

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

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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", "Third Amendment to Declaration of Covenants, Conditions and Restrictions for Lago Mar", "Fourth Amendment to Declaration of Covenants, Conditions and Restrictions for Lago Mar", "Fifth Amendment to Declaration of Covenants, Conditions and Restrictions for Lago Mar" and "Sixth 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, 2017044016, 2018006132, 2018021607 and 2019012694, 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 III, Section 3.1, of the Declaration, entitled "**Single Family Restriction Use Only**", is amended and restated, to read as follows:

**SECTION 3.1**            **SINGLE FAMILY RESIDENTIAL USE ONLY.** Each Owner may use his Lot and the single family residential dwelling and other improvements on his Lot for single family residential purposes only. As used in this Declaration, "single family residential purposes only" specifically prohibits, without limitation, any business or commercial use (whether for profit or not), industrial use, apartment home, duplex, multi-family dwelling, hospital, clinic, transient housing, hotel, motel, rooming house, boarding house or Short Term Rental (as defined in this Declaration) and such uses are expressly prohibited. No room in the single family residential dwelling on a Lot and no space in any other structure on a Lot may be leased or rented; however, this section does not preclude a residential dwelling on a Lot from being leased or rented in its entirety as a single residence in accordance with Section 3.23 of this Declaration.

No Lot shall be made subject to any type of timesharing agreement, fraction-sharing or any other type of agreement in which the right to the exclusive use of the Lot rotates among members of the program on a fixed or floating time schedule over a period of time. No Lot shall be used in a manner in which an Owner that is a business entity of any kind allows a co-owner, organizer, manager, partner, member, shareholder, business associate or guest of the business entity to live on the Lot for a time period that is less than one hundred eighty (180) consecutive days.

No single family residential dwelling, building, garage, outbuilding or structure on a Lot may be used as income property unless leased in accordance with this Declaration. Any use of a Lot or the single family residential dwelling on a Lot that requires that the Owner pay the State of Texas hotel occupancy tax (whether or not the tax is actually being paid) is a use of the Lot for non-single family residential purposes and constitutes a business use of the Lot in violation of this section. The street address of a Lot may not be used as the business/activity address for a federal firearms license and the use of the street address of a Lot as the business/activity address for a federal firearms license is a business use of the Lot in violation of this section.

Unless otherwise approved in writing by Developer during the Developer Control Period and, thereafter, by the Board of Directors, not more than one (1): (a) bona fide full time, live-in domestic worker; or (b) bona fide "nanny" is entitled to reside on a Lot.

2. Section 3.23 of Article III of the Declaration, entitled "**Leasing**", is added to read as follows:

**SECTION 3.23**            **LEASING.** The term "lease" as used herein means any type of agreement or arrangement which provides to a person or entity other than the Owner of the Lot the right to use and possess a Lot and the single family residential dwelling on a Lot. A Lot and the single family residential dwelling on a Lot may be leased for single family residential purposes only. Single family residential purposes specifically prohibits the uses specified in Section 3.1 of this Declaration. Single family residential purposes requires the intent to occupy the Lot and the single family residential dwelling on the Lot for the entire term of the lease. A lease must be for a term of not less than one hundred eighty (180) consecutive days. A lease for a term of less than one hundred eighty (180) consecutive days is prohibited. Upon the end of a lease term of at least one hundred eighty (180) consecutive days, a new lease for a period of at least one hundred eighty consecutive (180) days is required; however, a "month-to-month" lease is allowed at the end of a one hundred eighty (180) day or longer lease term but only if the lessee is the same

person who was the lessee under the original lease.

A lease to persons who do not comprise a single family is prohibited. A lease must provide to the lessee the exclusive right to use and possess the entire Lot and the entire single family residential dwelling on the Lot. An Owner may not lease a room or any portion less than the entire Lot and the entire single family residential dwelling on the Lot. The lessee of a Lot is not permitted to sublease the Lot or the single family residential dwelling on the Lot or any portion thereof.

A lease must be in writing. Leasing the Lot and the single family residential dwelling on a Lot does not relieve the Owner of the Lot from the obligation to comply with this Declaration and the Association's Dedicatory Instruments [as that term is defined by Texas Property Code Section 202.001(1) or its successor statute]. All lessees are subject to this Declaration and the Association's Dedicatory Instruments. There may only be one lease for a Lot (including the single family residential dwelling on the Lot) at a time. Upon written demand from the Association, the Owner of the Lot must provide a true and correct copy of the lease to the Association within fourteen (14) business days of the date such written demand is mailed. The Owner may redact any sensitive personal information as defined in the Texas Property Code §209.016 or its successor statute prior to providing a copy of the lease to the Association. Upon written demand of the Association, the Owner of the Lot must provide to the Association the name(s) and phone number(s) of all persons designated in the lease agreement as a lessee of a Lot and single family residential dwelling on a Lot, as well as the name(s) of all other occupants of the single family residential dwelling who are eighteen (18) years of age or older.

Short Term Rentals are expressly prohibited. A Short Term Rental is any type of lease, agreement, or arrangement which provides to a person or entity other than the Owner of the Lot the right to use and possess the Lot and the single family residential dwelling on the Lot for a period less than one hundred eighty (180) consecutive days.

The Association may, after the notice required by law, levy daily fines against the Owner of the Owner's Lot for each day that a violation of this Section exists in an

amount determined to be appropriate by the Board of Directors. This provision supersedes any conflicting provision in any fining policy adopted by the Association.

In the event of a violation of this Section 3.23, the Association may exclude an Owner's lessee from access to the Association's Common Areas, including, but not limited to, the Association swimming pools and splashpads.

It is not the intention of this Section 3.23 to exclude from a single family residential dwelling on a Lot any individual who is entitled to occupy the single family residential dwelling by any state or federal law. If any provision in this Section 3.23 is determined to violate state or federal law, this Section 3.23 will be interpreted to be as restrictive as possible without violating applicable law.

The Association's Board of Directors may adopt rules, guidelines or policies deemed appropriate for the enforcement of this Section 3.23 so long as any such rules, guidelines or policies are consistent with this Section 3.23. Any such rules, guidelines or policies will have the same force and effect as the provisions in this Declaration.

3. Article V, Section 5.9, of the Declaration, entitled "**Administrative Fees**", is amended to read as follows:

**SECTION 5.9. ADMINISTRATIVE FEES.** The Association may charge a fee to cover the administrative costs associated with providing information and documents in connection with the sale of a Lot in the Subdivision and changing all of the ownership records of the Association (the "**Administrative Fee**"). An Administrative Fee must be paid to the Association upon each transfer of title to a Lot. The amount of the fee may be set by the Board of Directors of the Association, but the amount may not, at any given time, exceed one-third (1/3) of the Annual Assessment then in effect.

4. Article V, Section 5.14, of the Declaration, entitled "Sports Center/Beach Club", is amended to read as follows:

**SECTION 5.14.**            **LAGOON/AMENITY VILLAGE.** Developer has caused to be constructed a lagoon and related amenity village in or in close proximity to the Subdivision. Due to the anticipated cost of operating, maintaining and repairing the lagoon and amenity village, the Owner of each Lot in the Subdivision must pay to the Association an additional annual assessment (the "**Lagoon/Amenity Village Assessment**") on January 1<sup>st</sup> of each year. The rate of the annual Lagoon/Amenity Village Assessment is Three Hundred and no/100 Dollars (\$300.00) per Lot. The rate of the annual Lagoon/Amenity Village Assessment may be adjusted (increased or decreased) based upon the annual budget for the operation, maintenance and repair of the lagoon and amenity village, but not more than once in a calendar year. For each Lot acquired by a Builder, the Builder is obligated to pay the full amount of the Lagoon/Amenity Village Assessment at closing on the purchase of the Lot and each year thereafter for as long as the Builder owns the Lot. Payment of the Lagoon/Amenity Village Assessment is due on January 1<sup>st</sup> of each year and will become delinquent if payment is not received by the Association by January 31<sup>st</sup> of the year in which it became due. Payment of Lagoon/Amenity Village Assessments is secured by the lien established in Section 5.3 of this Declaration; a Lagoon/Amenity Village Assessment is also the personal obligation of the person who was the Owner of the Lot at the time the Lagoon/Amenity Village Assessment became due. Lagoon/Amenity Village Assessments are subject to the same charges and remedies for non-payment that are set forth in Section 5.17 of the Declaration. Each Owner of a Lot in the Subdivision is entitled to use and enjoy the lagoon and amenity village, subject to rules and regulations relating to the use and operation of the lagoon and amenity village.

NOTICE IS HEREBY GIVEN THAT THE LAGOON AND AMENITY VILLAGE MAY OR MAY NOT BE OWNED BY THE ASSOCIATION AND THE LAGOON AND AMENITY VILLAGE MAY BE MADE AVAILABLE FOR USE BY PERSONS WHO ARE NOT LOT OWNERS IN THE SUBDIVISION.

5. Section 5.22, entitled "**Community Enhancement Fee**", is added to Article V of the Declaration to read as follows:

**SECTION 5.22**      **COMMUNITY ENHANCEMENT FEE**. The Association may charge a fee upon the transfer of title to a Lot, as provided in this section, to cover the cost of projects and services not within the Association's annual operating budget which are determined by the Board of Directors to benefit the residents of the Subdivision and to enhance the overall quality and desirability of the Subdivision (the "**Community Enhancement Fee**"). Community Enhancement Fees may be used by the Association for, by way of example and not in limitation, paying costs associated with sponsoring and promoting events within the Subdivision for the benefit of all residents, paying costs to install improvements in and around the Subdivision that enhance the appearance of the Subdivision, paying costs associated with sponsoring and promoting events at the lagoon and amenity village for the benefit of all residents, and paying costs associated with changing all computer data to enable each purchaser of a Lot within the Subdivision to access and use the lagoon and amenity village. Although Community Enhancement Fees may be used by the Association for various purposes, it is anticipated some of the purposes will be related to the lagoon and amenity village, as described above. Community Enhancement Fees will be applicable only to the transfer of title to a Lot on or after January 1<sup>st</sup> of the year next following the year in which this instrument is recorded. The Community Enhancement Fee is payable by the purchaser of the Lot; provided that, Developer, Declarants and Builders are not subject to the obligation to pay a Community Enhancement Fee. The rate of the Community Enhancement Fee is Nine Hundred Fifty and no/100 Dollars (\$950.00) and it is due and payable to the Association on the date of transfer of title to a Lot. Payment of the Community Enhancement Fee is secured by the lien established in Section 5.3 and is also the personal obligation of the purchaser of the 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.

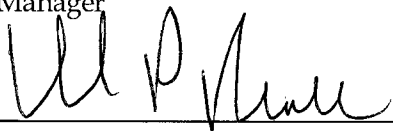
IN WITNESS WHEREOF, Developer has executed this instrument on the date of the acknowledgements, to be effective upon recording in the Official Public Records of Real Property of Galveston County, Texas.

**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

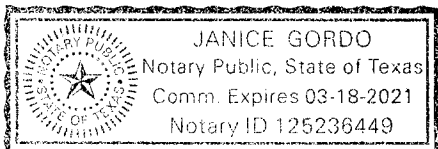
By:   
Al P. Brende, Manager

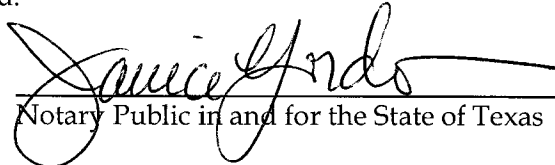
By: Brende Lago Mar, LLC,  
a Texas limited liability company,  
Co-Manager

By:   
Al P. Brende, Manager

THE STATE OF TEXAS     §  
   §  
COUNTY OF HARRIS     §

BEFORE ME, the undersigned notary public, on this 2<sup>nd</sup> day of October, 2020 personally appeared Al P. Brende, 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.

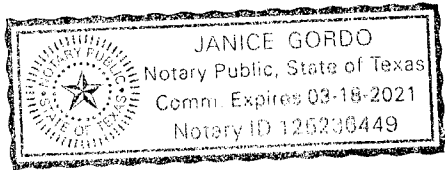


  
Notary Public in and for the State of Texas



THE STATE OF TEXAS       §  
  §  
COUNTY OF HARRIS       §

BEFORE ME, the undersigned notary public, on this 2nd day of October, 2020 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.



*Janice Gordo*  
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Notary Public in and for the State of Texas

## FILED AND RECORDED

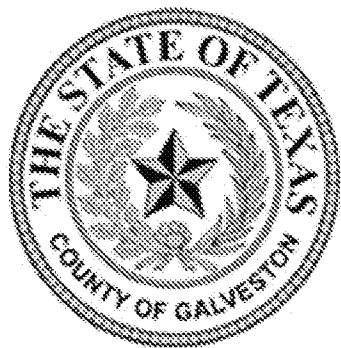
Instrument Number: 2020062217

Recording Fee: 58.00

Number Of Pages:10

Filing and Recording Date: 10/02/2020 12:33PM

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".

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Dwight D. Sullivan, County Clerk  
Galveston County, Texas

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