

AMENDED BY-LAWS
OF
THE HOMESTEAD ON HOBBS CREEK
HOMEOWNERS ASSOCIATION, INC.

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Rose Pietsch, County Clerk
Bastrop County, Texas

ARTICLE I
NAME AND TYPE

Section 1.1. Name. The name of the association is The Homestead on Hobbs Creek Homeowners Association, Inc., herein referred to as the "**Association**". It is the association of owners of lots in The Homestead on Hobbs Creek, a subdivision in Bastrop County, Texas, the first phase of which was platted by the instrument recorded January 3, 2000, in Cabinet 3, Slide 1187A-B Plat Records, Bastrop County, Texas. The Association administers the property that is subject to the Declaration of Covenants, Conditions and Restrictions for Home Sites, The Homestead on Hobbs Creek, recorded December 28, 1999, as Instrument No. 199916306, in Volume 1021, Page 521, Real Property Records, Bastrop County, Texas, as amended and restated by the Amended Declaration of Covenants, Conditions and Restrictions for Home Sites, The Homestead on Hobbs Creek, recorded March 14, 2000, as Instrument No. 200003406, in Volume 1036, Page 200, Real Property Records, Bastrop County, Texas (the "**Restrictions**"), ~~and also subject to the Supplemental Declaration of Covenants, Conditions and Restrictions for The Homestead on Hobbs Creek, recorded, December 26, 2001, as Instrument No. 200118140, in Volume 1189, Page 438, Official Public Records, Bastrop County, Texas (the "**Declaration**").~~ Initially named in the Restrictions as the "Homestead Homeowners Association" or "HHA", the Association was organized as the Homestead on Hobbs Creek Homeowners Association because the corporate name of "Homestead Homeowners Association" was not available from the Secretary of State when the Restrictions were recorded. (amended June 21, 2011)

Section 1.2. Type. The Association serves as the "property owners' association" defined in Section 202.001(2) of the Texas Property Code. The Association is organized as a Texas nonprofit corporation. The failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association, which derives its authority from the Restrictions, ~~the Declaration~~, and these By-Laws. (amended June 21, 2011)

ARTICLE II
DEFINITIONS

Words and phrases defined in the ~~Declaration~~ Restrictions shall have the same meanings when used in these By-Laws. (amended June 21, 2011)

ARTICLE III
MEMBERSHIP

Section 3.1. Membership. ~~As provided in Section 2.2 of the Declaration,~~ Every Owner of a Lot by virtue of ownership of such Lot shall be a member of the Association. Membership shall be appurtenant to and shall not be separated from ownership of any Lot. When ownership of any Lot is held by more than one person or by a legal entity which is not a natural person, all such Owners shall be members of the Association. ~~however, the voting rights of such members shall be governed by Section 2.4 of the Declaration.~~ (amended June 21, 2011)

Section 3.2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual regular or special assessment levied by the Association, the voting rights and right to use of the recreational facilities, if any, of such member may be suspended by the Board of Directors until such has assessment has been paid. Such rights of a member may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area and facilities.

ARTICLE IV

PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Each member shall be entitled to the property rights and rights of enjoyment that are described and reserved to owners in the ~~Declaration and Restrictions~~. (amended June 21, 2011)

ARTICLE V

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 5.1. Number. The affairs of the Association shall be managed by a Board of not less than three (3) directors, *who shall at all times be members of the Association*. The Board may be increased up to five (5) directors based upon a majority vote of the membership at an annual meeting. (amended June 21, 2011)

Section 5.2. Election. The initial directors shall be appointed by the incorporator. At the organizational meeting, the Board shall elect one (1) director for a term of one (1) year, one director for a term of two (2) years, and one (1) director for a term of three (3) years; and at each annual meeting thereafter the members shall elect the director(s) for a term of three (3) years to fill each expiring term. In the event additional directors are elected at an annual meeting, the initial term of such director(s) shall be for a period of three (3) years.

Section 5.3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. Any director may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall immediately take effect on the date of receipt of such notice. The acceptance of such resignation shall not be necessary to make it effective. In the event of death, resignation or removal of a director, his successor shall be appointed by majority vote of the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 5.4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director, upon prior approval of the Board, may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 6.1. Regular Meetings. Regular meetings of the Board of Directors *may be held at least quarterly, with prior notice to the members by letter, or other means, including but not limited to publication on the Association web site if in use*, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday that meeting shall be held at the time on the next day which is not a legal holiday. (amended June 21, 2011)

Section 6.2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days written notice to each director, and to the Association members in the manner proscribed under Section 6.1 of these By-Laws.

Section 6.3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 6.4. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the effect as though taken at a meeting of the directors.

Section 6.5. Place of Meetings. Meetings of the Board may be held in the Subdivision or at a suitable place convenient to the directors, as determined by the Board.

Section 6.6. Open Meetings. Meetings of the Board shall be open to attendance by members of the Association. Executive Sessions of the Board are not included under this section and shall be closed to attendance by members or officers of the Association who are not directors. (Section 6.6 added by amended June 21, 2011)

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 7.1. Nomination. Nomination for election to the Board may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting by any member of the Association. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 7.2. Election. Election to the Board of Directors shall be by written ballot cast at the annual meeting. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. The persons receiving the largest number of votes, in respect to each vacancy to be filled, shall be elected. Cumulative voting is not permitted. All ballots cast shall become part of the complete records of the Association.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 8.1. Powers. The Board of Directors shall have the power:

- a) To adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish a schedule of published penalties for the infraction thereof;
- b) To exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by any other provisions of ~~the Declaration~~, the Restrictions, these By-Laws, the Articles of Incorporation, or the Laws of The State of Texas; (amended June 21, 2011)
- c) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors without just cause having been furnished to and accepted by the Board;
- d) To declare the office of a member of the Board of Directors to be vacant in the event such member is found to have deliberately committed a Breach of Fiduciary Duty by intentionally and knowingly violating the provisions of ~~the Declaration~~, the Restrictions, these By-Laws, or the

Articles of Incorporation. Violations occurring as an error in interpretation or application of the aforementioned provisions shall not be deemed cause for removal; (Section 8.1(d) added by amendment June 21, 2011)

- e) To establish, disburse and maintain the records and receipts of such disbursal, of a petty cash fund as necessary for efficiently carrying out the business of the Association; and
- f) To engage the services of an independent contractor, or such employees as it deems necessary and allowed per law, and to prescribe the conditions, compensation and duties of their work. *Such power shall not include the authority to enter into management agreements with any HOA Management entity to manage, operate or perform all or any part of the affairs and business of the Association without a written instrument agreeing to such and signed by not less than ninety percent (90%) of the members of the Association. (amended June 21, 2011)*

Section 8.2. Duties. It shall be the duty of the Board of Directors:

- a) To cause to be kept a complete and accurate record of all its acts and corporate affairs and to present a statement thereof to the members of the Association at the annual meeting of the members, or at any special meeting of the members, when such statement is requested in writing by one-fourth (1/4) of the members;
- b) To supervise all officers, agents and employees of the Association, and to see that their duties are properly performed and are not in violation of the provisions of ~~the Declaration~~, the Restrictions, these By-Laws, or the Articles of Incorporation; *(amended June 21, 2011)*
- c) To establish regular or special assessments ~~in accordance with, and as authorized by, the Declaration, Article III, section 3.2 and section 3.3 inclusive;~~ *(amended June 21, 2011)*
- d) To procure and maintain adequate liability and hazard insurance on all property owned by the Association;
- e) To cause all officers, employees or agents, having fiscal responsibility to be bonded; and
- f) To cause the Common Areas owned by the Association to be maintained

ARTICLE IX

COMMITTEES

Section 9.1. The Board of Directors may appoint committees as deemed appropriate in carrying out its purposes, which may include by way of example, but not by way of limitation, the following:

- a) The **Architectural Control Committee**, as described in ~~Article VI of the Declaration~~ the Restrictions; *(amended June 21, 2011)*
- b) The **Nominating Committee**, as described in Article VII of these By-Laws;
- c) A **Maintenance Committee** to advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Areas, if any, and to perform such maintenance or other functions related to such as the Board in its discretion determines;
- d) A **Publicity Committee** to inform the members of all activities and functions of the Association and after consulting with the Board of Directors, to make such public releases and announcements as are in the best interest of the Association;

- e) An **Audit Committee** to supervise the annual review of the Association's books and financial records, and to approve the annual budget and statement of income and expenditures to be presented to the membership at its regular meeting. The Treasurer shall at all times be an ex-officio member of this committee when formed; and
- f) A **Recreation Committee** to advise the Board of Directors on all matters pertaining to the recreational program, if any, and activities of the Association and to perform other such functions related to such as the Board in its discretion determines.

Section 9.2. It shall be the responsibility of, and a function of, each committee to receive complaints from members on any matter involving Association duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate, and in compliance with ~~the Declaration~~, the Restrictions, these By-Laws, or the Articles of Incorporation, or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented. All committee members shall be members of the Association. (amended June 21, 2011)

ARTICLE X

MEETINGS OF MEMBERS

Section 10.1. Annual Meetings. The first annual meeting of the members shall be held between forty-five (45) days before and forty-five (45) days after the date which is one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held between forty-five (45) days before and forty-five (45) days after the date of the prior years annual meeting, the exact time and date to be determined by the Board.

Section 10.2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership.

Section 10.3. Notice of Meetings. Except as otherwise provided in the Articles of Incorporation, or these By-Laws, written notice of each meeting of the members shall be given by, or at the direction of, the secretary or the person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 10 days before such meeting to each member entitled to vote thereat, addressed to the members address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 10.4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of each of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, ~~the Declaration~~, the Restrictions, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid, shall be present or be represented. (amended June 21, 2011)

Section 10.5. Proxies. At all meetings of members, each member may vote in person or by proxy assignment of their vote to another member. All proxies shall be in writing and filed with the secretary prior to the commencement of the meeting and shall be retained by the secretary as part of the complete records of the Association. Every proxy shall be revocable at any time by the member assigning it and shall automatically cease upon cessation of membership or restriction of the members voting rights.

Section 10.6. Canvass in Lieu of Meeting. In the event that a quorum of members is not achieved at any scheduled meeting, the Board of Directors may themselves conduct a door-to-door canvass of all members whose votes shall be cast in writing and signed by the member, with such signature attested to by a witness who shall not be a member of the Board of Directors, and shall be duly recorded. Any action so taken by canvass shall have the same force and effect as if taken at a meeting at which a quorum of members was present. Any such canvass must

be completed within thirty (30) days of the Board's decree. All member votes taken by canvass shall become part of the complete records of the Association.

Section 10.7. Majority Vote; Withdrawal of Quorum. When a quorum is present at any meeting of the members, the vote of the holders of a majority of the votes, present in person or represented by proxy, shall decide any question brought before such meeting unless the question is one upon which by express provision of the statutes, ~~the Declaration~~, the Articles of Incorporation or these By-Laws, a different vote is required, in which case such express provision shall govern and control the deciding of such question. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. (amended June 21, 2011)

Section 10.8. Place of Meetings. Meetings of the Association may be held in the Subdivision or at a suitable place convenient to the members, as determined by the Board.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 11.1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, a treasurer, and such other officers as the Board may from time to time by resolution create, and who shall at all times be members of the Association. (amended June 21, 2011)

Section 11.2. Election of Officers. The election of officers shall take place at the first regular meeting of the Board of Directors following each annual meeting of the members.

Section 11.3. Term. The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year unless he shall sooner resign, or shall be removed or otherwise disqualified or unable to serve.

Section 11.4. Special Appointments. The Board may elect other such officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine. All such officers appointed shall at all times be members of the Association. (amended June 21, 2011)

Section 11.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving notice to the Board, the president, or the secretary in writing. Such resignation shall take effect immediately upon receipt of such notice; the acceptance of such resignation shall not be necessary to make it effective.

Section 11.6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election of officers. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 11.7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 11.4 of this Article.

Section 11.8. Duties. The duties of the officers are as follows:

- a) **President.** The president shall preside at all meetings of the Board of Directors; shall see that the orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds, and other written instruments.
- b) **Vice-President.** The vice-president shall act in the place and stead of the president in the event of

his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

- c) **Secretary.** The secretary shall record the votes and keep minutes of all meetings and proceedings of the Board and of members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notices of meetings of the Board and of the members; keep appropriate and current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.
- d) **Treasurer.** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; shall keep accurate and proper books of account; cause an annual review of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the members.

ARTICLE XII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member of the Association. The annual meeting minutes, minutes of board meetings, financial statement of the Association, Articles of Incorporation, ~~the Declaration~~, the Restrictions, and the By-Laws shall be available for inspection by any members at the principal office of the Association, where copies may be purchased at reasonable cost, or by download on an Association web site, if utilized. (amended June 21, 2011)

ARTICLE XIII

FISCAL YEAR

The Fiscal Year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XIV

AMENDMENTS

Section 14.1. These By-Laws may be amended at a regular or special meeting of the members, by a vote of a majority of ~~a quorum~~ of the Association membership, either present or by proxy. ~~except that during the Special Declarant Rights Period, as defined in the Declaration:~~

- ~~1) The Federal Housing Administration or the Veteran's Administration shall have the right to veto amendments; and~~
- ~~2) Any amendment that affects the rights or reservations of Declarant must have the written and acknowledged consent of Declarant as part of the amendment instrument.~~
- ~~3) Without consent of other owners or mortgagee, Declarant may amend these By-Laws for any of the following limited purposes:~~
 - ~~a. To merge the Association with another property owners association.~~
 - ~~b. To comply with requirements of an underwriting lender.~~
 - ~~c. To resolve conflicts, clarify ambiguities, and to correct misstatements, errors, or omissions in these By-Laws.~~

- ~~d. To conform these By-Laws to the Declaration or to the Articles of Incorporation.~~
- ~~e. To enable any reputable title insurance company to issue title insurance coverage on the Lots.~~
- ~~f. To enable an institutional or government lender to make or purchase mortgage loans on Lots.~~
- ~~g. To change the name of the Association.~~
- ~~h. For any other purpose, provided the amendment has no material adverse effect on any right of any member. (14.1, 1,2,3(a)(b)(c)(d)(e)(f)(g)(h) amended June 21, 2011)~~

Section 14.2. To be effective, an amendment must be in the form of a written instrument:

- 1) Referencing the name of the development, the name of the Association, and the recording data of these By-Laws and any amendments hereto;
- 2) Signed and acknowledged by at least one (1) officer of the Association, certifying the requisite approval of members, ~~and if required, FHA, VA, the Declarant, or mortgagees;~~ and (*amended June 21, 2011*)
- 3) Recorded in the Real Property Records of Bastrop County, Texas. The association shall deliver a copy of each amendment to an owner of each Lot at least ten (10) days before the amendment's effective date. An amendment may be effective immediately if adopted at a meeting at which owners of two-thirds (2/3) of the Lots are represented.

ARTICLE XV

GENERAL PROVISIONS

Section 15.1. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provision hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 15.2. Conflicts. In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control. In case of any conflict between ~~the Declaration~~ the Restrictions and these By-Laws, ~~the Declaration~~ the Restrictions shall control. (*amended June 21, 2011*)

ARTICLE XVI

ENFORCEMENT

In the event that the Association institutes legal action to enforce any restrictive covenant or other condition of ~~the Declaration~~, the Restrictions, Articles of Incorporation or these By-Laws, and the violator voluntarily corrects or abates such violation after litigation has been filed, the Association may refuse to dismiss or abandon such legal action until it has been reimbursed all of its expense's incurred prior to the correction or abatement of the violation by the violator , including reasonable attorneys fees and court costs. (*amended June 21, 2011*)

ARTICLE XVII

DECLARANT RIGHTS

~~**Section 17.1.** During the Special Declarant Rights Period as described in Section 1.18 of the Declaration, no interpretation, implementation, or amendment of these By-Laws may adversely affect the Declarant's rights under the Declaration or under these By-Laws, without the Declarant's written and acknowledged consent. Specifically, this Article may not be amended without prior written approval of the Declarant. The Declarant's written consent must be part of the resolution, policy, amendment instrument, or other documentation of action. (*amended June 21, 2011*)~~

~~Section 17.2. Notwithstanding other provisions of these By-Laws to the contrary, nothing contained herein may be construed to, nor may the Board, the Association, other Owner, or any mortgagee prevent or interfere with the rights reserved by Declarant in the Declaration, in Exhibit "D" of the Declaration, and in these By-Laws. (Section 17.2, 17.2 amended June 21, 2011)~~

CERTIFICATION

I, the undersigned do hereby certify that I am the duly elected and acting Secretary of The Homestead on Hobbs Creek Homeowners Association, Inc., a Texas non-profit corporation, and, that the foregoing By-Laws constitute the amended By-Laws of the said Association: as duly adopted at a meeting of the members thereof, held on the 21st day of June, 2011.

SIGNED on this 20 day of July, 2011.

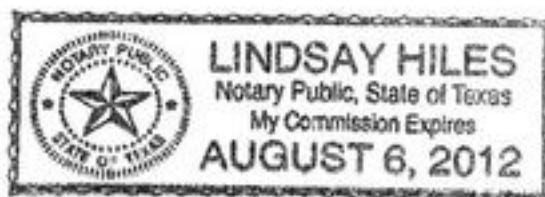

Dale Haag, President

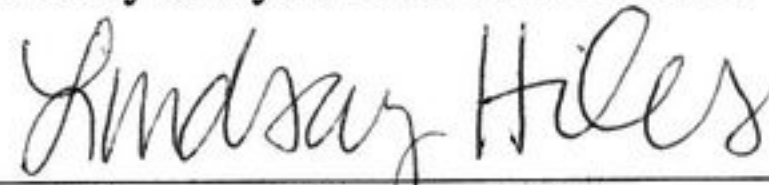
THE STATE OF TEXAS §
§
COUNTY OF BASTROP §

I, the undersigned authority, a Notary Public in and for said County and State do hereby certify that on this day, the 20th day of July, 2011, personally appeared before me the above signed individuals, who, each being by me first duly sworn, has personally declared that he is one of the persons who signed the foregoing document as a member of the Board of Directors of The Homestead on Hobbs Creek Homeowners Association, Inc., and that the above is a true and correct statement of the Amended By-Laws adopted by said Board.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

SEAL




Notary Public State of Texas
LINDSAY HILES
Notary Printed Name

My Commission expires: Aug 6, 2012