

FOURTH AMENDMENT
to
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
for
LAGO MAR

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

WHEREAS, MREC LT LAGO MAR OPERATING LLC, a Delaware limited liability company ("**Developer**"), caused the instrument entitled "Declaration of Covenants, Conditions and Restrictions for Lago Mar" to be filed in the Official Public Records of Real Property of Galveston County, Texas, on July 11, 2016 under Clerk's File No. 2016041656 (the "**Declaration**"), which Declaration imposes various covenants, conditions, restrictions, and easements on the Subdivision (as defined in the Declaration); and

WHEREAS, additional land was previously annexed to the Subdivision and made subject to the provisions of the Declaration and the jurisdiction of Property Owners Association of Lago Mar (the "**Association**") by Supplemental Declarations duly recorded in the Official Public Records of Real Property of Galveston County, Texas; and

WHEREAS, Article X, Section 10.1, of the Declaration provides that, for a period of twenty (20) years after the date the Declaration is recorded, the Declaration may be amended by Developer without the joinder or consent of any other party so long as the amendment to the Declaration is not materially inconsistent with the residential character of the Subdivision; and

WHEREAS, the Declaration was previously amended by Developer by instruments entitled "First Amendment to Declaration of Covenants, Conditions and Restrictions for Lago Mar", "Second Amendment to Declaration of Covenants, Conditions and Restrictions for Lago Mar" and "Third Amendment to Declaration of Covenants, Conditions and Restrictions for Lago Mar" recorded in the Official Public Records of Real Property of

Galveston County, Texas under Clerk's File Nos. 2016075218, 2017015995 and 2017044016, respectively; and

WHEREAS, Developer desires to further 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 5.16, 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.

2. 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 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 Two Hundred and no/100 Dollars (\$200.00) is not paid in full within thirty (30) days of the due date, the late charge on the delinquent Gated Section Assessment will be Fifty and no/100 Dollars (\$50.00). 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 Galveston 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 Galveston 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 as of the date set forth below, to be effective upon recording in the Official Public Records of Real Property of Galveston County, Texas.

Executed on the 31st day of January, 2018.

DEVELOPER:

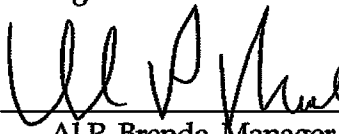
MREC LT LAGO MAR OPERATING LLC,
a Delaware limited liability company

By: Land Tejas Lago Mar, LLC,
a Texas limited liability company,
as Managing Member

By: Grover Lago Mar, LLC,
a Texas limited liability company,
Co-Manager

By: 
Jerald A. Turboff, Manager

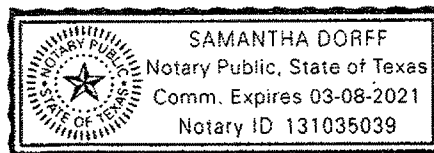
By: Brende Lago Mar, LLC,
a Texas limited liability company,
Co-Manager

By: 
Al P. Brende, Manager

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned notary public, on this 31st day of January 2018 personally appeared Jerald A. Turboff, Manager of Grover Lago Mar, LLC, a Texas limited liability, Co-Manager of Land Tejas Lago Mar, LLC, a Texas limited liability company, as Managing Member of MREC LT Lago Mar Operating LLC, a Delaware 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.

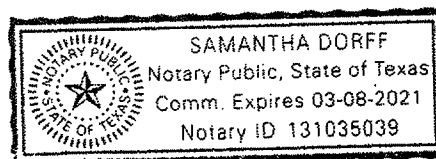
Samantha Dorff
Notary Public in and for the State of Texas



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BEFORE ME, the undersigned notary public, on this 31st day of January 2018 personally appeared Al P. Brende, Manager of Brende Lago Mar, LLC, a Texas limited liability company, Co-Manager of Land Tejas Lago Mar, LLC, a Texas limited liability company, as Managing Member of MREC LT Lago Mar Operating LLC, a Delaware 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



FILED AND RECORDED

Instrument Number: 2018006132

Recording Fee: 50.00

Number Of Pages:8

Filing and Recording Date: 01/31/2018 1:10PM

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



A handwritten signature in cursive script that reads "Dwight D. Sullivan".

Dwight D. Sullivan, County Clerk
Galveston County, Texas

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