

MILLS BRANCH VILLAGE COMMUNITY ASSOCIATION, INC.
RULES REGARDING LEASING

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

WHEREAS, Mills Branch Village Community Association, Inc. (the "Association"), a Texas nonprofit corporation, is the governing entity for Mills Branch Village, Sections 1-6, additions in Harris County, Texas, according to the maps or plats thereof recorded in the Map Records of Harris County, Texas, under Clerk's File Nos. J743344; L078799 as amended by N490604; M858027 as amended by N040686; N294655 as amended by N680218; N713496; and N881906, respectively, (the "Subdivision"); and

WHEREAS, the Subdivision is subject to the Declaration of Covenants, Conditions and Restrictions, Mills Branch Village, under Clerk's File No. U825812; Mills Branch Village, Section One Protective Covenants, under Clerk's File No. U825813; Mills Branch Village, Section Two Protective Covenants, under Clerk's File No. L958857; Mills Branch Village, Section Three Protective Covenants, under Clerk's File No. M878388; Mills Branch Village, Section Four Protective Covenants, under Clerk's File No. N426625; Mills Branch Village, Section Five Protective Covenants, under Clerk's File No. N922370; and Mills Branch Village, Section Six Protective Covenants, under Clerk's File No. P029690, along with any amendments, annexations, or supplements thereto (the "Declarations"); and

WHEREAS, each Declaration restricts the Subdivision to use for single family residential purposes and prohibits anything done on any Subdivision Lot which may be or become an annoyance or a nuisance to the Subdivision; and

WHEREAS, Texas Property Code § 204.010(a)(6) authorizes the Association, through its Board of Directors, to regulate the use of the Subdivision; and

WHEREAS, the Declaration does not otherwise provide owners of Lots in the Subdivision with leasing rights that prohibit the Board of Directors from exercising its statutory authority to regulate the use of the Subdivision under § 204.010(a)(6) with respect to leasing activities; and

WHEREAS, the Board of Directors has determined through the review of activity in the Subdivision and in similarly situated subdivisions that, in addition to constituting uses of the property for transient or hotel purposes, short term leases and leases for less than the entire lot are uses of the Subdivision and of the Lots therein are uses that are or may be or become an annoyance or nuisance to the residents of the Subdivision; and

WHEREAS, the Board deems it necessary to advise owners that such practices are prohibited within the Subdivision; and

WHEREAS, the Board of Directors further deem it necessary to adopt rules governing certain aspects of using the Subdivision for leasing purposes, and to be able to contact tenants and

offsite owners in order to provide necessary services, obtain access, enforce the Declaration and otherwise meet its duties and obligations of governance under the Declaration; and

WHEREAS, this Dedicatory Instrument consists 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, through its Board of Directors, hereby adopts, establishes and imposes on the Subdivision, the following:

- 1) **“Transient or Hotel Purpose” means leasing a “Lot”, as that term is defined in the Declaration, or any portion thereof, within the Subdivision to any person:**
 - a. **in a manner or through any service that Chapter 351 or Chapter 352 of the Texas Tax Code applies to; or**
 - b. **who, during the life of the lease, does not (i) receive or intend to receive their regular mail from the United States Postal Service at that Lot; (ii) pay for or intend to pay for all or part of the utilities for that Lot in their name; (iii) own the furniture, or a significant portion thereof, on that Lot; or (iv) list or intend to list the street address for that Lot on their Form 1040, US Individual Income Tax Return, or other Internal Revenue Service forms for the applicable year.**

The foregoing list shall be interpreted as non-exhaustive. Additional factors establishing a Transient or Hotel Purpose or Residential Purpose may be considered by the Board of Directors in enforcing this provision.

A Transient or Hotel Purpose shall be found to exist in any instance Subsection 1.a. applies. If Subsection 1.a. does not apply, but one or more of the factors in Subsection 1.b. do apply, or if there are any other factors that cause the Board of Directors to believe that a Transient or Hotel purpose exists or may exist do apply, then the Board of Directors shall determine on a case-by-case basis, and in their sole and absolute discretion, whether such a Transient or Hotel Purpose exists.

- 2) **“Short Term Lease” means leasing a Lot within the Subdivision for a Transient or Hotel Purpose. Short Term Leases are prohibited in the Subdivision.**
- 3) **The foregoing prohibition on Short Term Leases is contemplated to exclude instances wherein an Owner conveys their entire fee simple interest in a lot to a new Owner, and the new Owner permits the former Owner to continue to reside on the Lot under a lease for a limited specified period of time after the date on which the conveyance of said fee simple interest takes place, provided that the circumstances of such a lease are actually incident to a *bona-fide* conveyance of a Lot, and the contracts related thereto. The specific circumstances of such an arrangement shall be considered by the Association and the Board**

of Directors, in its sole and absolute discretion, to determine whether or not it constitutes a violation of these rules and regulations.

- 4) **No Lot shall be leased unless the lease is for the entire Lot.** Leasing individual rooms or areas in the same Lot to one or several different tenants is prohibited, and the Association further considers such uses as not being single family residential uses or purposes.

Notice: Pursuant to Title VIII of the Civil Rights Act of 1968, as amended, upon request in writing an Owner may be entitled to a reasonable accommodation to this provision if such accommodation may be necessary to afford an Owner or resident of a Lot equal opportunity to use and enjoy the Lot and Dwelling because of a disability/disabilities.

- 5) **No Lot shall be advertised on Airbnb.com, VRBO, or a similar site or advertisement source for a Short Term Lease.**
- 6) **Any Owner who leases their Lot for any period of time must provide the following information to the Association, at least 7 days in advance of the effective date of the lease:**
- a) The Lot Owner's offsite mailing address, and contact information including phone number and email address.
 - b) The names and contact information, including phone number and email address of the tenants who will reside at the Lot being leased.
 - c) The license plate numbers and make and model of the vehicles owned by the tenants who will reside at the Lot being leased that will be present at the Lot during the period of the lease.
 - d) The number of residents, including all adults, children and dependents, who are authorized to reside in the Lot under the terms of the lease.
- 7) **For any Owner who leases their Lot the lease must be in writing and must specify the following:**
- a) The tenant agrees to use the Lot solely for the purpose as a single family residence.
 - b) The Lot may be occupied only by members of the tenant's immediate family and others whose names are specified in the lease agreement.
 - c) Neither the tenant, nor the Owner, may sublet or assign the leased Lot or any portion of the leased Lot.
 - d) Tenant specifically agrees to comply with the Declaration, Bylaws, Rules and Regulations, and all other Governing Documents of the Association.
- 8) **Any Owner who leases their Lot must provide a copy of the Declaration, Bylaws, Rules and Regulations, and all other Governing Documents to their tenant.**

- 9) **Any owner who leases their Lot must provide a copy of the lease agreement to the Association.** Sensitive personal information, including financial information, social security numbers, and driver's license numbers do not have to be provided. The lease information must be submitted to the Association within 7 days of the effective date of the lease, and within 7 days of the effective date of any renewal or extension of the lease.
- 10) **All tenant communication shall only be directed to the Association through the landlord/Owner of the Lot.** A written assignment of such rights may be provided to the tenant or a personal representative, by the record Owner.
- 11) Owners are responsible for ensuring that their family, tenants, guests, and invitees comply with the Declaration, the Rules and Regulations and all other Dedicatory Instruments of the Association. The failure of a family member, tenant, guest, or invitee to comply will result in enforcement action against the Owner of the Lot associated with the family member, tenant, guest, or invitee.
- 12) Violation notices may be sent to both the Owner of the Lot as well as the tenant in order to obtain compliance.
- 13) To enforce the provisions of this instrument, the Association shall have the right to undertake any action authorized by the Declaration and/or applicable law, including, but not limited to initiating legal action.
- 14) These rules and regulations shall be carried out and applied by the Board of Directors of the Association's discretion in light of the circumstances and considerations related to a given alleged violation, leasing in the Subdivision generally, and any and all such other considerations or circumstances that the Board of Directors deems relevant.

[CERTIFICATION TO FOLLOW]

CERTIFICATION

"I, the undersigned, being a Director of Mills Branch Village Community Association, Inc., hereby certify that the foregoing instrument was approved by at least a majority of the Association Board of Directors, at an open Board of Directors meeting, properly noticed and at which a quorum of the Board of Directors was present."

By: [Signature]

Print Name: JERRY R. KAVEGEN

Title: PRESIDENT

ACKNOWLEDGEMENT

STATE OF TEXAS

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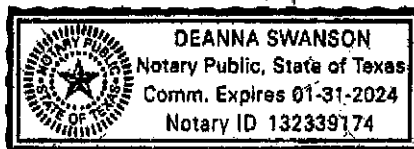
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COUNTY OF HARRIS

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BEFORE ME, the undersigned authority, on this day, personally appeared the person whose name is subscribed to the foregoing instrument and acknowledged to me that they executed the same as the act of the Association for the purpose and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this 15th day of November, 2022.



Prepared and E-recorded by:
HOLTOLLETT, P.C.
9821 Katy Freeway, Ste. 350
Houston, Texas 77024

[Signature]
Notary Public, State of Texas

RP-2023-10525
Pages 6
01/11/2023 09:05 AM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
TENESHIA HUDSPETH
COUNTY CLERK
Fees \$34.00

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.



Teneshia Hudspeth
COUNTY CLERK
HARRIS COUNTY, TEXAS

RP-2023-10525