

STATE OF TEXAS §
 §
COUNTY OF DENTON §

**CERTIFICATE AND RESOLUTION OF THE BOARD
OF DIRECTORS AND MODIFICATIONS COMMITTEE OF THE
HIGHLAND SHORES OWNERS ASSOCIATION, INC.
ADOPTING AMENDMENT TO SECTION 2.1
OF THE DESIGN GUIDELINES & REVIEW PROCEDURES
FOR RESIDENTIAL MODIFICATIONS**

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 2 of the Highland Shores Declaration, the Modifications Committee (“MC”) has exclusive jurisdiction over all modifications, additions or alternations made on or to existing Residential Units and is authorized to promulgate design guidelines and application procedures; and

WHEREAS, on or about June 15, 1993, the MC promulgated the Design Guidelines and Review Procedures for Residential Modifications for the Highland Shores Owners Association, Inc. (the “MC 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 MC Design Guidelines; and

WHEREAS, a meeting of the MC was held on the 5th day of February, 2010 (the “MC 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 MC Meeting and the Board Meeting to approve and adopt an amendment to Section 2.1, Step 2 of the MC Design Guidelines regarding procedures applicable to all applications for modifications (the “Amendment”). A true and correct copy of the Amendment is attached hereto as Exhibit A; and

WHEREAS, the Amendment was discussed and presented for a vote at the MC Meeting and the Board Meeting; and

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

WHEREAS, the Amendment attached hereto as Exhibit A was approved and adopted unanimously at the MC Meeting and the Board Meeting.

NOW, THEREFORE, BE IT RESOLVED, that the that the Amendment to Section 2.1, Step 2 of the MC Design Guidelines is hereby adopted, ratified and promulgated pursuant to the powers granted to the MC and the Board of Directors under the Highland Shores Declaration and shall hereinafter constitute an integral part of the MC Design Guidelines.

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

**HIGHLAND SHORES OWNERS
ASSOCIATION, INC.**

By Bill Farness
Bill Farness, President

MODIFICATIONS COMMITTEE

By Stan Lemko
Stan Lemko, Chairman

Section 2.1 Modifications Review, Step 2 of the Design Guidelines and Review Procedures for Residential Modifications is hereby deleted and shall hereinafter read in its entirety as follows:

It is the sole responsibility of the owner to ensure that the modification is constructed and installed in accordance with the approved application. All approved applications are valid for 90 days. The Modifications Committee (MC) reserves the right to inspect the modification. As applicable, the HSOA management office will notify the homeowner by phone or in writing to schedule an appointment to inspect the modification to ensure it was constructed in accordance with the approved application. The scope of the inspection will be limited to verification of conformance with the application; the MC will not inspect, nor be responsible in any manner for, the municipal code compliance, quality, craftsmanship or structural integrity of the modification.