

HORSESHOE LAKE

PROPERTY OWNERS ASSOCIATION BYLAWS

The association's Bylaws set forth rules and procedures for how the Horseshoe Lake Property Owners Association ("Association") will function. These include details regarding the election of the Board of directors, voting procedures, quorum requirements, term limits, operating procedures, and other details. We encourage property owners to read and understand your Association's Bylaws to gain a clear understanding of your Board's roles and responsibilities within the association's governance structure. People who are allowed to vote will be called "Members" for the purpose of this document.

ARTICLE I

GENERAL PROVISIONS

1.1 Name and Location. The name of the Association is Horseshoe Lake Property Owners Association, a Texas non-profit corporation (the "Association.") The principal office of the Association shall be located at **26 Horseshoe Lake Drive East Huntsville, TX 77320**; however, meetings of Members and Board of Directors may be held within the State of Texas, County of Walker, as may be designed by the Board of Directors.

1.2 Accounting Year. The accounting year will be January 1-December 31.

1.3 Interpretation. In the case of any conflict, the (1) provisions of state law, (2) Articles of Incorporation, (3) Deed Restrictions, and (4) these Bylaws shall prevail in that order.

1.4 Purpose. The purpose of the Association is to govern Horseshoe Lake Subdivision in Walker County, Texas. This includes, but is not limited to, collecting maintenance fees, maintaining the lakes, dams, private roads, common parks, common areas, and Association owned drainage infrastructure (excludes lessees' and property owners' lots drainage infrastructure).

ARTICLE II

MEETINGS OF MEMBERS

2.1 Annual Meetings. The Association's annual meeting of the Members shall be held each year at such a place and time as the Board of Directors may designate. The purpose of the annual meeting shall be for electing a Board of Directors, proposing new plans, updating the members of previous and future community plans, making decisions regarding the association, and for any other association affairs. Notices of the annual meetings shall be mailed to all Members of the Association at least 14 days before the meeting.

2.2 Quarterly Meetings. The Association may meet quarterly to proposing new plans, updating the members of previous and future community plans, making decisions regarding the association, and for any other association affairs. Notices of the quarterly meetings shall be made via a purposed made sign posted at the front of the subdivision. The next planned, quarterly meeting date of the Association shall be announced at each quarterly meeting.

2.3 Special Meetings. Special meetings of the Members may be called by the President, a Quorum of the Board of Directors, or written request of the majority of Members of the Association, at any time. The purpose of the meeting shall be stated in the call to the meeting and at least 14 days written notice shall be given.

2.4 Eligibility to Vote. Only property owners may vote. Lot owners receive 1 vote for each lot. No lessees may vote in the Association. All Members must be current on all fees and in good standing with the Association to be entitled to (1) vote, (2) hold elective or appointive office, and (3) serve on committees as may be established.

2.5 Civic Group. Lessees in Horseshoe Lake shall be permitted to form a civic group to give suggestions and considerations to the Association. Association members are encouraged to attend these meetings. The Association may schedule quarterly meetings after the civic group's meetings.

2.6 Quorum. A Quorum shall be at least four active members of the Association.

2.6 Proxies. Members of the Association may vote in person or by proxy in all meetings of Members except Board elections. Every proxy shall be in writing, signed by the Member or his or her attorney-in-fact, and filed with the association secretary before the scheduled meeting. No

proxy shall be valid or effective for a period longer than 60 days at any one (1) time unless earlier revoked by the Member, except as otherwise provided by law.

ARTICLE III

BOARD OF DIRECTORS

3.1 Composition. The Association's Board of Directors shall be composed of the elected officers. The total number of directors to constitute the entire Board shall be equal to, and not less than, four (4). As used in these Bylaws, "entire Board" means the total number of Directors which the Association would have if there were no vacancies. Without vacancies, The Board shall at least have a president, vice-president, secretary, and treasurer.

3.2 Powers. The Board of Directors shall have all the powers and rights necessary to administer the Association's affairs and to perform the Association's responsibilities and to exercise its rights as set forth in these Bylaws, the Declaration and the Articles provided that such rights and powers are not inconsistent with the provisions of state laws and limited by the provisions of the Association's Bylaws. In particular, but not limited to, the Board of Directors has the power to:

- a) manage, control and restrict the use of the Common Areas of the community and the conduct of the Association's Members, lessees, and their guests by adopting and publishing rules and regulations, and establishing a monetary penalties to enforce any lack of compliance.
- b) suspend a Member's voting rights and the right to use the Common Areas if a Member is in default of any assessment payment or maintenance fees due and owing to the Association, or for lack of compliance with the Association's published rules and regulations;
- c) exercise all powers and duties not reserved to the Membership and authorized by these Bylaws, Articles of Incorporation or approved Declarations;
- d) create a vacancy in the Board in the event of a Board Member's three (3) consecutive unexcused absences to the regular meetings of the Board of Directors;
- e) employ and supervise managers, attorneys, independent contractors, or such other employees as the Board of Directors may deem necessary to perform its functions.

f) exercise legal action up to any including placing liens on property and foreclosing on property for non-payment of maintenance fees or non-payment of any other fees or dues that are required or may become required by the Association.

3.3 Duties. It shall be the Board of Directors' responsibility to:

a) maintain a complete and detailed record of all the Association's transactions and acts and furnish said records to the Members when such records are requested in writing by Members who are entitled to vote;

b) supervise the Association's officers, employees, and volunteers to ensure proper and ethical performance of the assigned duties;

c) As for fully provided in the Declaration, to:

1. impose the contractual maintenance and other assessments against each Lot/Tract/Unit;
2. send written notice of each assessment to all Members of the Association and Lessees;
3. issue, or to cause an appropriate officer to issue, upon demand by a Member disclosure packet pursuant to state law;
4. indemnify a past or present director, officer or committee Member of the Association to the extent such indemnity is required or permitted by state law, the Articles, or these Bylaws;
5. cause the common areas to be maintained.

3.4 Compensation. No director or officer shall receive compensation for their services. However, by resolution of the Board of Directors, a director may be reimbursed for actual expenses incurred in the performance of their duties.

3.5 Removal of Officers and Directors. Officers and Directors may be removed for cause by vote of the Members or by action of the Officers of the Board. Officers and Directors may be removed without cause only by vote of the Members.

3.6 Resignation. A director may resign at any time by giving written notice to the Board of Directors and the resignation shall take effect upon receipt of said notice, unless stated otherwise.

ARTICLE IV

MEETING OF BOARD OF DIRECTORS

- 4.1 **Regular Meeting.** A regular meeting of the Board shall be held at least quarterly. This meeting may be with or without Members being present.
- 4.2 **Special Meetings.** Special meetings may be called by the president or upon the written request of at least half of the members of the Board of Directors. The purpose of the meeting shall be stated in the call and at least 14 days written notice shall be given.
- 4.3 **Quorum of Directors.** A majority of the members of the entire Board shall constitute a quorum.
- 4.4 **Action of the Board.** The act of the Board of Directors shall be valid, if the required quorum is present at the time of the vote, unless otherwise required by law. During Board meetings, each director present shall have one vote regardless of the number of lots/units, which he or she may own.
- 4.5 **Notice of Meetings.** Regular meetings of the Board may be held without notice at as it may from time to time determine.
- 4.6 **Action without a Meeting.** An action that is required or permitted to be taken by the Board of Directors or the committee under these Bylaws may be taken without a meeting, only if the action is approved in writing and a resolution is adopted authorizing the action. The written consents and resolution shall be filed with the minutes of the proceedings and Association's records. Email is an acceptable form of written action.

ARTICLE V

OFFICERS AND THEIR DUTIES

- 5.1 **Officers.** The officers of the Association shall be a president, a vice-president, a secretary and a treasurer.

5.2 Term of Office. Officers shall assume their duties at the close of the meeting at which they are elected. Formational Officers shall serve for a term of three [3] years or until their successors are elected. Officers shall serve two [2] years after the formational Officers. No officers shall serve more than three [3] consecutive terms in the same office.

5.3 Vacancy in Office. A vacancy in any office except President may be filled by the Board of Directors.

5.4 Removal and Resignation. In any event of the death, resignation or removal of an officer, the Board in its discretion may elect or appoint a successor to fill the unexpired term. Any officer appointed by the Board may be removed by the Board with or without cause.

5.5 Duties. Officers shall perform the duties provided in this section and such other duties as are prescribed for the office in these Bylaws.

a) **President.** The president shall be the chief executive officer of the Association and shall preside at all meetings of the Members and of the Board to ensure that all orders and resolutions of the Board are carried into effect.

b) **Vice-President.** During the absence or disability of the President, the Vice-President shall have all the powers and functions of the President and perform such duties as the Board shall prescribe.

c) **Secretary.** The Secretary shall:

1. attend all meetings of the Association;
2. record all votes and minutes of all proceedings in a book to be kept for that purpose;
3. give or cause to be given notice of all meetings of Members and of special meetings of the Board;
4. keep in safe custody the seal of the corporation (if available) and affix it to any instrument when authorized by the Board;
5. be responsible for preparing and making available a list of Association Members entitled to vote, indicating the names and addresses at each membership meeting;
6. maintain all the Association documents and records in a proper and safe manner as required by state law; and

7. perform such other duties as may be prescribed by the Board.

D. **Treasurer.** The Treasurer shall:

1. have the custody of the Association funds and securities;
2. maintain complete and accurate accounts of receipts and disbursements in the Association books;
3. deposit all money and other valuables in the name and to the credit of the Association in such depositories as may be designated by the Board;
4. disburse the funds of the Association as may be ordered or authorized by the Board and preserve proper vouchers for such disbursements;
5. Prepare, or cause to be prepared, the annual benefit report;
6. render to the President and Board at the regular meetings of the Board, or whenever they require it, an account of all his transactions as Treasurer and of the financial condition of the Association;
7. render a full financial report at the annual meeting of the Members;
8. be furnished by all Association officers and agents at his request, with such reports and statements as he may require as to all financial transactions of the Association; and
9. perform such other duties as are given to him by these Bylaws or as from time to time are assigned to him by the Board or the President.

ARTICLE VI

COMMITTEES

The Board of Directors may designate from among its members an executive committee and other committees, each consisting of at least one (1) or more directors, by resolution adopted by a majority of the entire Board. Each such committee shall serve at the pleasure of the Board.

ARTICLE VII

BOOKS AND RECORDS

The Association's books, records and documents shall at all times, during reasonable business hours, be subject to inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost. Furthermore, all outgoing officers, directors, employees or committee members must relinquish all official documents, records, and any materials and property of the Association in his or her possession or under his or her control to the newly elected members within fourteen [14] days after the election.

ARTICLE VIII

AMENDMENTS

8.1 **Amendment.** These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

8.2 **Effective Date.** Amendments to these Bylaws are effective upon their approval in the manner set forth above, unless a later effective date is specified therein.

8.3 **Termination.** The Association may be dissolved only as provided in the Articles of Incorporation. Upon the dissolution of the Association, obligations of the Association are deemed automatically assumed by the Owners, in addition to any direct obligations of the Owners may have to the Association pursuant to the Bylaws.

ARTICLE IX

MAINTENANCE PAYMENTS

9.1 **No Offset.** The obligation of every Owner to pay assessments levied by the Association is absolute and shall not be affected by any claim the Owner may have, or believes he has, against any other Person, including Declarant or the Association, nor shall such obligation be affected by any irregularity in the manner or timing in which notice of assessment is given.

9.2 **Collections.** The Association will use all the force of the law to enforce the fees of each lessee and property owner, up to and including enforcement of a lien, a personal money judgment lawsuit, and a foreclosure lawsuit.

9.3 Use of Payments. The Association shall collect, record, and disperse maintenance payments exclusively for the benefit of all residences of Horseshoe Lake. These payments shall be used to for maintaining the lakes, dams, private roads, common parks, common areas, and Association owned drainage infrastructure (excludes lessees' and property owners' lots infrastructure).

ARTICLE X

BOAT LAUNCH

10.1 Boat Launch. The Association shall provide a boat launch area for boats for use of all homeowners, lessees, and their guests on Big Lake no later than December 2021. 10.1 is contingent on Walker County Planning and Development and Walker County Commissioners' Court approving plats that represent at least 75% of the actively leased lots.

ARTICLE XI

DEVELOPERS

11.1 Developers' Names. Developers in Horseshoe Lake are Ellis Management Group, LLC and Emercor Property Group, LLC ("Developers"). Developers may jointly assign other companies and developers in the future. Developers reserve these same rights and privileges in Article XI to other companies they may form, hire, or partner with.

11.2 Relationship to Developers. The Association shall have no authority over the Developers of Horseshoe Lake.

11.3 All Rights Reserved. The Developers reserve all right afforded to them by law.

ARTICLE XII

WATER ACCOUNTS

12.1 Owners Must Connect to the Water Utility. All owners of lots/tracts/acreage inside Horseshoe Lake shall have continuous connects and active accounts with the water utility that provides regulated, potable water to the subdivision. Well water is not allowed to be connected to any residence of

an owned lot or tract. Exceptions: 1) personal wells that meet the requirements of State Laws are allowed.
2) If the water utility does not provide service to a lot/tract/acreage then accommodations are allowed.

ARTICLE XIII

ASSOCIATION PROPERTY OWNERSHIP AND PURCHASING

13.1 **Ownership of Property.** The Association may own property for the common use for the people who live in Horseshoe Lake.

13.2 **Purchasing Common Property.** Property that is purchased may be purchased at fair market value or at a lower cost. The Association shall hire experts to value any property prior to the purchase of said property. The purchase of property must be approved by the Members.

13.3 **Leases.** Lease rights may be purchased by the Association on the advice of legal counsel. Lease rights may be purchased at fair market value or at a lower cost.

IN WITNESS WHEREOF, we, being all of the Directors of the Association have hereunto set our hands this 9 day of July, 2020.

By: 
Name: Monte Robinson
Title: President

By: 
Name: James Webb
Title: Secretary

By: 
Name: Brendalyn Webb
Title: Treasurer

By: 
Name: Debra Robinson
Title: Vice President

CERTIFICATION

I the undersigned, to hereby certify:

THAT I am the duly elected and acting President of Horseshoe Lake Property Owners Association, a Texas non-profit corporation, and,

THAT the foregoing Bylaws constitute the Bylaws of the Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 9 day of July, 2020.



Monte Robinson, President