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ACKNOWLEDGMENT OF TRANSITION OF CONTROL TO ELECTED BOARD OF  
DIRECTORS AND TERMINATION OF "CLASS B CONTROL PERIOD"

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WHEREAS, Pars at the Lake, L.L.C., f/k/a Grace Creek Development, a Texas limited liability company, hereinafter "Declarant", and Eagle's Bluff Community Association, Inc., hereinafter "HOA", have come together to collaborate and affect the proper transfer of governance to the Board of Directors for the HOA and terminate the "Class B Control Period";

WHEREAS, pursuant to Article III, Section 3.3(b)(iii) of the Declarations of Covenants, Conditions, and Restrictions for Eagle's Bluff, as recorded in Volume 1400, 387 of the Real Property Records of Cherokee County:

The sole Class "B" Member shall be the Declarant. The rights of the Class "B" Member, including the right to approve, or withhold approval of, actions proposed under this Declaration and the Bylaws, are specified elsewhere in this Declaration and the Bylaws. Any right of the Declarant to approve or disapprove of actions by the Association shall be applicable solely to any units owned by Declarant. The Class "B" Member may appoint a majority of the members of the Board of Directors during the Class "B" Control Period, as specified in the Bylaws.

The Class "B" membership shall terminate and become converted to Class "A" membership upon the earlier of:

- (i) three (3) years after expiration of the Class "B" Control Period if the Class "B" Control Period terminates prior to when 100% of the maximum number of Units permitted by the Master Plat for the property described on Exhibit "A" have certificates of occupancy issued thereon and have been conveyed to Persons other than Builders;
- (ii) when 100% of the maximum number of Units permitted by the Master Plat for the property described on Exhibit "A" have certificates of occupancy issued thereon and have been conveyed to Persons other than Builders; or
- (iii) when, in its discretion, the Declarant so determines and declares in a recorded instrument.

WHEREAS, pursuant to Article III, Section 3.7 (a) of the Bylaws for Eagle's Bluff, as recorded in Volume 1400, 387 of the Real Property Records of Cherokee County:

Subject to the right of the Class "A" Members to elect certain members of the Board of Directors pursuant to Section 4.2 hereof, Declarant hereby retains the right to appoint and remove all members of the Board of Directors and to remove any officer or officers of the Association during the "Class B Control Period", which shall terminate 15 days after the first of the following events shall occur:

- (i) the expiration of twenty (20) years after the date of the recording of the Declaration;
- (ii) the date upon which all of the Units intended by Declarant to be a part of the Development have been conveyed by Declarant to Owners other than a person or persons constituting Declarant; or
- (iii) the surrender by Declarant of the authority to appoint and remove directors and officers by an express amendment to the Declaration executed and recorded by Declarant.

**I. AGREED EXPIRATION OF DECLARANT CONTROL PERIOD**

- A. Declarant recognizes this agreement as the recordable instrument referenced in Section 3.3(b)(iii) of the Declarations of Covenants, Conditions, and Restrictions for Eagle's Bluff;
- B. Declarant hereby expressly acknowledges that the Class "B" Membership is hereby terminated, and his rights, if any, are hereby modified to Class "A" Membership;
- C. As of the date of the recording of this document, Declarant no longer has the exclusive right to approve, or withhold approval of, actions proposed under the Declarations and the Bylaws; and
- D. Declarant further expressly acknowledges that the "Class B Control Period" is hereby terminated, and Declarant's right to appoint and remove all members of the Board of Directors and to remove any officer or officers of the Association is further terminated.

II. DECLARANT'S RIGHT TO EXTEND CLASS "B" ASSESSMENT RATES FOR  
REMAINDER OF 2014, WELL ISSUES, AND ROAD ISSUES

- A. As consideration for Declarant's agreement to the provisions in the foregoing, HOA will extend Declarant's right to elect the form of assessment for all of Declarant's unsold Units for the remainder of 2014.
- B. As of January 1, 2015, Declarants shall pay assessments on its unsold Units in the same manner as any owner or Class "A" Member.
- C. As consideration for HOA's agreement to the provisions in the foregoing, Declarant will assume liability for well and pump station costs. Furthermore, Declarant agrees to assume all costs of repair associated with the well and pump station and continue to provide water to HOA. This agreement is binding on Declarant's respective heirs, personal representatives, successors, and assigns.
- D. As consideration for HOA's agreement to the provisions in the foregoing, Declarant will make reasonable and necessary repairs in like kind for the roads in Section 4. Declarant's obligation shall be for a period of time, being either the shorter of (1) ten (10) years or (2) until the last property of Declarant is sold.

III. TRANSFER OF TITLE AND OWNERSHIP OF COMMON AREAS

- A. **Common Areas of Responsibility to be Conveyed to HOA:** Declarant currently owns, as the titled owner, certain property within the platted boundaries of Eagle's Bluff Community Association, Inc., as reflected in the plat recorded in Volume 1440 Page 44 of the Cherokee County Land Records, which is attached hereto as Exhibit "B". Portions of this platted area are designated to be common areas of responsibility of the HOA. Declarant hereby conveys clear and unencumbered title to the property identified in Exhibit "B" to HOA, with said property being more specifically identified on Exhibit "B" as the following:

- 1. Greenbelt at entry on Eagle's Bluff Blvd.;
- 2. Restricted Greenbelt (large);
- 3. Restricted Greenbelt (small);
- 4. Median including Guardhouse;
- 5. Median containing gate monuments and fence;
- 6. Median on Carlton's Way;
- 7. Median on Carlton's Way;
- 8. Restricted Greenbelt (Eagle's Bluff Blvd.);
- 9. Median on Eagle's Peak Dr. N.;
- 10. Restricted Greenbelt (Eagle's Bluff Blvd.);
- 11. Restricted Greenbelt (entrance of Whispering Pines);
- 12. Restricted Greenbelt (entrance of Whispering Pines);



13. Median on Whispering Pines;
14. Restricted Greenbelt (Eagle's Peak Court);
15. Restricted Greenbelt (Eagle's Bluff Blvd.);
16. Restricted Greenbelt (entrance of Dogwood Lakes Circle);
17. Restricted Greenbelt (entrance of Dogwood Lakes Circle);
18. Median on Dogwood Lakes Circle;
19. Median on Red Oak Court;
20. Median on Eagle's Bluff Blvd. at Parkview Blvd.;
21. Restricted Greenbelt (Parkview Blvd.);
22. Restricted Greenbelt (Parkview Blvd.);
23. Median on Parkview Blvd.;
24. Median on Red Oak Court;
25. Restricted Greenbelt (Parkview Blvd.);
26. Restricted Greenbelt (Parkview Blvd.);
27. Median on Eagle's Bluff Blvd.;
28. Median on Eagle's Peak Dr. South;
29. Restricted Greenbelt (Parkview Blvd.);
30. Park and Reserve Area on west Parkview Blvd.;
31. Restricted Greenbelt (Sunset Circle and Eagle's Bluff Blvd.);
32. Restricted Greenbelt (Dogwood Lakes Circle and Eagle's Bluff Blvd.);
33. Restricted Greenbelt (Sunset Circle and Eagle's Bluff Blvd.);
34. Restricted Greenbelt (Sunset Circle);
35. Median on Sunset Circle;
36. Restricted Greenbelt (Sunset Circle);
37. Entrance Monument;
38. Median;
39. Entrance Monument;
40. All roads including alleys;
41. OMITTED;
42. Median on Lake Bluff Dr. N.; and
43. Median on Parkview.

B. In consideration for the agreement of Declarant to this agreement, HOA agrees to accept ownership and responsibility for the areas enumerated in the foregoing, with said property and areas being deemed areas of common responsibility as defined in the Declarations of Covenants, Conditions, and Restrictions of the HOA upon the transfer of title to HOA.

C. **Property Taxes:** In consideration for the agreement of Declarant to this agreement, HOA agrees that it shall be solely responsible for any property taxes due and owing on the property and areas enumerated in the foregoing for the year 2014 and following the date of transfer of title. In consideration for the agreement of HOA to this agreement, Declarant agrees that it shall be solely responsible for any back taxes, penalties and

interest, and attorney's fees due and owing on the property and areas enumerated in the foregoing preceding the date of transfer of title.

- D. **Utility Expenses:** In consideration for the agreement of Declarant to this agreement, HOA agrees that following the date of transfer of title from the Declarant to the HOA, the HOA shall be solely responsible for any utility expenses due and owing on the property and areas enumerated in the foregoing. In consideration for the agreement of HOA to this agreement, Declarant agrees that it shall be solely responsible for any back utilities due and owing on the property and areas enumerated in the foregoing preceding the date of transfer of title.
- E. **Reconciliation and Credit Card Funds:** In consideration for the agreement of HOA to this agreement, Declarant agrees that it shall complete the 2013 reconciliation and credit card funds prior to transition.
- F. Neither Declarant nor HOA shall make any agreement with a third party to sell, transfer, convey or alienate any portion of the property enumerated in the foregoing that will negate or alter the agreements contained in this agreement.
- G. Declarant, the undersigned, has read and understands the terms of this Acknowledgment. By their signature affixed below, they agree and bind all parties to make all reasonable efforts to complete this transfer and severance.

By: 

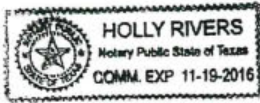
Print: David Carlisle  
Member-Money

Authorized Representative of Pars at the  
Lake, L.L.C., f/k/a Grace Creek  
Development

Date: 8/8/14

STATE OF TEXAS           §  
                                  Harrison   §  
COUNTY OF ~~SMITH~~       §

BEFORE ME, the undersigned authority, on the 8<sup>th</sup> day of August, 2014, personally appeared, David Carlile, to me known to be the members/managers of Pars at the Lake, L.L.C., f/k/a Grace Creek Development, and he/she acknowledged before me the he/she executed the same for the purposes therein expressed.



Holly Rivers  
Notary Public, State of Texas  
My Commission Expires: 11/19/16

EXHIBIT

“B”

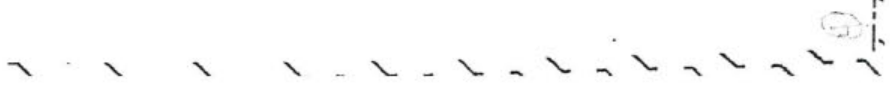
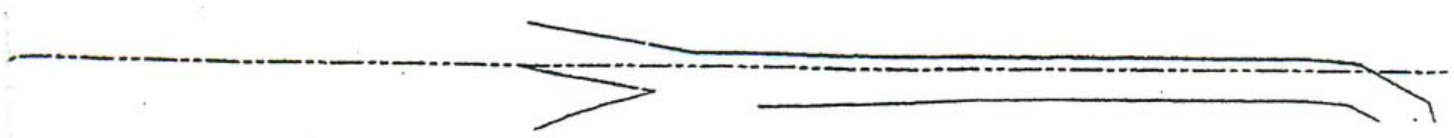
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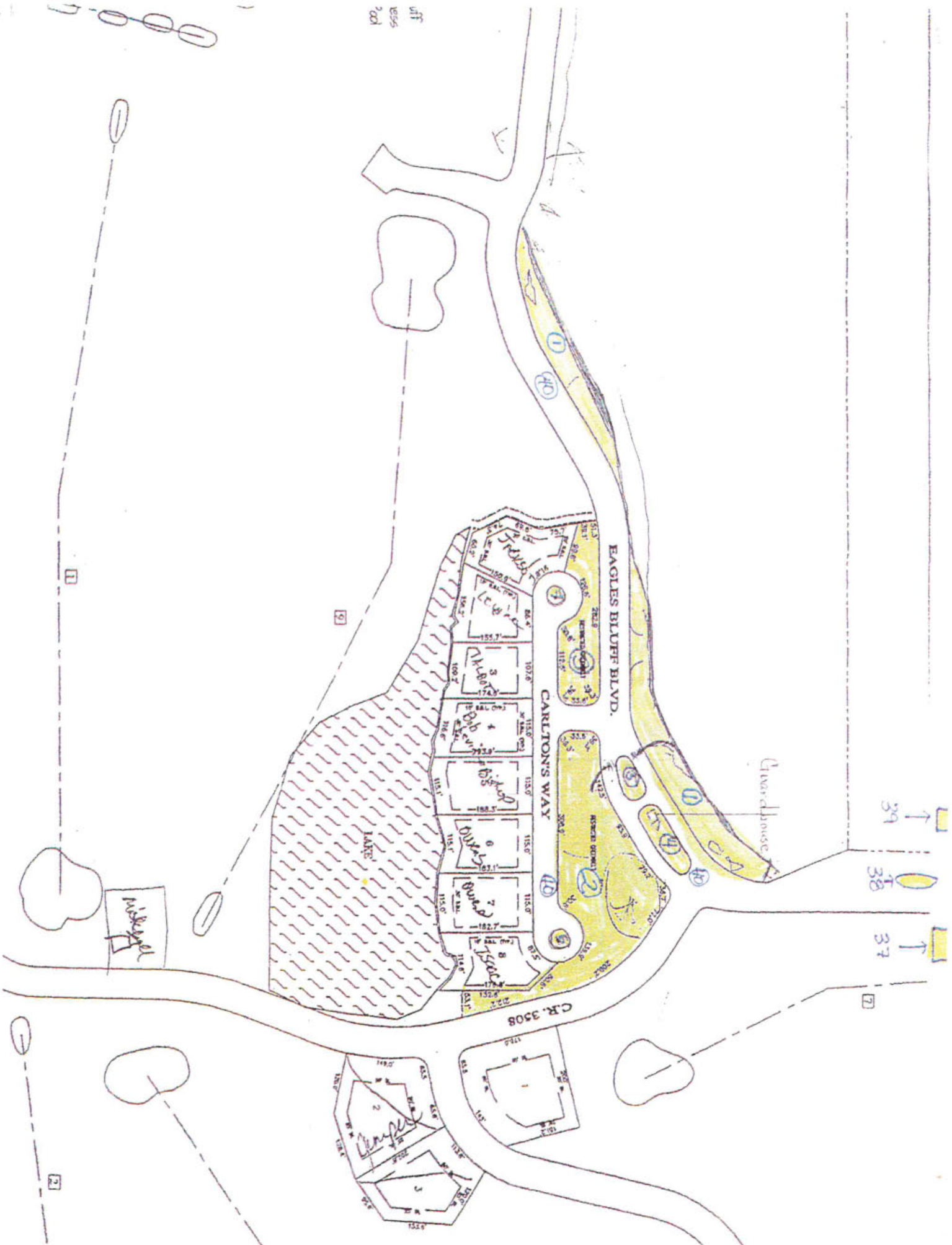
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