

**SECOND AMENDMENT**  
*to*  
**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**  
*for*  
**BALMORAL**

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THE STATE OF TEXAS       §  
  §  
COUNTY OF HARRIS       §

WHEREAS, BALMORAL LT, LLC, a Texas limited liability company (“**Developer**”), caused the instrument entitled “Declaration of Covenants, Conditions and Restrictions for Balmoral” to be recorded in the Official Public Records of Real Property of Harris County, Texas, under Clerk's File No. 2017-139910 (the “**Declaration**”), which instrument imposes various covenants, conditions, restrictions, and easements on the Subdivision (as defined in the Declaration); and

WHEREAS, additional land was thereafter annexed and made a part of the Subdivision and subjected to the provisions of the Declaration and the jurisdiction of Property Owners Association of Balmoral, Inc. (the “**Association**”) by Supplemental Declarations of Covenants, Conditions and Restrictions duly recorded in the Official Public Records of Real Property of Harris County, Texas; and

WHEREAS, the Declaration was amended by instrument entitled “First Amendment to Declaration of Covenants, Conditions and Restrictions for Balmoral” recorded in the Official Public Records of Real Property of Harris County, Texas on July 19, 2017 under Clerk’s File No. 2017-322534; and

WHEREAS, Article IX, Section 9.7, of the Declaration, as amended, provides that the Declaration may be amended by Developer without the joinder or consent of any other party at any time prior to the end of the Developer Control Period, as long as the amendment to the Declaration is not materially inconsistent with the residential character of the Subdivision; and

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WHEREAS, the Developer Control Period has not expired and Developer desires to amend the Declaration in a manner that is not materially inconsistent with the residential character of the Subdivision.

NOW, THEREFORE, Developer hereby amends the Declaration as follows:

1. Article V, Section 5.3, of the Declaration, entitled "**Creation of the Lien and Personal Obligation of Assessments**" is amended to read as follows:

**SECTION 5.3. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS.** Each Lot in the Subdivision is hereby subjected to the Assessments as set forth in this Article, and each Owner of a Lot, by acceptance of a deed to the Lot, whether or not it is so expressed in the deed, is deemed to covenant and agree to pay to the Association: (1) Annual Assessments; (2) Gated Section Assessments; (3) Operating Fund Capitalization Fees; (4) Reserve Fund Capitalization Fees; (5) Special Assessments; (6) Specific Section Assessments; (7) Adopt-A-School Assessments; (8) Administrative Fees; (9) Bulk Services Assessments; and (10) any charge back for costs, fees, expenses, fines, attorney's or other charges incurred or authorized by the Declaration, or by the Association in connection with enforcement of this Declaration, the Association's Bylaws, and the rules and regulations adopted by the Association (such Assessments, fees and other charges being collectively referred to herein as "**Assessments**"). The Assessments are a charge on the Lot and a continuing lien upon the Lot against which each Assessment is made. All Assessments as to a particular Lot, together with interest, late charges, costs and reasonable attorney's fees, are also the personal obligation of the person who was the Owner of the Lot at the time the Assessments became due. The personal obligation for delinquent Assessments will not pass to his successor in title unless expressly assumed by that successor.

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2. Article V, Section 5.16, of the Declaration, entitled "**Bulk Services Assessment**", is amended to read as follows:

**SECTION 5.16. BULK SERVICES ASSESSMENT.** In the event that the Association contracts for bulk communication or power services, such costs will be billed directly to each Owner on an annual basis as provided in Section 5.4 (the "**Bulk Services Assessment**"). Bulk Services Assessments will be separately itemized in any statement or invoice submitted to an Owner. At the sole discretion of the Board, Bulk Services Assessments may be billed on a monthly or quarterly basis in which event each Bulk Services Assessment will (a) be due on the first day of each month or quarter, as applicable, (b) be late if not paid by the tenth (10th) day of the applicable month or quarter, as applicable, (c) be subject to a late charge as provided in Section 5.17, and (d) incur interest at the rate of eighteen percent (18%) per annum or the maximum rate of interest allowed by law as provided in Section 5.17. Bulk Services Assessments may be billed as flat rate per Lot metered, or per service, or any combination thereof, as determined in the sole discretion of the Developer or the Board. Developer and Declarant are not responsible for Bulk Services Assessments. Builders are responsible for Bulk Services Assessments only on the Lots owned by Builders that are provided bulk services.

3. Article V, Section 5.17, of the Declaration, entitled "**Effect of Nonpayment of Assessments**", is amended to read as follows:

**SECTION 5.17. EFFECT OF NONPAYMENT OF ASSESSMENTS.**

(a) Any Assessment that is not paid in full within thirty (30) days of the due date will be delinquent and will bear interest on the unpaid amount from the due date at the rate of eighteen percent (18%) per annum or the maximum rate of interest allowed by law, whichever is less, until paid. In addition, the Association may impose a separate late

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charge on any Annual Assessment, Gated Section Assessment, Bulk Services Assessment, Special Assessment or Specific Section Assessment that is not paid in full within thirty (30) days of the date the particular Assessment became due. The amount of the late charge will be equal to twenty-five percent (25%) of the particular Assessment that is not timely paid in full; as an example, if a Gated Section Assessment in the amount of Four Hundred and no/100 Dollars (\$400.00) is not paid in full within thirty (30) days of the due date, the late charge on the delinquent Gated Section Assessment will be One Hundred and no/100 Dollars (\$100.00). The late charge will be based upon the full amount of the applicable Assessment regardless of whether the full amount of the applicable Assessment is delinquent or some portion less than the full amount of the applicable Assessment is delinquent. Late charges are in addition to, not in lieu of, interest.

(b) The Association may bring an action at law against the Owner personally obligated to pay an Assessment, or foreclose the lien against the Lot. Interest, costs, late charges and attorney's fees incurred in any such collection action will be added to the amount of the Assessment. An Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association and its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for enforcement of such liens, including either judicial foreclosure or non-judicial foreclosure pursuant to Article 51.002 of the Texas Property Code (or any amendment or successor statute) and each such Owner expressly grants to the Association a power of sale in connection with said lien. Provided, however, prior to the Association exercising its power of sale, the Association must first have obtained a court order in an application for expedited foreclosure in accordance with Section 209.0092 of the Texas Property Code. The Board has the right and power to appoint an agent or Trustee to act for and on behalf of the Association to enforce the lien. The lien provided for in this Article is in favor of the Association. The Board may, whenever it proceeds with non-judicial foreclosure pursuant to the

provisions of said Section 51.002 of the Texas Property Code and said power of sale, designate in writing an agent or Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The agent or Trustee may be changed at any time and from time to time by the Board by a written instrument executed by the President or any Vice President of the Association and duly recorded in the Official Public Records of Real Property of Harris County, Texas. In the event the Association decides to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 of the Texas Property Code and to exercise the power of sale hereby granted, the Association must mail to the defaulting Owner a copy of the Notice of Sale not less than twenty-one (21) days prior to the date on which said sale is scheduled by posting such notice through the U.S. Postal Service, postage prepaid, registered or certified, return receipt requested, properly addressed to such Owner at the last known address of such Owner according to the records of the Association. If required by law, the Association or Trustee must also cause a copy of the Notice of Sale to be recorded in the Official Public Records of Real Property of Harris County, Texas. Out of the proceeds of such sale, there will first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and reasonable agent or Trustee's fees; second, from such proceeds there will be paid to the Association an amount equal to the amount in default; and, third, the remaining balance, if any, will be paid to such Owner. Following any such foreclosure, each occupant of the Lot foreclosed on and each occupant of any improvements thereon will be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder. The Association also has the right to maintain a deficiency suit in the event the sale proceeds are less than the amount of Assessments, interest, late fees, attorney's fees, costs incurred by or owed to the Association.

In addition to foreclosing the lien hereby retained, in the event of non-payment by an Owner of any Assessment, the Association may, upon notice to the non-paying Owner as required by law, in addition to all other rights and remedies available at law or otherwise: (i) restrict the right of such non-paying Owner to use the Common Areas, if any, in such manner as the Association deems appropriate or (ii) terminate any services being provided the Owner (e.g., bulk services). No Owner will be entitled to receive a credit or discount in the amount of an Assessment due to or by virtue of the Association's exercise of any of its remedies. Additionally, the Board may charge the Owner a reconnect fee (as set by the Board) to reconnect any services or use rights so terminated or restricted.

It is the intent of the provisions of this Section to comply with the provisions of Section 51.002 of the Texas Property Code relating to non-judicial sales by power of sale and, in the event of the amendment of said Section 51.002 of the Texas Property Code hereafter, the President or Vice President of the Association, acting without the joinder or consent of any other Owner or mortgagee or other person, may amend the provisions hereof so as to comply with any such amendments to Section 51.002 of the Texas Property Code.

No Owner may waive or otherwise avoid liability for the Assessments provided herein by nonuse of the facilities or services provided by the Association or by abandonment of his Lot.

This amendment is deemed to be a part of and is to be interpreted in accordance with the Declaration. Except as amended herein, all provisions of the Declaration, as previously amended, are hereby ratified and confirmed and continue in full force and effect.

IN WITNESS WHEREOF, Developer has executed this instrument on the date set forth below, to be effective upon recording in the Official Public Records of Real Property of Harris County, Texas.

Executed on the 31<sup>st</sup> day of January, 2018.

**DEVELOPER:**

**BALMORAL LT, LLC,**  
a Texas limited liability company

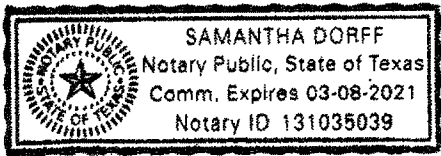
By: L.T. Partnership, Ltd.,  
a Texas limited partnership,  
its Manager

By: L.T. Management, Inc.,  
a Nevada corporation,  
its General Partner

By: *Al P. Brende*  
Al P. Brende, President

THE STATE OF TEXAS     §  
   §  
COUNTY OF HARRIS     §

BEFORE ME, the undersigned notary public, on this 31<sup>st</sup> day of January, 2018 personally appeared Al P. Brende, President of L.T. Management, Inc., a Nevada corporation, General Partner of L.T. Partnership, Ltd., a Texas limited partnership, Manager of Balmoral LT, LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.



*Samantha Dorff*  
Notary Public in and for the State of Texas

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01/31/2018 01:03 PM  
e-Filed & e-Recorded in the  
Official Public Records of  
HARRIS COUNTY  
STAN STANART  
COUNTY CLERK  
Fees \$40.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

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.

THE STATE OF TEXAS  
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas.



*Stan Stanart*

COUNTY CLERK  
HARRIS COUNTY, TEXAS

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