

STATE OF TEXAS §
 §
COUNTY OF DENTON §

**CERTIFICATE AND RESOLUTION OF THE BOARD
OF DIRECTORS AND NEW CONSTRUCTION COMMITTEE OF THE
HIGHLAND SHORES OWNERS ASSOCIATION, INC.
ADOPTING AMENDMENT TO SECTION 2.1.1 and SECTION 2.1.2
OF THE DESIGN GUIDELINES and REVIEW PROCEDURES
FOR NEW CONSTRUCTION - RESIDENTIAL**

WHEREAS, the Board of Directors of Highland Shores Owners Association, Inc. (the “Board”), is the entity responsible for the operation of the Highland Shores Owners Association, Inc. (the “Association”), in accordance with and pursuant to that certain Declaration of Covenants, Conditions and Restrictions for Highland Shores Owners Association, recorded on or about January 25, 1984 in Volume 1330, Page 46, et seq. of the Real Property Records of Denton County, Texas, and any and all supplements thereto and amendments thereto (collectively, the “Highland Shores Declaration”); and

WHEREAS, under Article XI, Section 1 of the Highland Shores Declaration, the New Construction Committee (“NCC”) has exclusive jurisdiction over all original construction on any portion of the Properties. The NCC is authorized to prepare and, on behalf of the Board of Directors, promulgate design guidelines and application procedures; and

WHEREAS, on or about August 11, 1995, the NCC promulgated the Design Guidelines and Review Procedures for New Construction - Residential for the Highland Shores Owners Association, Inc. (the “NCC Design Guidelines”); and

WHEREAS, under Article XI of the Highland Shores Declaration, no construction is allowed which does not strictly comply with the Highland Shores Declaration and the NCC Design Guidelines; and

WHEREAS, a meeting of the NCC was held on the 5th day of February, 2010 (the “NCC Meeting”) at which a quorum was present; and

WHEREAS, a meeting of the Board of Directors was held on the 5th day of February, 2010 (the “Board Meeting”) at which a quorum was present; and

WHEREAS, a motion was made at the NCC Meeting and the Board Meeting to approve and adopt amendments to Section 2.1.1 Step 5, Page 6 and Section 2.1.2 Step 5, Page 8 of the NCC Design Guidelines regarding procedures applicable to all applications for modifications (the “Amendment”). A true and correct copy of the Amendments are attached hereto as Exhibit A; and

WHEREAS, the Amendments were discussed and presented for a vote at the NCC Meeting and the Board Meeting; and


WHEREAS, the NCC and the Board determined that it is within the best interest of the Association to adopt the Amendments; and

WHEREAS, the Amendments attached hereto as Exhibit A were approved and adopted unanimously at the NCC Meeting and the Board Meeting.

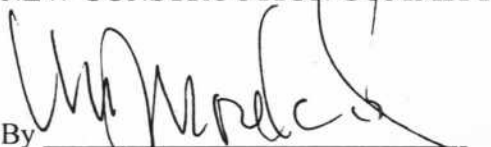
NOW, THEREFORE, BE IT RESOLVED, that the that the Amendments to Section 2.1.1 Step 5, Page 6 and Section 2.1.2 Step 5, Page 8 of the NCC Design Guidelines are hereby adopted, ratified and promulgated pursuant to the powers granted to the NCC and the Board of Directors under the Highland Shores Declaration and shall hereinafter constitute an integral part of the NCC Design Guidelines.

BE IT FURTHER RESOLVED, that the Amendments to the NCC Design Guidelines attached hereto as Exhibit A are effective upon publication in the Association's March 2010 Newsletter.

**HIGHLAND SHORES OWNERS
ASSOCIATION, INC.**

By 
Bill Farness, President

NEW CONSTRUCTION COMMITTEE

By 
Mike Moreland, Chairman

Section 2.1.1 Step 5, Page 6 and Section 2.1.2 Step 5, Page 8 of the Design Guidelines and Review Procedures for New Construction - Residential are hereby amended and shall hereinafter read in their entirety as follows:

It is the sole responsibility of the Owner and Builder to ensure that the improvement is constructed and installed in accordance with the approved application. The New Construction Committee (NCC) reserves the right to review the improvement. As applicable, the HSOA management office will notify the Owner by phone or in writing to schedule an appointment to review the improvement to ensure it was constructed in accordance with the approved application. The scope of the review will be limited to verification of conformance with the application; the NCC will not review, nor be responsible for, the municipal code compliance, quality, craftsmanship or structural integrity of the improvement. Non-conformance with the approved application(s) will result in a fine being levied against the Owner as unauthorized construction in accordance with Section 2.6, Page 9; Failure to Submit.