
THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS FOR EAGLE'S BLUFF

This Third Amendment to DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS for Eagle's Bluff Community Association, Inc., is made on the date hereinafter set forth by the Board of Directors for Eagle's Bluff Community Association, Inc. ("Association").

WHEREAS, Association filed a First Amendment to the Declarations of Covenants, Conditions and Restrictions for Eagle's Bluff Community Association, Inc., Cherokee County, Texas, on August 11, 2014, and it was recorded as Document Number 00637130; and

WHEREAS, Association filed a Second Amendment to the Declarations of Covenants, Conditions and Restrictions for Eagle's Bluff Community Association, Inc., Cherokee County, Texas, on June 30, 2016, and it was recorded as Document Number 00653510; and

WHEREAS, Association desires to further amend the Declarations of Covenants, Conditions and Restrictions for Eagle's Bluff Community Association, Inc.

NOW THEREFORE, the Declaration of Covenants, Conditions, and Restrictions are hereby amended accordingly:

1. Article 6.1(c) of the First Amended Declarations of Covenants, Condition and Restrictions is hereby deleted in its entirety and replaced with the following:

6.1(c) Damage and Destruction. Immediately after damage or destruction to all or any part of the Properties covered by insurance written in the name of the Association, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. "Repair or reconstruction," as used in this paragraph, means repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

Any damage to or destruction of the Common Area shall be repaired or reconstructed unless the Owners representing at least a majority of the total Class "A" votes in the Association, and the Class "B" Member, if any, decide within ninety (90) days after the loss not to repair or reconstruct.

If either the insurance proceeds or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not available to the Association within such 90-day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed sixty (60) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed.

If determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat, attractive, and landscaped condition consistent with the Community-Wide Standard.

Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, including, but not limited to, payment to any Mortgagee of the Common Area, shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Unit.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board of Directors may, without a vote of the Owners, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under Section 6.1(a).

2. Article VIII of the First Amended Declarations of Covenants, Condition and Restrictions is hereby deleted in its entirety and replaced with the following:

If any part of the Common Area shall be taken, or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Owners representing at least a majority of the total Class "A" votes in the Association and of the Declarant, as long as the Declarant owns any property described on Exhibit "A", by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Area to the extent available, unless within sixty (60) days after such taking the Declarant, so long as the Declarant owns any property described in Exhibit "A" of this Declaration, and Owners representing at least a majority of the total Class "A" vote of the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Section 6.1(c) regarding funds for the repair of damage or destruction shall apply.

If the taking does not involve any improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine, including utilization for reserve fund, to defray other common expenses, management or professional fees, or payment of governmental dues, penalties, and payments.

3. Article 9.2 of the First Amended Declarations of Covenants, Condition and Restrictions is hereby deleted in its entirety and replaced with the following:

9.2. Annexation With Approval of Membership. The Association may annex real property located adjacent to and contiguous with the Properties after December 31, 2028, with the consent of the owner of such property, the affirmative vote of Owners representing at least a majority of the Class "A" votes of the Association represented at a meeting duly called for such purpose, and the consent of the Declarant so long as Declarant owns property subject to this Declaration or which may become subject to this Declaration in accordance with Section 9.1.

Annexation shall be accomplished by filing a Supplemental Declaration describing the property being annexed in the Public Records. Any such Supplemental Declaration shall be signed by the President and the Secretary of the Association, and by the owner of the annexed property. Any such annexation shall be effective upon filing unless otherwise provided therein.

4. Article 10.3 of the First and Second Amended Declarations of Covenants, Condition and Restrictions is hereby deleted in its entirety and replaced with the following:

10.3. Computation of Base Assessment. At least thirty (30) days before the beginning of each fiscal year, the Board shall prepare a budget covering the estimated Common Expenses during the coming year, including a capital contribution to establish a reserve fund in accordance with a budget separately prepared as provided in Section 10.5.

The Base Assessment shall be levied equally against all Units; provided, however, commencing as described in Section 10.9, for a period of one (1) year, Units owned by Builders shall be assessed at one-fourth (1/4) of the Base Assessment rate levied on Units not owned by Builders. Following the expiration of said one (1) year period, Units owned by Builders shall be assessed at the full Base Assessment rate established for all other Units. The number of Units owned by a Builder on a parcel of vacant land or land on which improvements are under construction shall be determined by the maximum allowable density of Units designated for such parcel on the recorded agreed plat of the Association, until such time as a subdivision plat is filed for the parcel. After a subdivision plat is filed for the parcel, the number of Units owned by the Builder shall be based upon such recorded agreed plat.

The Base Assessment shall be set at a level which is reasonably expected to produce total income for the Association equal to the total budgeted Common Expenses, including reserves. In determining the level of assessments, the Board, in its discretion, may consider other sources of funds available to the Association. In addition, the Board shall take into account the number of Units subject to assessment under Section 10.9 on the first (1st) day of the fiscal year for which the budget is prepared and the number of Units reasonably anticipated to become subject to assessment during the fiscal year.

So long as the Declarant has the right unilaterally to annex additional property pursuant to Article IX, the Declarant may, but shall not be obligated to, reduce the Base Assessment for any fiscal year by payment of a subsidy, in addition to any amounts paid by Declarant under Section 10.2, which may be either a contribution, an advance against future assessments due from the Declarant, or a loan, in the Declarant's discretion. Any such subsidy shall be conspicuously disclosed as a line item in the Common Expense budget and shall be made known

to the membership. The payment of such subsidy in any year shall under no circumstances obligate the Declarant to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and the Declarant.

The Board shall send a copy of the budget and notice of the amount of the Base Assessment for the following year to be delivered to each Owner prior to the beginning of the fiscal year for which it is to be effective. Such budget and assessment shall become effective unless disapproved at a meeting by Owners representing at least a majority of the total Class "A" votes of the Association and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Owners as provided for special meetings in the Bylaws, which petition must be presented to the Board within ten (10) days after delivery of the notice of assessments.

If the proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then until such time as a budget is determined, the budget in effect for the immediately preceding year shall continue for the current year.

5. Article 12.2 of the First Amended Declarations of Covenants, Condition and Restrictions is hereby deleted in its entirety and replaced with the following:

12.2. Authority to Promulgate Use Restrictions and Rules. Initial use restrictions applicable to all of the Properties are attached at Exhibit "C" to this Declaration. Subject to the terms of this Article, such initial use restrictions may be modified in whole or in part, repealed or expanded as follows:

(a) Subject to the Board's duty to exercise sound business judgment and reasonableness on behalf of the Association and its Members, the Board may adopt rules which modify, cancel, limit, create exceptions to, or expand the initial use restrictions set forth on Exhibit "C." The Board shall send notice to all Owners concerning any such proposed action at least ten (10) and no more than sixty (60) business days prior to the Board meeting at which such action is to be considered. Owners shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken.

Such action shall become effective unless disapproved by the vote of the Owners representing at least a majority of the total Class "A" votes of the Association and by the Class "B" Member, if such exists.

(b) Alternatively, the Owners, at a meeting duly called for such purpose as provided in the Bylaws, may adopt rules which modify, cancel, limit, create exceptions to, or expand the use restrictions and rules previously adopted by a vote of Owners representing at least a majority of the total Class "A" votes and the approval of the Class "B" Member, if any.

(c) At least thirty (30) days prior to the effective date of any action taken under subsections (a) or (b) of this Section, the Board shall send a copy of the rule

to each Owner. The Association shall provide, without cost, a copy of the use restrictions and rules then in effect (hereafter the "Use Restrictions and Rules") to any requesting Member or Mortgagee.

6. Article 18.1(b) of the First Amended Declarations of Covenants, Condition and Restrictions is hereby deleted in its entirety and replaced with the following:

18.1(b) Unless otherwise provided by Texas law, in which case such law shall control, this Declaration may not be terminated within twenty (20) years of the date of recording without the consent of all Unit Owners and unanimous approval of the Board of Directors. Thereafter, it may be terminated only by an instrument signed by Owners of a majority of the total Units within the Properties and by the Board of Directors, which instrument is recorded in the Public Records. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

7. Article 18.2(a) of the First Amended Declarations of Covenants, Condition and Restrictions is hereby deleted in its entirety and replaced with the following:

18.2(a): Owners. Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners representing a majority of the total votes of the Association, with such vote tabulation being at a properly noticed meeting called for the purpose of amendment. In addition, the approval requirements set forth in Article XIV hereof shall be met if applicable.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

All other terms and conditions and Exhibits shall remain in full force and effect.

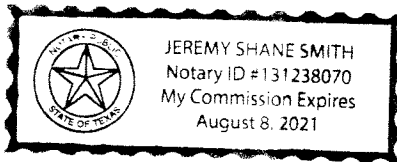
IN WITNESS WHEREOF, the undersigned Representatives of the Board of Directors has executed this Declaration this 26th day of Sept. 2017.

9/26/17
Date

Ronald L. Safford
President

STATE OF TEXAS §
 §
COUNTY OF CHEROKEE §

BEFORE ME, the undersigned authority, on the 26th day of SEPTEMBER 20 17 personally appeared, RONALD L. SAFFORD, to me known to be the PRESIDENT of Eagle's Bluff Community Association, Inc., and he/she acknowledged before me the he/she executed the same for the purposes therein expressed.



Jeremy Shane Smith
Notary Public, State of Texas
My Commission

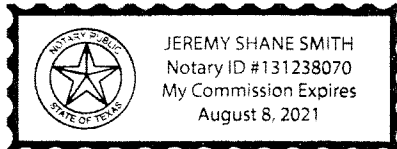
Expires: 8/8/2021

9-27-17
Date

John K. Latham
Secretary

STATE OF TEXAS §
COUNTY OF CHEROKEE §

BEFORE ME, the undersigned authority, on the 27 day of SEPTEMBER, 2017, personally appeared, JOHN K. LATHAM, to me known to be the SECRETARY of Board of Directors for Eagle's Bluff Community Association, Inc., and he/she acknowledged before me the he/she executed the same for the purposes therein expressed.



Expires: 8/8/2021

Jeremy Shane Smith
Notary Public, State of Texas
My Commission

Filed for Record in:
Official Public Records
Cherokee County

On: Sep 27, 2017 at 02:15P

As a
Recordingss

Document Number: 00665601

By:
Marion Loftin,
Deputy

STATE OF TEXAS COUNTY OF CHEROKEE

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of:

Cherokee County
as stamped hereon by me.

Sep 27, 2017

HONORABLE Laverne Lusk, COUNTY CLERK
Cherokee County