

**DECLARATION OF COVENANTS, CONDITIONS,  
RESTRICTIONS, EASEMENTS, CHARGES AND LIENS FOR  
THE RANCHES AT QUAIL RIDGE SUBDIVISION**

**STATE OF TEXAS**

**§**

**COUNTY OF LAMPASAS**

**§**

**KNOWN ALL MEN BY THESE  
PRESENTS**

This declaration is made on the date hereinafter set forth by The Ranches at Quail Ridge, LLC, a Delaware Limited Liability Company, hereinafter referred to as "Developer".

**WITNESSETH:**

WHEREAS, Developer is the Owner of that certain tract of land located in Lampasas County, Texas, containing 817.35 acres and being more fully described by metes and bounds on the attached Exhibit "A", incorporated herein for any and all purposes, hereinafter referred to as "The Ranches at Quail Ridge Subdivision", "Property" or "Subdivision";

WHEREAS, it is the desire and purpose of Developer to place certain restrictions, easements, covenants, conditions and reservations (hereinafter "Restrictions") upon the Property in order to establish a uniform plan for its development, insure the use of the Property for residential purposes only, prevent nuisances, prevent the impairment of the value of the Property, maintain the desired character of the community, and insure the preservation of such uniform plan for the benefit of the present and future Owners of the Property;

WHEREAS, "Tract" or "Lot" means any individual tracts of land or lots sold by the Developer from the 817.35 acres described above.

NOW, THEREFORE, Developer hereby adopts, establishes and imposes upon the Property, the following Restrictions for the purposes of enhancing and protecting the value, desirability and attractiveness of the Property, which Restrictions shall run with the land and inure to the benefit of each Owner and his invitees:

**ARTICLE I  
RESTRICTIONS**

1. The Property is to be used for single family residential purposes.
2. No residence shall be constructed on the Property with less than one thousand (1,000) square feet within its outside walls.

3. Upon start of construction, the exterior of any home must be completed within twelve (12) months from the slab being poured and built to applicable building & windstorm/flood codes.
4. All homes must have a minimum of three feet (3') of masonry on the front exterior.
5. Before a residence is constructed, travel trailers and RV's may be temporarily stored on the Property but only for a maximum of 6 months of the calendar year. Travel trailers and RV's shall not be used as a residence. After a residence is constructed, all boats, travel trailers and RV's must be stored behind the residence.
6. Mobile homes, manufactured homes, and modular homes are prohibited on the Property.
7. No junk cars, abandoned cars or scrap, trash, landscaping trimmings or other debris may be placed on the Property.
8. No pigs or peacocks will be permitted on the Property.
9. No signs for advertising, or billboards, may be placed on the Property with the exception of one professionally made "for sale" sign.
10. No portion of the Property can be divided into a single tract which is less than 10.01 acres.
11. No tract of land in the Subdivision originally sold by Developer can be divided into more than two tracts. If a tract originally sold by Developer has been divided into two tracts, then no further subdivision can take place.
12. No activity whether for profit or not, shall be conducted on the Property which is not related to the occupation of the Property for single family residential purposes, unless said activity meets the following criteria: (a) no exterior sign of the activity is present, (b) no additional traffic is created as a result of the activity, and (c) no toxic substances (as determined at the sole discretion of the Association) are stored on the Property. Nothing herein shall prohibit the use of home offices in compliance with the preceding subsections (a), (b) and (c). This restriction is waived in regard to the customary sales activities required to sell homes in the Subdivision. No activity which constitutes a nuisance or annoyance shall occur on the Property. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance.
13. Each tract of land sold from the Property shall be subject to a utility easement measuring twenty five feet (25') in width across the front and rear of each tract and fifteen feet (15') which is reserved along the sides of each tract. The utility easement shall be used for the construction, maintenance and repair of utilities, including but not

limited to, electrical systems, telephone, cable, water, gas and any other utilities which the Developer or utility providers may install for the benefit of an owner of a tract of land in the Subdivision. Notwithstanding the foregoing, the Developer has no obligation to provide utilities and all such utilities shall be provided by the local utility companies in accordance with the policies of such utility companies. All utility easements may also be used for the construction of drainage facilities in order to provide for improved surface drainage of the Property. The Developer reserves the right to grant specific utility easements without the joinder of any owner of a tract of land in the Subdivision to public utility providers within the boundaries of any of the easements herein reserved. Any utility company serving the Property shall have the right to enter upon any utility easement for the purpose of installing, repairing, and maintaining their respective facilities. Neither Developer nor any utility company, political subdivision or other authorized entity using the easements herein reserved shall be liable for any damages done by them or their assigns, agents or employees to fences, shrubbery, trees and lawns or any other property of an owner of a tract of land in the Subdivision located within the easements.

ARTICLE II  
THE RANCHES AT QUAIL RIDGE  
PROPERTY OWNERS' ASSOCIATION, INC.

1. The Ranches at Quail Ridge Property Owners' Association, Inc., a non-profit corporation, has been organized and it shall be governed by the Certificate of Formation and Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

2. Every person or entity who is a record Owner of any Tract of Land ("Tract Owner") from the 817.35 acres shall be a "Member" of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation or those only having an interest in the mineral estate. Memberships shall be appurtenant to and may not be separated from the Tracts. Regardless of the number of persons who may own a Tract, there shall be but one membership for each Tract and one (1) vote for each Tract. Ownership of the Tracts shall be the sole qualification for Membership.

ARTICLE III  
ASSESSMENTS

1. Each Tract Owner by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association the Assessments provided herein. The Assessments shall be a charge on the Tracts and shall be a continuing lien upon the Tract against which each such Assessment is made. Both Annual and Special Assessments must be fixed at a uniform rate for all Tracts subject to assessment and may be collected on a monthly basis or on an annual basis at the discretion of the Board of Directors.

### Annual Assessment.

- (a) An Annual Assessment shall be paid by each of the Tract Owners and the Annual Assessment shall be used to pay all reasonable and necessary operating expenses and reserve requirements of the Association as herein provided. The Annual Assessment for the year of purchase shall be pro-rated as of the purchase date and then shall be paid annually.
- (b) The initial amount of the Annual Assessment applicable to each Tract will be one hundred dollars (\$100.00) per Tract. The Annual Assessment is payable in advance and is due on the first (1<sup>st</sup>) day of January during each calendar year. All other matters relating to the collection, expenditure and administration of the Annual Assessment shall be determined by the Board of Directors of the Association, subject to the provisions hereof.
- (c) The Board of Directors of the Association, from and after control is transferred from the Developer, shall have the further right at any time to adjust, alter, increase or decrease the Annual Assessment from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association and to enable the Association to carry out its duties hereunder. However, the Board of Directors shall not increase the Annual Assessment by more than ten percent (10%) from the previous year without the affirmative Vote of the Members.

### Special Assessments.

- (a) In addition to the Annual Assessment, the Association, upon the Vote of the Members, may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted.

2. The Annual Assessments and Special Assessments shall be used exclusively for the purpose of promoting the health, safety, security and welfare of the Subdivision and the maintenance of the Common Areas. In particular, the Assessments shall be used for any Improvement or services in furtherance of these purposes and the performance of the Association's duties described herein, including the maintenance of any drainage easements, Common Areas, Common Area Expenses, the enforcement of these Restrictions and the establishment and maintenance of reserve funds. The Assessments may be used by the Association for any purpose which, in the judgment of the Association's Board of Directors, is necessary or desirable to maintain the property value of the Subdivision, including but not limited to, providing funds to pay all taxes, insurance, repairs, utilities and any other expense incurred by the Association. Except for the Association's use of the Assessments to perform its duties as described in these Restrictions, the use of the Assessments for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Board of Directors as to the expenditure of Assessments shall be final and conclusive so long as such judgment is exercised in good faith.

3. In order to secure the payment of the Assessments, each Owner of a Tract hereby grants the Association a contractual lien on such Tract which may be foreclosed by non-judicial foreclosure, pursuant to the provisions of Chapter 51 of the Texas Property Code (and any successor statute); and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of said section 51.002 of the Texas Property Code, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the association by means of written instrument executed by the President or any Vice-President of the Association and filed for record in the Official Public Records of Real Property of Lampasas County, Texas. In the event the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Chapter 51 of the Texas Property Code and to exercise the power of sale hereby granted, the Association, or the Association's agent, shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended. Upon request by the Association, the Trustee shall give any further notice of foreclosure sale as may be required by the Texas Property Code as then amended, and shall convey such Tract to the highest bidder for cash by Trustee's Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association in connection with collecting the Assessments and foreclosing on the Tract, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount of the Assessment in default; and third, the remaining balance shall be paid to the Tract Owner or Lien Holder for the benefit of the Tract Owner. Following any such foreclosure, each occupant of a Tract which is foreclosed upon shall be deemed a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action for forcible detainer.

In the event of non-payment by any Owner of any Assessment or other charge, fee, assessment levied hereunder, the Association may, in addition to foreclosing the lien hereby retained, and exercising the remedies provided herein, exercise all other rights and remedies available at law or in equity, including but not limited to bringing an action at law against the Owner personally obligated to pay the same.

It is the intent of the Provisions of this Article to comply with the provisions of said Section 51.002 of the Texas Property Code relating to non-judicial sales by power of sale. In the event of the amendment of Section 51.002 of the Texas Property Code, the Association, acting without joinder of any Owner or Mortgagee, may, by amendment to these Restrictions, file any required amendments to these Restrictions so as to comply with said amendments to Section 51.002 of the Texas Property Code or any other statute applicable to foreclosures.

Notwithstanding anything contained this Article, all notices and procedures relating to foreclosures shall comply with Chapter 209 of the Texas Property Code.



4. In addition to the right of the Association to enforce the Assessment, the Association may file a claim of lien against the Tract of the delinquent Owner by recording a Notice ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest thereon, (c) the costs of collection which have been accrued thereon, (d) the legal description and street address of the Tract against which the lien is claimed, and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been paid or satisfied, the Association shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Association to cover the preparation and recordation of such release of lien instrument.

5. In consideration of the Property infrastructure, the Developer shall be exempt from the payment of all Assessments.

6. The lien described in this Article III shall be deemed subordinate to any lien in favor of any bank, mortgage company, real estate lending establishment, financial institution, insurance company, savings and loan association, or any other third party lender, including the Developer, who may have advanced funds, in good faith, to any Tract Owner for the purchase, improvement, equity lending, renewal, extension, rearrangement or refinancing of any lien secured by a Tract, provided that any such lien holder has made due inquiry as to the payment of any required assessments at the time the lien is recorded. Any consensual lien holder who obtains title to any Tract pursuant to the remedies provided in a deed of trust or mortgage or by judicial foreclosure shall take title of the Tract free and clear of any claims for unpaid assessments or other charges against said Tract which accrued prior to the time such holder acquired title to such Tract. No such sale or transfer shall relieve such holder from liability for any Assessments or other charges or assessments thereafter becoming due. Any other sale or transfer of a Tract shall not affect the Association's lien for Assessments or other charges or assessments. The Association shall make a good faith effort to give each such mortgage sixty (60) days advance written notice of the Association's foreclosure of an Assessment lien, which notice shall be sent to the nearest office of such mortgage by prepaid United State registered or certified mail, return receipt requested, and shall contain a statement of delinquent Assessment or other charges or assessments upon which the said action is based, provided however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article III.

#### ARTICLE IV

## DEVELOPER'S RIGHTS AND RESERVATIONS

1. Developer shall have, retain and reserve certain rights as set forth in these Restrictions with respect to the Association from the date hereof, until the earlier of the date the Developer gives written notice to the Association of Developer's termination of the rights or for the time allowed under the Texas Property Code. Notwithstanding the foregoing, the Developer rights shall not be released until such time as a document relinquishing said rights is filed of record or the Developer no longer holds record title to any Tracts in the Property. The rights and reservations hereinafter set forth shall be deemed accepted and reserved in each conveyance by the Developer whether or not specifically stated therein. The rights, reservations and easements set forth herein shall be prior and superior to any other provisions of these Restrictions and may not, without Developer's prior written consent, be modified, amended, rescinded or affected by any amendment to these Restrictions. Developer's consent to any amendment shall not be construed as consent to any other amendment.

2. Developer may cause additional real property to be annexed into Subdivision, by causing a written Annexation Declaration confirming the annexation thereof, to be recorded in the Official Public Records of Real Property of Lampasas County, Texas. No consent shall be required of the Association or any Member thereof, each Owner being deemed to have appointed the Developer as his agent and attorney-in fact to effect this Annexation, which power hereby granted to the Developer is and shall be a power coupled with any interest. Thereafter, the Association shall be the Association for the entirety of the Development, including the annexed property.

## ARTICLE V DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATION

1. The Association has been formed to further the common interest of the Members. The Association, acting through the Board of Directors or through persons to whom the Board of Directors has designated such powers (and subject to the provisions of the bylaws), shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interest of the Members and to improve and enhance the attractiveness, desirability and safety of the Property.

2. The Association (or any Owner if the Association fails to do so after reasonable written notice) shall enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of these Restrictions. Failure by the Association or any Owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. If it becomes necessary for any Owner or the Association to file a Court action to enforce these Restrictions, the defaulting Owner shall be liable for all reasonable attorney's fees and costs incurred by the enforcing Owner or the Association to obtain compliance by the defaulting Owner. The defaulting Owner shall be liable for all damages

suffered by the enforcing Owner or the Association which shall be in an amount established by the Court.

3. The Association shall obtain such insurance as may be deemed necessary or desirable by the Board or by law, including but not limited to, comprehensive liability and casualty insurance, worker's compensation insurance, fidelity and indemnity insurance, officers and directors liability insurance, as well as such other insurances or bonds as the Association shall deem necessary or desirable.

4. The Association shall levy, collect and enforce the Assessments as provided in these Restrictions.

5. In the event a Tract Owner fails to remedy any violation of these Restrictions within ten (10) days after written notice by the Association, the Association, or its authorized representatives, may take any one or more of the following actions:

- (a) Assess a charge of \$50.00 per day against any Owner and/or his Tract until the violating condition is corrected. The Violation charge may be increased by the Association in accordance with increases in the National Consumer Price Index using 2017 as a base year. Failure to pay such assessment by the violating Owner within ten (10) days from receipt of assessment will result in a lien against the Tract with the same force and effect as the lien for Annual or Special assessments;
- (b) File suit in order to enforce the above remedies and/or pursue any other remedy which may be available at law or in equity.

## ARTICLE VI GENERAL PROVISIONS

1. The provisions hereof shall run with the land and shall be binding upon all Owners, their guests and invitees and all other persons claiming under them for a period of forty (40) years from the date these Restrictions are recorded. These Restrictions shall be automatically extended for successive periods of twenty (20) years each time unless these Restrictions are cancelled by a Vote of the Members and an appropriate document is recorded evidencing the cancellation of these Restrictions.

2. Except for any amendment affecting any existing Improvements, these Restrictions may be amended or changed, in whole or in part, at any time by a two-third (2/3) majority Vote of the Members.

3. The Developer shall have and reserve the right at any time prior to the transfer of control to the Association, without the joinder or consent of any Owner or other party, to amend these Restrictions by an instrument in writing duly signed, acknowledged, and filed for record so long as the Developer owns a portion of the Property and provided that any such amendment shall be consistent with and is furtherance of the general plan and scheme of development of the Property and evidenced by these Restrictions.



4. Each of these provisions of these Restrictions shall be deemed independent and severable and the invalidity or unenforceability or partial invalidity or partially unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

5. The provisions hereof shall be binding upon and inure to the benefit of the Owners, the developer and the Association, and their respective guests, invitees, heirs, legal representatives, executors, administrators, successors and assigns.

6. No violation of the provisions herein contained or any portion thereof, shall affect the lien of any mortgage or deed of trust presently or hereafter placed of record or otherwise affect the rights of the mortgage under any such mortgage, the holder of any such lien or beneficiary of any such mortgage, lien or deed of trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained.

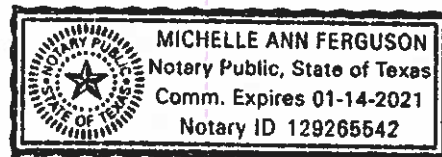
[Signature follows on next page]

IN WITNESS WHEREOF, the undersigned, being the Developer, herein, has hereunto set its hand on this 30<sup>th</sup> day of JANUARY, 2017.

The Ranches at Quail Ridge, LLC, a Delaware Limited Liability Company

By: American Land Partners, Inc., a Delaware corporation, Manager

By: [Signature]  
Davy Roberts, Authorized Agent



STATE OF TEXAS

COUNTY OF LAPAS

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This instrument was acknowledged before me on the 30<sup>th</sup> day of JANUARY, 2017, by Davy Roberts, Authorized Agent of The Ranches at Quail Ridge, LLC, in the capacity therein stated and as the act and deed of said company.

[Signature]  
NOTARY PUBLIC, State of Texas

**AFFIDAVIT AUTHENTICATING DOCUMENT**

**THE STATE OF TEXAS       §**  
**§**  
**COUNTY OF LAMPASAS   §**

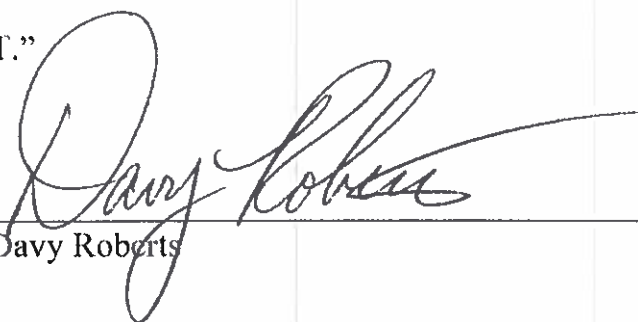
BEFORE ME, the undersigned authority, on this day personally appeared Davy Roberts, who, being by me duly sworn, on oath stated and deposed as follows:

“My name is Davy Roberts. I am the president of The Ranches at Quail Ridge Property Owners’ Association, Inc.

“Attached to this affidavit is a true and correct copy of the Bylaws for The Ranches at Quail Ridge Property Owners’ Association, Inc. These Bylaws have been duly adopted by The Ranches at Quail Ridge Property Owners’ Association, Inc.

“These Bylaws are being filed in the Official Records of Lampasas County, Texas pursuant to Sections 202.001 and 202.006 of the Texas Property Code.

FURTHER AFFIANT SAITH NOT.”

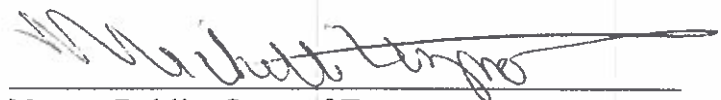
  
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Davy Roberts

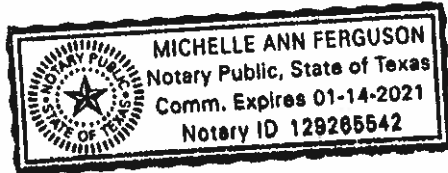
THE STATE OF TEXAS       §  
  §  
COUNTY OF LAMPASAS   §

CERTIFICATE OF ACKNOWLEDGMENT

Before me, the undersigned Notary Public, on this day personally appeared Davy Roberts who is personally known to me (or proved to me through a federal or state issued ID with photo and signature of person identified) to be the person whose name is subscribed to the foregoing instrument, and who has acknowledged to me that he is the President of The Ranches at Quail Ridge Property Owners' Association, Inc. and that by authority duly given and as the act of The Ranches at Quail Ridge Property Owners' Association, Inc. executed the instrument for the purposes and considerations expressed.

Given under my hand and seal of office on the 9th day of March, 2017.

  
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Notary Public, State of Texas



**BYLAWS OF  
THE RANCHES AT QUAIL RIDGE PROPERTY OWNERS' ASSOCIATION, INC.,  
A NONPROFIT CORPORATION**

**ARTICLE I  
DEFINITIONS**

The words, phrases and terms used in these Bylaws shall have the meanings as set forth in the Declaration of Covenants, Conditions, Restrictions, Easements, Charges, and Liens for The Ranches at Quail Ridge Subdivision executed by The Ranches at Quail Ridge, LLC, as Developer therein, and recorded in the Official Records of the County Clerk's office in Lampasas County, Texas, (as modified, amended or supplemented, from time to time, the "Declaration").

Section 1.1 "Association" means and refers to The Ranches at Quail Ridge Property Owners' Association, Inc., its successors and assigns, a nonprofit Texas Corporation.

Section 1.2 "Common Area" means all real property, if any, owned by the association for the common use and enjoyment of the Owners.

Section 1.3 "Developer" means and refers to The Ranches at Quail Ridge, LLC, a Delaware Limited Liability Company, its successors and assigns.

Section 1.4 "Declaration" means and refers to the Declaration of Covenants, Conditions, Restrictions, Easements, Charges, and Liens for The Ranches at Quail Ridge Subdivision, as it may be amended from time to time.

Section 1.5 "Lot" means and refers to any tract of land originally sold by the Developer that comes from the 817.35 acres described by metes and bounds in the Declaration of Covenants, Conditions, Restrictions, Easements, Charges, and Liens for The Ranches at Quail Ridge Subdivision which are filed in the Official Public Records of Lampasas County, Texas.

Section 1.6 "Member" means and refers to an Owner who is a member of the Association as provided in Article II of the Declaration of Covenants, Conditions, Restrictions, Easements, Charges, and Liens for The Ranches at Quail Ridge Subdivision.

Section 1.7 "Owner" means and refers to the record Owner, whether one or more persons or entities, of the fee-simple title to any Lot(s) later developed, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure. Said term "Owner" shall also refer to the heirs, successors and assigns of any Owner. The Developer shall not be deemed an Owner.

Section 1.8 "Subdivision" means and refers to all property located within the 817.35 acres described by metes and bounds in the Declaration of Covenants, Conditions, Restrictions, Easements, Charges, and Liens for The Ranches at Quail Ridge Subdivision which are filed in the Official Public Records of Lampasas County, Texas. All references to "The Ranches at Quail



Ridge” or “Properties” means this subdivision as defined in this Section 1.8.

## **ARTICLE II**

### **ADMINISTRATION OF SUBDIVISION**

Section 2.1    Power and Authority: The Association shall have the following powers and authority:

A.        To own, purchase, manage, maintain, repair and replace the Common Area or any other part of the Property for which the Association is responsible under the Governing Documents, as well as any or all of the equipment or property of any type used in connection with the maintenance and preservation thereof.

B.        To make assessments against the Owners of Lots in the Subdivision for payment of expenses incurred in accordance with the provisions of the Declaration or as otherwise permitted by law.

C.        To promulgate such rules and regulations with respect to the Project, and to perform such deeds and acts as are deemed necessary to achieve the aforesaid objectives, and to promote the recreation, health, safety and welfare of the Members of the Association, all in accordance with the provisions of the Declaration.

D.        To do or undertake any other lawful act or activity for which nonprofit corporations may be organized under the Texas Nonprofit Corporation Act (the “Act”) and to exercise all powers which may be granted unto the Association by applicable law.

Section 2.2    Official Action: Unless specifically required in the Declaration or otherwise by law, all actions taken or to be taken by the Association shall be valid when such are approved by the Board as hereinafter set forth or when taken by the officer, committee, person or entity to whom such authority has been duly delegated by the Board as permitted in the Governing Documents or as otherwise allowed by law. The Association, its Board, officers, and Members shall at all times act in conformity with the Act, and the Governing Documents.

## **ARTICLE III**

### **OFFICES-SEAL-FISCAL YEAR**

Section 3.1    Principal Office and Registered Office: The principal office of the Association shall be located at such places as the Board may fix from time to time. The registered office of the Association required by law to be maintained in the State of Texas may be, but need not be, identical with the principal office.

Section 3.2    Other Offices: The Association may have other offices at such other places within the State of Texas as the Board may from time to time determine or as the affairs of the Association may require.

Section 3.3    Seal: The seal of the Association shall be in the form of two concentric circles with the name of the Association and the word "TEXAS" printed between the two concentric circles with the year of formation in the middle.

Section 3.4    Fiscal Year: The fiscal year of the Association shall be fixed by the Board.

#### **ARTICLE IV** **MEMBERSHIP**

Section 4.1    Qualification: Membership in the Association shall be limited to the Owners, and every Owner of a Lot shall automatically be a Member of the Association. "Membership" means all Members as a group. Membership in the Association shall be appurtenant to and may not be separated from Lot ownership. The date of recordation in the Official Records of the County Clerk's office of Lampasas County, Texas, of the deed conveying any Lot shall govern the date of ownership of that Lot. However, in the case of death, the transfer of ownership shall occur on the date of death (in the case of intestacy), or on the date of probate of the will (in the case of testacy). Until a descendant's will is probated, the Association will rely upon the presumption that a deceased Owner died intestate.

Section 4.2    Place of Meeting: All meetings of the Membership shall be held at a place within Lampasas County, Texas, or at such other place, either within or without the State of Texas, as designated in the notice of the meeting.

Section 4.3    Annual Meeting: A meeting of the Association shall be held at least once each year. The first annual meeting of the Members will be held within one year from the date of incorporation of the Association or no later than thirty-days after one hundred percent (100%) of the lots have been sold, whichever first occurs. Thereafter, the Annual Meeting of the Association shall be held on the second Tuesday in January of each year at 7:00 p.m., Central Standard Time, if not a legal holiday. If the day for the annual meeting of Members is a legal holiday, the meeting will be held at the same hour on the next following day, which is not a legal holiday. At such meetings, the Board shall be elected in accordance with Article V of these Bylaws, and the Members shall transact such other business as may properly come before the meeting.

Section 4.4    Substitute Annual Meetings: If an Annual Meeting is not held on the day designated by these Bylaws, a Substitute Annual Meeting may be called in accordance with the provisions of Sections 4.5 and 4.6. A meeting so called shall be designated and treated for all purposes as the Annual Meeting.

Section 4.5    Special Meetings: After the first Annual Meeting of the Members, Special Meetings of the Members may be called at any time by the President, by Owners having ten percent (10%) of the votes of the Association, by a majority of the Board, or as permitted by law. Business to be acted upon at all Special Meetings shall be confined to the subjects stated in the notice of such meeting.

Section 4.6    Notices of Meetings: Written or printed notice stating the time and place of a Membership meeting, including Annual Meetings, and the items on the agenda, including the

general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove a director or officer, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of any such Membership meeting, by or at the direction of the President or the Secretary, either by hand delivery or by mail, to the mailing address of each Lot or to any other mailing address designated in writing by an Owner. Notice given to any one tenant in common, tenant by entirety or other joint Owner of a Lot shall be deemed notice to all Owners of the subject Lot. Notice of any Special Meeting shall specifically state the purpose or purposes for which the meeting is called.

Section 4.7 Quorum: Except as otherwise expressly required in these Bylaws, the presence in person or by proxy of Members entitled to cast thirty percent (30%) of the votes which may be cast, shall constitute a quorum at all meetings of the Members. If a quorum is not present or represented at any meeting, the Members entitled to vote shall have the power to adjourn the meeting to another date and time without having to give notice other than the announcement of the new date and time of the meeting. At a subsequent meeting held due to the lack of a quorum then the presence in person or by proxy of Members entitled to cast twenty percent (20%) of the votes which may be cast, shall constitute a quorum at that meeting of the Members. If a quorum is still not present or represented at that meeting then, the Members entitled to vote shall have the power to adjourn the meeting to another date and time, without notice other than the announcement at that meeting of the new date and time of the meeting. At a subsequent meeting held due to a continued lack of a quorum then the presence in person or by proxy of Members entitled to cast fifteen (15%) of the votes which may be cast, shall constitute a quorum at that meeting of the Members. If a quorum is still not present or represented at that meeting then, the Members entitled to vote shall have the power to adjourn the meeting to another date and time, without notice other than the announcement at that meeting of the new date and time of the meeting. At a subsequent meeting held due to a continued lack of a quorum then a majority vote of those votes present in person or by proxy shall constitute a quorum at that meeting of the Members. The Members at any meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of Members leaving less than a quorum in attendance.

Section 4.8 Voting Rights: The voting rights of Members in the Association shall be as set forth in the Declaration. If fee simple title to a Lot is owned of record by more than one person or entity, all such persons or entities shall be Members of the Association, but the vote with respect to any such jointly owned Lot shall be cast as hereinafter provided.

In no event may the vote which may cast with respect to any Lot be divided among joint Owners of the Lot or cast in any manner other than as a whole, it being the intention of this Section 4.8 that there be no "splitting" of votes that may be cast by any Member or Members.

Section 4.9 Proxies: Members may vote either in person or by agents duly authorized by written proxy executed by the subject Member or by his duly authorized attorney-in-fact. A proxy is not valid after the earlier of the term stated therein or the expiration of eleven (11) months from the date of its execution. In order to be effective, all proxies must be dated and filed with the Secretary or duly acting Secretary either during or prior to the meeting in question. A Member may not revoke a proxy given pursuant to this Section 4.9 except by actual notice of revocation delivered to the person presiding over a meeting of the Association. The proxy of any Owner will

automatically terminate on conveyance by such Owner of his or her lot.

Section 4.10 Majority Vote: The cast of a majority of the votes represented at a meeting at which a quorum is present, in person or by proxy, shall be binding for all purposes except where a different percentage vote is required by these Bylaws, the Declaration, the Certificate of Formation of the Association, or by law.

Section 4.11 Actions By Written Ballots: Any action which may be taken at a meeting of the Membership may be taken without a meeting by written ballot.

## **ARTICLE V**

### **BOARD**

Section 5.1 General Powers: The business and affairs of the Association shall be managed by the Board or by such committees as the Board may establish pursuant to Article VI of these Bylaws. Provided, however, the Board may not act on behalf of the Association to amend the Declaration, to terminate the planned community, to elect Members of the Board, or to determine the qualifications, powers and duties, or terms of office of Board Members. The Board may, however, fill vacancies in its Membership for the unexpired portion of any term.

Section 5.2 Number, Term, and Qualifications: The initial Board shall consist of the three (3) individuals appointed by the Developer and who need not be Members. The Board members appointed by the Developer need not be Owners in the Subdivision. On or before the 120th day after the date seventy five percent (75%) of the lots that may be created and made subject to the Declaration are conveyed to Owners other than Developer, at least one-third of the Board Members must be elected by Owners other than the Developer. After all of the lots are sold then the Board shall consist of not less than three (3) but no more than five (5) directors. Within these limits, the Board may change the number of directors. No decrease in the number of directors may shorten the current term of a director. The directors, after the Developer transfers control, shall be elected by the Members. Directors after Developer transfers control shall be elected to staggered terms. Board members may succeed themselves in office.

Section 5.3 Election of Board Members: Subject to the right of the Developer to appoint Directors as provided in Section 5.2, the election of all Board Members shall be by ballot. Persons receiving the highest number of votes (see Section 4.8) shall be elected. Cumulative voting is not permitted.

Section 5.4 Removal: Any Board Member, other than a Member appointed by the Developer, may be removed from the Board, with or without cause, by a vote of at least sixty-seven percent (67%) of the votes entitled to be cast by all Members present and entitled to vote at any meeting of the Membership at which a quorum is present; provided, the notice of the meeting must state the purpose, or one of the purposes, of the meeting is removal of the Board Member. Board Members appointed by the Developer may only be removed by the Developer and can be removed with or without cause. If any Board Members are so removed, their successors as Board Members may be elected by the Developer or the Membership at the same meeting to fill the unexpired terms of the Board Members so removed as provided in Section 5.3.



Section 5.5 Vacancies: A vacancy occurring in the Board may be filled by a majority of the remaining Board Members, though less than a quorum, or by the sole remaining Board Member; provided, however, a vacancy created by an increase in the authorized number of Board Members shall be filled only by election at an Annual or substitute Annual Meeting or at a Special Meeting of Members called for that purpose. The Members may elect a Board Member at any time to fill any vacancy not filled by the Board Members. As provided in Section 5.4, the Developer or the Membership shall have the first right to fill any vacancy created by the Developer or the Membership's removal of a Board Member by electing a replacement at the meeting where the removal occurs.

Section 5.6 Chairman: A Member of the Board shall be elected as Chairman of the Board by the Board Members at the first meeting of the Board. The Chairman shall preside at all meetings of the Board and perform such other duties as may be directed by the Board. Prior to election of a Chairman and/or in the event that the Chairman is not present at any meeting of the Board, the President shall preside.

Section 5.7 Compensation: No Member of the Board shall receive any compensation from the Association for acting as such. Provided, however, each Board Member shall be reimbursed for reasonable out-of-pocket expenses incurred and paid by him on behalf of the Association, and nothing herein shall prohibit the Board from reasonably compensating a Board Member for unusual and extraordinary services, which are beyond services usually and customarily provided by Board Members. Further provided, each Board Member, by assuming office, waives his right to institute suit against or make claim upon the Association for compensation based upon service as a Board Member.

Section 5.8 Loan to Board Members and Officers: No loans shall be made by the Association to its Board Members or officers. The Board Members who vote for or assent to the making of a loan to a Board Member or officer of the Association, and any officer or officers participating in the making of such loan, shall be jointly and severally liable to the Association for the amount of such loan until the repayment thereof.

Section 5.9 Liability of Board Members: To the extent permitted by the provisions of the Act in effect at the applicable time, each Board Member is hereby indemnified by the Association with respect to any liability and expense of litigation arising out of his activities as a Board Member. Such indemnity shall be subject to approval by the Members only when such approval is required by the Act.

Section 5.10 Meetings of the Board:

A. Regular Meetings and Special Meetings: Members shall be entitled to notice of all regular or special meetings of the Board. The notice shall contain the date, hour, place, and general subject of the regular or special board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be sent in one of two ways:

1. by mail to each property owner not later than the 10th day or earlier than the 60th day before the date of the meeting; *or*



2. by providing at least 72 hours before the start of the meeting by:

- a. posting the notice in a conspicuous manner reasonably designed to provide notice to property owners' association members:
  - i. in a place located on the association's common property or, with the property owner's consent, on other conspicuously located privately owned property within the subdivision; or
  - ii. on any Internet website maintained by the association or other Internet media; and
- b. sending the notice by e-mail to each owner who has registered an e-mail address with the association. (It is an owner's duty to keep an updated e-mail address registered with the property owners' association.)

C. Meetings Without Notice: The Board may meet by any method of communication, including electronic and telephonic, without prior notice to owners, if each Director may hear and be heard by every other Director, or the board may take action by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate board action. Any action taken without notice to Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special board meeting. The Board may not, without prior notice to owners under Subsection (e), consider or vote on:

1. Fines;
2. Damage assessments;
3. Initiation of foreclosure actions;
4. Initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
5. Increases in assessments;
6. Levying of special assessments; or
7. A suspension of a right of a particular owner before the owner has an opportunity to attend a board meeting to present the owner's position, including any defense, on the issue.

D. Meeting Place: Except for a meeting held by electronic or telephonic means, a board meeting must be held in a county in which all or part of the subdivision is located or in a county adjacent to that county.

E. Quorum: A majority of the Board Members then holding office shall constitute a quorum for the transaction of business and every act or decision done or made by a majority of the Board Members present at a duly held meeting at which a quorum is present, in person or by teleconference, shall be regarded as the act or decision of the Board.

Section 5.11 Presumption of Assent: A Board Member who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Board Member who voted in favor of such action.

Section 5.12 Powers of the Board: The Board shall have the authority to exercise all powers of the Association necessary for the administration of the affairs of the Subdivision except such powers and duties as by law or by Governing Documents may not be delegated by the Members to the board. The powers that may be exercised by the Board shall include, but shall not be limited to, the following:

A. Operation, care, upkeep and maintenance of the Common Area, to extent such operation, care, upkeep, and maintenance is not the obligation of the Owners;

B. Determination of the funds required for operation, administration, maintenance and other affairs of the Project and collection of the assessments for the Owners, as provided in the Governing Documents;

C. Employment and dismissal of personnel (including without limitation the Independent Manager) necessary for the efficient operation, maintenance, repair, and replacement of the Common Area;

D. Adoption of rule and regulations covering the details of the operation, maintenance, repair, replacement, use and modification of the Common Area, the personal conduct of the Members and their guests in using them; and to establish penalties for infractions of such rules and regulations;

E. Opening of bank accounts on behalf of the Association and designating the signatories required therefor;

F. Obtaining insurance;

G. Keeping detailed accurate records of the receipts and expenditures of the Association, obtaining annual audits and/or reviews of financial records of the Association from the Association's public accountant, furnishing the annual reports, and furnishing current budgets. All books and records shall be kept in accordance with good and accepted accounting practices;

II. Keeping a complete record of the minutes of all meetings of the Board and Membership in which a minute book shall be kept and actions taken by the Board and/or Members by written ballot or by consent without meeting shall be inserted into such minute book;

I. Supervising all officers, agents and employees of the Association and insuring that their duties are properly performed;

J. Enforcing, on behalf of the Association, the obligations and assessments provided in the Declaration, including but not limited to, the institution of civil actions to enforce payment of the assessments as provided in the Declaration, the institution of actions to foreclose liens for such assessments in accordance with the terms of the Declaration and the procedures set forth in the Texas Property Code, the imposition of charges for late payment of assessments, and after notice and an opportunity to be heard as provided in The Texas Property Code, levying reasonable fines for violations of the Declaration, Bylaws and rules and regulations of the Association;

K. Making repairs, additions, and improvements to or alterations or restoration of the Property in accordance with the other provisions of these Bylaws and the Declaration, after damage or destruction by fire or other casualty, or as a result of a condemnation or eminent domain proceeding;

L. Enforcing by any legal means or proceedings, the provisions of the Certificate of Formation of the Association, these Bylaws, the Declaration, or the rules and regulations hereinafter promulgated governing the Property, including use of the Common Area;

M. Paying all taxes and assessments which are or may become liens against any part of the Common Area, and to assess the same against the Owners in the manner herein provided;

N. Hiring attorneys and other professionals;

O. Maintaining and repairing any Lot or Improvement, if such maintenance or repair is required by the Declaration or is necessary in the discretion of the Board to protect the Common Area or any other Lot or Improvement or if the Owner of such Lot has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered or mailed by the Board to said Owner.

P. Entering any Improvement, when necessary, in connection with any maintenance or construction for which the Board is responsible; provided, such entry shall be made during reasonable hours and with notice to the Owner when practicable. Any damage caused thereby shall be repaired by the Board and such expenses shall be treated as an expense of the Association.

Q. Signing all agreements, contracts, deeds and vouchers for payment of expenditures and other instruments in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President, any Vice President, the Treasurer or the Assistant Treasurer of the Association, and countersigned by any Board Member;

R. Furnishing certificates setting forth amounts of unpaid assessments that have been levied upon a Lot to the Owner or Mortgagee of such Lot, or a proposed purchaser or Mortgagee of such Lot, and imposing and collecting reasonable charges therefor; and

S. Exercising any other powers allowed in the Declaration, the Certificate of Formation, these Bylaws, or otherwise by law.

T. Suspend the voting rights and right to use the recreational facilities of any Member during any period in which such Member is in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty-days for infraction of published rules and regulations;

U. Exercise on behalf of the Association all powers, duties, and authority vested in or delegated to the Association and not specifically reserved to the membership by the Declaration, Certificate of Formation, or by other provisions of these Bylaws;

V. Declare the office of a member of the Board of Directors to be vacant in the event that such member is absent from three consecutive regular meetings of the Board of Directors; and

W. Employ a manager, independent contractors, and such other employees as they may deem necessary, and to prescribe their duties.

Section 5.13 Independent Manager: The Board may employ or enter into a management contract with any individual, firm or entity it deems appropriate and in the best interest of the Association. The Board may delegate to such person, firm or entity (referred to in these Bylaws as "Independent Manager") such duties and responsibilities in the management of the Property as the Board deems appropriate. Provided, the Board may not delegate to the Independent Manager responsibilities and duties of the Association in violation of the Nonprofit Corporation Act of Texas. The Board shall have authority to fix the reasonable compensation for the Independent Manager. The Independent Manager shall at all times be answerable to the Board and subject to its direction.

Section 5.14 Duties: It will be the duty of the board of directors to:

A. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement of such acts and affairs to the Members at each annual meeting, or at any special meeting at which such a statement is requested in writing by one-half (1/2) of the Members entitled to vote at the meeting;

B. Supervise all officers, agents, and employees of the Association and see to it that their duties are properly performed;

C. As more fully provided in the declaration, to:

1. Fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period;

2. Send written notice of each assessment to every Owner subject to the assessment at least thirty (30) days in advance of each annual assessment period; and

3. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date, or to bring an action at law against the Owner personally obligated to pay the same;

D. Issue, or cause an appropriate officer to issue, on demand by any person and on imposition of a reasonable charge, a certificate setting forth whether or not any assessment has been paid, a statement in a certificate to the effect that an assessment has been paid constituting conclusive evidence of such payment;

E. Procure and maintain adequate liability and hazard insurance on all property owned by the Association;

F. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

G. Cause the Common Area to be maintained.

## **ARTICLE VI** **COMMITTEES**

Section 6.1 Creation: The Board may create such committees as they deem necessary and appropriate in aiding the Board to carry out its duties and responsibilities

Section 6.2 Vacancy: Any vacancy occurring on a committee shall be filled by a majority of the number of Board Members then holding office at a regular or special meeting of the Board.

Section 6.3 Removal: Any Member of a committee may be removed at any time with or without cause by a majority of the number of Board Members then holding office.

Section 6.4 Minutes: Each committee shall keep regular minutes of its proceedings and report the same to the Board when required.

Section 6.5 Responsibility of Board Members: The designation of committees and the delegation thereto of authority shall not operate to relieve the Board or any Member thereof of any responsibility or liability imposed upon it or him by law.

## **ARTICLE VII** **OFFICERS**

Section 7.1 Enumeration of Officer: The officers of the Association shall consist of a President, a Secretary, a Treasurer and one or more Vice Presidents, Assistant Secretaries, Assistant treasurers and other officers as the Board may from time to time appoint. Except for the



President, no officer need be a Member of the Board.

Section 7.2    Appointment and Term: The officers of the Association shall be appointed annually by the Board at the first meeting of the Board next following the Annual or Substitute Annual Meeting of the Members and shall serve for the terms of one year. Each officer shall hold office until his death, resignation, removal or until his successor is appointed.

Section 7.3    Removal: Any officer elected or appointed by the Board may be removed by the Board whenever in its judgment the best interest of the Association will be served thereby.

Section 7.4    Vacancy: A vacancy in any office may be filled by the appointment by the Board of a successor to such office. Such appointment may take place at any meeting of the Board. The officer appointed to such vacancy shall serve for the remaining term of the officer he replaces.

Section 7.5    Multiple Offices: The person holding the office of President shall not also hold the office of Secretary or Treasurer at the same time. Any other offices may be simultaneously held by one person. Any officer may also be a Member of the Board.

Section 7.6    President: The President shall be the chief executive officer of the Association and shall preside at all meetings of the Members. In the absence of the Chairman, he shall also preside at all meetings of the Board. He shall see that the orders and resolutions of the Board are carried out; he shall sign all written agreements or instruments on behalf of the Association and co-sign all promissory notes of the Association, if any, with the Treasurer; and he shall have all of the general powers and duties which are incident to the office of President of a corporation organized under the Act in connection with the supervision, control and management of the Association in accordance with the Governing Documents.

Section 7.7    Vice President: The Vice President in the order of their appointment, unless otherwise determined by the Board shall, in the absence or disability of the President, perform the duties and exercise the powers of that office. In addition, they shall perform such other duties and have such other powers as the Board shall prescribe.

Section 7.8    Secretary: The Secretary shall keep the minutes of all meetings of Members and of the Board; he shall have charge of such books and papers as the Board may direct; and he shall, in general, perform all duties incident to the Office of Secretary of a corporation organized under the Act.

Section 7.9    Treasurer: The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial statements. He shall co-sign promissory notes of the Association; he shall prepare a proposed annual budget (to be approved by the Board) and the other reports to be furnished to the Members as required in the Texas Property Code. He shall perform all duties incident to the office of Treasurer of a corporation organized under the Act.

Section 7.10 Assistant Secretaries and Assistant Treasurers: The Assistant Secretaries and Assistant Treasurers shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of those offices, and they shall, in general, perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President of the Board.

Section 7.11 Compensation: Officers shall not be compensated for the usual and ordinary services tendered to the Association incident to the offices they hold. The Board may, however, reasonably compensate any officer or officers who render unusual and extraordinary services to the Association beyond those usually and customary expected of persons serving as officers. Each officer, by assuming office, waives his right to institute suit against or make claim upon the Association for compensation based upon services usually or customarily rendered by persons occupying the office each holds.

Section 7.12 Indemnification: To the extent permitted by the provisions of the Act in effect at the applicable times, each officer is hereby indemnified by the Association with respect to any liability and expense of litigation arising out of his activities as an officer. Such indemnity shall be subject to approval by the Members only when such approval is required by the Act.

Section 7.13 Amendment Authority: Amendments to the Declaration may be prepared, executed, certified, and recorded by the President, the Secretary, the Treasurer, or any Vice President of the Association.

## **ARTICLE VIII** **AMENDMENTS**

Section 8.1 Amendments by Members: Subject to Section 8.2 and the last sentence of this Section 8.1, these Bylaws may be amended. All persons or entities that own or hereafter acquire any interest in the Property shall be bound to abide by any amendment to these Bylaws, which is duly adopted as provided herein. No amendment to these Bylaws shall be adopted or passed which shall impair or prejudice the rights of Developer provided for in the Governing Documents, without the consent of Developer.

Section 8.2 Amendments by Developer or Board: Developer, for so long as it owns lots in the subdivision, and thereafter the Board, shall have the right to amend these Bylaws for the purposes set forth in the Declaration, without the consent or approval of any other Member.

Section 8.3 Agency Approval: So long as Developer still owns lots in the subdivision, any amendment of these Bylaws, except as expressly provided in Section 8.2 above, shall require the prior written approval of any Agency then holding or insuring any Mortgage.

## **ARTICLE IX** **MISCELLANEOUS**

Section 9.1 Severability: Invalidation of any covenant, condition, restriction or other provisions of the Declaration or these Bylaws shall not affect the validity of the remaining portions

thereof which shall remain in full force and effect.

Section 9.2 Successors Bound: The rights, privileges, duties and responsibilities set forth in the Governing Documents, as amended for time to time, shall run with the ownership of the Property and shall be binding upon all persons who own or hereafter acquire any interest in the Property.

Section 9.3 Gender, Singular, Plural: Whenever the context so permits, the use of the singular or plural shall be interchangeable in meaning and the use of any gender shall be deemed to include all genders.

Section 9.4 Nonprofit Corporation: No part of the Association's assets or net income shall inure to the benefit of any of the Members, the officers of the Association, or the Members of the Board, or any other private individual either during its existence or upon dissolution except as reasonable compensation paid or distributions made in carrying out its declared nonprofit purposes set forth in the Declaration, the Certificate of Formation of the Association and these Bylaws.

Section 9.5 Books and Records: The books, records, papers of the Association will be subject to inspection by any Member during ordinary business hours. The Declaration, Certificate of Formation, and Bylaws of the Association will be available for inspection by any Member at the principal office of the Association, where copies will be made available for sale at a reasonable price.

Section 9.6 Assessments: As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien on the property against which such assessments are made. Any assessments which are not paid when due, are considered delinquent. If an assessment is not paid within thirty (30) days after the due date, the assessment bears interest from the date of delinquency at the maximum rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same, or may foreclose the lien against his or her property. Interest, costs, and reasonable attorney fees of any such action will be added to the amount of any assessment due. No Owner may waive or otherwise escape liability for assessments by nonuse of the Common Area or abandonment of his or her lot.

Section 9.7 Conflict: In the case of any conflict between the Certificate of Formation and these Bylaws, the Certificate of Formation will control. In the case of any conflict between the Declaration and these Bylaws, the Declaration will control.

PASSED, ADOPTED, AND APPROVED on this the 23<sup>rd</sup> day of January, 2017.

**The Ranches at Quail Ridge Property Owners'  
Association, Inc.**

By: 

Davy Roberts, President

**ATTEST:**

By: 

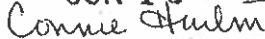
Chad May, Secretary/Treasurer

168012

**FILED FOR RECORD**

3:30 P.M.

JUN 13 2017



CONNIE HAFTMANN, COUNTY CLERK  
LAMPASAS COUNTY, TEXAS

DEPUTY

THE STATE OF TEXAS  
COUNTY OF LAMPASAS }

I, Connie Hartmann CLERK OF THE

County Court in and for the County do hereby certify that the foregoing instrument

record in my office this 13th day of June 2017 at 2:30 o'clock P M  
and duly Recorded this 13th day of June 2017 at 2:45 o'clock P M  
Deed Record Vol 531 on page 568-584

WITNESS my hand and seal of the County Court of said County, at office in Lampasas, Texas  
the day and year last above written

Rolfe Wolfe Deputy

Connie Hartmann Clerk  
County Court of Lampasas County