



# RENT HOUSE RULES AMENDMENT

(Amends Declaration of Covenants, Conditions & Restrictions)

**CHS Savannah, L.P.**, a Delaware limited partnership, is the successor "**Declarant**" of Savannah, a phased planned development in Denton County, Texas, which is subject to the Declaration of Covenants, Conditions & Restrictions for Savannah, recorded on October 24, 2003, as Document No. 2003-R0176314, in Volume 5546, Page 2083, Real Property Records, Denton County, Texas, as amended and supplemented from time to time (the "**Declaration**").

Pursuant to the authority granted to Declarant by Section C.3.10 of Appendix C of the Declaration to unilaterally amend the Declaration for the purpose of adopting or modifying community rules and policies for Savannah, Declarant hereby publishes the "*Notice - We Call Savannah Home*" **ATTACHED HERETO**, on behalf of the Savannah Community Association. Further, Declarant hereby amends the Declaration of Covenants, Conditions & Restrictions for Savannah by the addition of Article 19, titled "Rent House Rules," **ATTACHED HERETO**.

**SIGNED** on the 31<sup>ST</sup> day of October 2007.

**CHS SAVANNAH, L.P.**, a Delaware limited partnership

By: HC OPERATING SAVANNAH, LLC, a Texas limited liability company, its general partner

By: HC OPERATING, L.P., a Texas limited partnership, its sole member

By: HC OPERATING GP, LLC, a Texas limited liability company, its general partner

By: *Phillip W. Huffines*  
Phillip Huffines, Managing Director

THE STATE OF TEXAS    §  
   §  
COUNTY OF DALLAS    §

This Instrument was acknowledged before me on the 31 day of October 2007 by Phillip Huffines, Managing Director of HC Operating GP, LLC, a Texas limited liability company, on behalf of the company in its capacity as general partner of HC Operating, L.P., a Texas limited partnership, on behalf of the partnership in its capacity as sole member of HC Operating Savannah, LLC, a Texas limited liability company, on behalf of the company in its capacity as general partner of CHS Savannah, L.P., a Delaware limited partnership, on behalf of the limited partnership.



*Roxanne M. Cabrera*  
Notary Public, The State of Texas  
1sA:\03-0913\docs\SAV-Rent House Rules\_v4 rd=9/24/07 pd=10/2/07

## NOTICE



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SAVANNAH IS A DEED-RESTRICTED RESIDENTIAL COMMUNITY IN DENTON COUNTY, TEXAS .

### **WE LIVE HERE.**

WE DESIRE TO MAINTAIN SAVANNAH AS A COMMUNITY OF CONGENIAL NEIGHBORS, WITHOUT REGARD TO THE RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN OF OUR RESIDENTS

### **WE SUPPORT FAIR HOUSING**

The provisions of the Fair Housing Act make it unlawful to discriminate in the sale, rental and financing of housing, and in the provision of brokerage and appraisal services, because of race, color, religion, sex, handicap, familial status, or national origin. The Fair Housing Act makes it unlawful to make, print, or publish, or cause to be made, printed, or published, any notice, statement, or advertisement, with respect to the sale or rental of a dwelling, that indicates any preference, limitation, or discrimination because of race, color, religion, sex, handicap, familial status, or national origin or an intention to make any such preference, limitation or discrimination.

- & -

### **WE ARE HOMEOWNERSHIP PROUD**

WE FAVOR OWNERS WHO LIVE IN SAVANNAH OVER ABSENTEE OWNERS

WE WANT SAVANNAH TO BE AN "OWNERSHIP" COMMUNITY, NOT A RENTAL PROJECT

**SO, WE DISCRIMINATE AGAINST LANDLORDS.**

FOR EXAMPLE,

WE LIMIT THE NUMBER OF RENT HOUSES IN SAVANNAH

THERE'S MORE!

PLEASE REFER TO SAVANNAH'S **RENT HOUSE RULES**  
ATTACHED TO THIS NOTICE

Adopted & Published by

Board of Directors  
Savannah Community Association  
701 Savannah Blvd., Savannah, Texas 76227  
Tel (972) 346-3020 • Fax (972) 346-3022  
<http://savannahca.com/>



**RENT HOUSE RULES**

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**ARTICLE 19**  
**RENT HOUSE RULES**

19.1. **PURPOSE.** Leasing of homes is regulated by this Article to protect the owners' equity in the Property, to preserve the character of the Property as a residential community of predominantly owner-occupied homes, to encourage continuity of the community's values, to prevent the Property from assuming the character of a renter-occupied subdivision, and to enhance the eligibility of homes in the Property for mortgage financing. This Article is based on the popular perceptions that - on average - (1) renters change home addresses more frequently than owners, (2) homes and yards are cared for better by owners who occupy their homes than by absentee owners and their renters, and (3) owners who occupy their homes are more conscientious about complying with the Association's rules and restrictions than are absentee owners and their renters.

19.2. **DEFINITIONS.** As used in this Article and in any rules adopted to implement this Article, the following words and phrases, whether or not capitalized, have specified meanings when used in the Governing Documents, unless a different meaning is apparent from the context in which the word or phrase is used:

19.2.1 **"Owner Occupied Home"** means a house in which at least one occupant is an owner or owner's spouse, or is related to an owner or owner's spouse by blood, marriage, adoption, or formal guardianship, and for which occupants do not pay rent.

19.2.2 **"Rent House"** means (1) an occupied house that is not an Owner Occupied Home, or (2) a house that is vacant for 3 or more consecutive months.

19.3. **ASSOCIATION'S ROLE.** In determining the identities of owners and the numbers of lots owned by each owner, the board may rely on the most recent property tax roll, updated by deeds or settlement statements obtained by the Association. In determining whether a house is an Owner Occupied Home or a Rent House, the board may rely on utility records, postal records, reports of neighbors, self-reporting by occupants, and other reasonably available resources. On request by the Association from time to time, owners and renters will provide the Association with documentation of ownership, tenancy, or a qualifying relationship, as appropriate. This Article may not be construed to create an affirmative duty for the Association to investigate the occupancy or ownership of homes in the Property.

19.4. **ONE RENT HOUSE LIMIT.** This Article does not prohibit leasing of homes. It does, however, limit the number of Rent Houses that may be owned by any owner or group of co-owners.

19.4.1 **Only One at a Time.** A person may not own more than one Rent House in Savannah at a time. A person may live in Savannah and own one Rent House in Savannah, but may not own two or more Rent Houses in Savannah at the same time.

19.4.2 **Who May Own a Rent House?** Without the board's prior written permission, any person may own one Rent House if either of the following two criteria applies:

- a. **The owner actually occupied the Rent House as his home** - on a more or less full-time basis - **for the first 12 consecutive months** after acquiring an ownership interest in the home.
- b. The owner **owns no other Rent House** in the Property - an owner may own only one Rent House at a time.

**19.4.3 Determining Ownership.** In identifying a lot's owner as an owner occupant or absentee owner, the following are considered to be the same owner for purposes of this Article, and collectively (or jointly) may own no more than one Rent House.

- a. Related entities, such as corporate-type affiliates and subsidiaries, are counted as one owner.
- b. Co-owners of a lot are counted as one owner.
- c. The spouse of an owner is counted with the owner as the same owner.
- d. Trusts and estates established or controlled by an owner are counted with the owner as one owner.

**19.4.4 Loss of Privilege to Lease or Manage.** An owner or the owner's manager or real estate agent, who knowingly, willfully, and significantly or repeatedly violates a provision of this Article may be declared by the Association to be disqualified from owning or managing any Rent House in the Property. A declaration of disqualification must be approved unanimously by the board of directors. The disqualification may be perpetual as to a person or entity, and may be evidenced by a Notice of Disqualification recorded in the Real Property Records of Denton County, Texas.

**19.5. OWNER'S DUTY TO QUALIFY RENTERS.** The Association does not process rental applications or screen or approve renters. The purpose of this Section is to establish minimum criteria by which the owner of a Rent House must qualify renters and any other occupants of the owner's Rent House.

**19.5.1 Positive Rental History.** Adult occupants of a Rent House must have at least one year current and verifiable residential rental history, and no history of evictions.

**19.5.2 No Section 8 Housing.** A Rent House may not be used for a publicly financed or subsidized housing program, such as Section 8 Housing.

**19.5.3 No Sex Offenders.** No occupant of any Rent House may be a person who has been convicted of a sex crime (1) that involved a victim who was less than 16 years of age at the time of the sex crime, and (2) which requires the person to register on the Texas Department of Public Safety's Sex Offender Database. A sex offender who was a minor when he committed the offense and who was not convicted as an adult is exempt from the application of this Section.

**19.6. ADDITIONAL RESTRICTIONS ON LEASING.**

**19.6.1 No "For Rent" or "For Lease" Signs.** Without the board's prior written permission, which may be withheld, no person may post or maintain a sign anywhere on the Property that advertises a house for rent or for lease. This blanket prohibition includes, without limitation, yard signs, signs in or on windows, and signs on vehicles.

**19.6.2 Supervision of Maintenance.** The owner of a Rent House is responsible to the Association for periodic inspection and supervision of the appearance, condition, and maintenance of the yards and Rent House exteriors to ensure that the Rent House and lot are maintained to a level that is at least commensurate with the neighborhood standard and in

compliance with Section 13.2 of this Declaration. An owner may not delegate to his tenant the owner's responsibility for inspection and supervision.

**19.6.3 Surrogates.** The Association may refuse to recognize (1) a renter as a representative of the owner unless the renter presents documentation that the renter is the owner's attorney in fact for all purposes pertaining to the Rent House, or (2) the renter is the owner's appointed proxy for a meeting of the Association.

**19.6.4 Use of Community Amenities.** An owner who does not occupy a home in Savannah is not entitled to use the community amenities if the home is occupied as a Rent House. Although an owner has a general right to delegate to his tenant the owner's right to use common area amenities, the Association may condition the tenant's use on the owner's compliance with procedures to confirm ownership and verify tenancy.

**19.6.5 Different Rules.** The Association may promulgate use rules for renters that are different from use rules for owners who occupy their homes. Also, the Association may prohibit, limit, and/or charge for the use of recreational facilities by renters.

**19.6.6 Owner Responsibility.** The owner of a Rent House remains liable to the Association for all assessments, duties, and communications relating to the Rent House and its occupants.

**19.6.7 Association Not Liable for Damages.** The owner of a Rent House is liable to the Association for any expenses incurred by the Association in connection with enforcement of the Governing Documents against the owner or his tenant. The Association is not liable to the owner for any damages, including lost rents, suffered by the owner in relation to the Association's enforcement of the Governing Documents against the owner's tenant.

**19.7. LEASE CONDITIONS.** Every lease agreement on a house, whether written or oral, express or implied, is subject to and is deemed to include the following provisions:

**19.7.1 Occupancy.** No house may be rented for transient or hotel purposes or for a period less than 30 days, no house may be subdivided for rent purposes, and not less than an entire house may be leased.

**19.7.2 Subject to Governing Documents.** Whether or not it is so stated in a lease, (1) every lease is subject to the Governing Documents; (2) all leases must be in writing and must be made subject to the Governing Documents; (3) an owner is responsible for providing his tenant with copies of the Governing Documents and notifying him of changes thereto; and (4) each tenant is subject to and must comply with all provisions of the Governing Documents, federal and State laws, and local ordinances.

**19.7.3 Association at Attorney in Fact.** Failure by the tenant or his invitees to comply with the Governing Documents, federal or State law, or local ordinance is deemed to be a default under the lease. When the Association notifies an owner of his tenant's violation, the owner will promptly obtain his tenant's compliance or exercise his rights as a landlord for tenant's breach of lease. If the tenant's violation continues or is repeated, and if the owner is unable, unwilling, or unavailable to obtain his tenant's compliance, then the Association has the power and right to pursue the remedies of a landlord under the lease or State law for the default, including eviction of the tenant, subject to the terms of this Section. Notwithstanding

the absence of an express provision in the lease agreement for enforcement of the Governing Documents by the Association, each owner appoints the Association as his attorney-in-fact, with full authority to act in his place in all respects, solely for the purpose of enforcing the Governing Documents against his tenants, including but not limited to the authority to institute forcible detainer proceedings against his tenant on his behalf, provided the Association gives the owner at least 10 days' notice, by certified mail, of its intent to so enforce the Governing Documents.

**19.8. APPLICABILITY TO OWNERS.** This Article applies to every owner of every lot, except for the following limited categories of owners who are expressly exempt from the effect of this Article:

- a. Declarant and Builders, during the Development Period. (The exemption of Declarant and Builders does not pass to their respective successors and assigns.)
- b. Any house used for a purpose that is expressly protected by public ordinance or law, such as qualified community homes for disabled persons, for only so long as a house is used for the protected purpose.

**19.9. APPLICABILITY TO MANAGERS & AGENTS.** Any person who markets or manages a Rent House for the benefit of an owner is an agent of the owner and is bound by the provisions of this Article in the same manner as the owner. The Association may limit the number of Rent Houses that may be managed or marketed by one person or firm, provided the number is not less than 5. A person who manages or markets a Rent House is subject to loss of privilege to perform services in the Property for violations of this Article.

**19.10. APPLICABILITY TO HOUSES ONLY.** This Article automatically applies to every detached single family house in Savannah. It does not apply to attached or multi-family housing units, if any.

**19.11. VARIANCE.** The board may grant a variance or waiver of all or part of this Article on a case-by-case basis when unique circumstances dictate, and may limit or condition its grant. To be effective, a variance must be in writing. The grant of a variance does not effect a waiver or estoppel of the Association's right to deny a variance in other circumstances.

**19.12. EFFECTIVE DATE.** This Article 19 becomes effective 10 calendar days after the Association notifies the membership that this Article 19 has been adopted and publicly recorded. A person who owns more than one Rent House in Savannah, or who is under contract to purchase a second Rent House on the date this Article 19 becomes effective for Association members is "grandfathered" as to the particular additional Rent House owned, and may not acquire more Rent Houses or exchange Rent Houses if the result is that the owner will have more than one Rent House in Savannah.

**AFTER RECORDING, PLEASE RETURN TO:**  
 Ms. Sharon Reuler • SettlePou • Attorneys  
 3333 Lee Parkway, Eighth Floor  
 Dallas, Texas 75219

\*\*\*\* Electronically Filed Document \*\*\*\*

Denton County  
Cynthia Mitchell  
County Clerk

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\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

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 DENTON]

I hereby certify that this instrument was FILED in the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

*C Mitchell*  
County Clerk  
Denton County, Texas