owner") hereby acknowledges that he or she has been furnished with a copy of the Policy, which is incorporated into this Agreement as if fully set forth herein, and agrees to the Policy.
2. In exchange for Exempt Lot status being awarded as set forth herein, as indicated by the approval of the Association by its authorized representative below, the Owner hereby waives his right to cast his vote associated with the Exempt Lot, at all times while the Exempt Lot has exempt status.
3. The Owner of the Exempt Lot, hereby agrees to notify the Association upon the sale of the Exempt Lot to any party, or in the event construction of a dwelling is commenced on the Exempt Lot, or the Exempt Lot is otherwise used for dwelling purposes.
4. The Owner hereby makes the following representations and application:

I. "I, the undersigned, am the record Owner of the following Lot, upon which is constructed a dwelling and which Lot is used for single family residential purposes:

_____ Street Address

Lot: _____ Block: _____ Suncreek Ranch Section: _____

II. I am also the record Owner of the following Lot(s), which is/are, separately or together, adjacent to the above referenced Lot, and upon which no dwellings are constructed, and which lots are not used for dwelling purposes:

Lot: _____ Block: _____ Suncreek Ranch Section: _____

Lot: _____ Block: _____ Suncreek Ranch Section: _____

Lot: _____ Block: _____ Suncreek Ranch Section: _____

III. I hereby request that the Lot(s) listed in Section II above be granted Exempt Lot Status, subject to the Policy, and the terms of this Application herein.

IV. I hereby represent that if I am a Co-Owner of any Lot listed herein, or the representative of an business entity Owner, that I have the authority to make this Application and bind all other Co-Owners, and/or the business entity Owner.”

5. The person executing this Agreement expressly agrees to abide by the Policy and all other terms and provisions of this Application.

(Signature)

(Printed Name)

(Home Address)

(Cell Phone Number)

(Alternate Phone Number - Home or Office)

(Date)

(Email Address)

APPROVAL OF EXEMPT LOT

“I, the undersigned being a Director, or the authorized managing agent of Suncreek Ranch Property Owners Association, Inc., hereby **APPROVE** of the Application, and the Lots listed in Section “II” hereinabove, are hereby **GRANTED** the status of Exempt Lot, in accordance with and subject to the terms of the Policy and this Application.”

By: _____

Print Name: _____

Title: _____

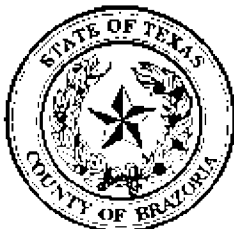
Approval Date: _____

FILED and RECORDED

Instrument Number: 2020059056

Filing and Recording Date: 10/09/2020 10:58:53 AM Pages: 6 Recording Fee: \$42.00

I hereby certify that this instrument was FILED on the date and time stamped hereon and RECORDED in the OFFICIAL PUBLIC RECORDS of Brazoria County, Texas.



A handwritten signature in black ink, appearing to read "Joyce Hudman".

Joyce Hudman, County Clerk
Brazoria County, Texas

ANY PROVISION CONTAINED IN ANY DOCUMENT WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED THEREIN BECAUSE OF RACE OR COLOR IS INVALID UNDER FEDERAL LAW AND IS UNENFORCEABLE.

DO NOT DESTROY - Warning, this document is part of the Official Public Record.

cclerk-regina