

Covenants & By-Laws

Sun Valley Village

15659 Buttercup Crt Harlingen, Texas 78552-4898

January, 2017 revision

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF SUN VALLEY VILLAGE PROPERTY OWNERS ASSOCIATION

THE STATE OF TEXAS COUNTY OF CAMERON

This Declaration made on the date hereinafter set forth by HARRY C. RAWLS, Trustee, of Cameron County, Texas, hereinafter referred to as "declarant",

WITNESSETH:

Whereas, declarant is the owner of certain property situated in Cameron County, Texas, which is more particularly described as:

All of Block 1, Sun Valley Village, Unit I; Lots 1-28, both inclusive, in Block 3, Sun Valley Village, Unit I; Lots 1-32, both inclusive, in Block 4, Sun Valley Village, Unit I; Lots 1-20, both inclusive, in Block 5, Sun Valley Village, Unit I; Lots 1-7, both inclusive, in Block 6, Sun Valley Village, Unit I, as shown on the map or plat thereof recorded in Volume 24, page 38, of the Map or Plat Records of Cameron County, Texas.

Lots 1-20, both inclusive, in Block 1, Sun Valley Village, Unit II; Lots 1-14, both inclusive, in Block 2, Sun Valley Village, Unit II, as shown on the map or plat thereof recorded in Volume 28, page 13, of the Map or Plat Records of Cameron County, Texas.¹

Lots 21-25, both inclusive, in Block 1, Sun Valley Village, Unit III; Lots 15-28, both inclusive, in Block 2, Sun Valley Village, Unit III; Lots 1-14, both inclusive, in Block 3, Sun Valley Village, Unit III, as shown on the map or plat thereof recorded in Volume 29, page 30, of the Map or Plat Records of Cameron County, Texas.

NOW, THEREFORE, declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following Easements, Restrictions, Covenants and Conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any rights, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

¹ Amended 1-7-80

ARTICLE I DEFINITIONS

<u>Section 1.1 "Association"</u> shall mean and refer to Sun Valley Village Property Owners Association, a Texas non-profit corporation, its successors and assigns.

<u>Section 1.2 "Owner"</u> shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

<u>Section 1.3 "Properties"</u> shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

<u>Section 1.4 "Common Area"</u> shall mean all real property and improvements thereon owned by the Association for the common use and enjoyment of the owners. The common area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

All of Block 1, Sun Valley Village, Unit I, Cameron County Texas, as per the map or plat thereof recorded in Volume 24, page 38, of the Map or Plat Records of Cameron County, Texas.

To clarify the fact that the streets, roads and rights-of-way are owned by the Association and are to be for the common use and enjoyment of the owners and to be maintained by the owners, it is hereby specifically stated that the common area does include streets, roads and rights-of -way.²

<u>Section 1.5 "Lot"</u> shall mean and refer to any numbered lot or plot of land shown in any recorded subdivision map or plat of the properties with the exception of the common area.

Section 1.6 "Mobile Home" shall mean a moveable dwelling, unit designed and constructed for permanent occupancy by a single family which contains permanent eating, cooking, sleeping and sanitary facilities, which is designed to be moved by axles and wheels forming a part of such unit (which axles and wheels may, however, be removed while the unit is at rest) and while units are manufactured with complete plumbing and electrical systems ready for hookup. "Mobile Home" shall not be deemed to include a travel trailer or a similar unit designed for temporary occupancy or a self-propelled living unit such as a recreational vehicle or camper.

<u>Section 1.7 "Declarant"</u> shall mean and refer to GLOBAL LAND CORPORATION, a Missouri corporation authorized to do business in the State of Texas, its successors and assigns if such successors or assigns should acquire more than one undeveloped lot from the declarant for the purpose of development.

<u>Section 1.8 "Water System"</u> shall mean and refer to all easements, pipes, pumps, wells, storage tanks and other similar facilities employed by the Association in providing domestic water service to the residents of the properties and to provide water for use in connection with the common area.

ARTICLE II PROPERTY RIGHTS

<u>Section 2.1 Owner's Easements of Enjoyment:</u> Every owner shall have a right and easement of enjoyment in and to the common area which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the common area;
- (b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his lot remains

² Amended 1-7-80

unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

- (c) The right of the Association to dedicate or transfer all or any part of the common area to any public agency, authority or utility for such purposes and subject to such Conditions as shall be effective unless an instrument signed by two-thirds (2/3rds) of the members agreeing to such dedication or transfer has been recorded;³
- (d) The right of the Association to limit the number of guests of owners;
- (e) The right of the Association, in accordance with its Articles of Incorporation or By-Laws, to borrow money for the purpose of improving the common area and in aid thereof to mortgage said property. The rights of any such mortgagee in said properties shall be superior or inferior to the rights of the owners hereunder at the mortgagee's election.

Section 2.2 Delegation of Use: Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the common area to his overnight guests, his tenants, or contract purchasers who reside on the property⁴.

Section 2.3 Leasing Lots, Trailers or Mobile Homes within the Park:

- (a) There shall be no lease permitted for a term of more than one year, to any one or more persons. The Board of Directors must be contacted for the prior approval of all leases. At the expiration of the first year's lease or any extension or renewal period for over one year, the Board of Directors must be contacted for approval of a further extension or renewal of any lease. All tenants shall meet the basic requirements set forth in Article II, Section 2.5.⁵
- (b) No occupant (tenant or owner) shall be permitted to have children under the age of eighteen (18) in residence at any time, except by special permission of the Board of Directors. Residence shall include any period of time deemed by the Board.⁶
- (c) No tenant of Association property may keep pets of any kind during the term of any lease.⁷
 - Section 2.4 Parking Rights: The use of all parking areas (including areas where boats, boat trailers, etc., are to be parked or stored) situated in the common area shall be subject to the exclusive control and management of the Board of Directors of the Association. Parking along the streets will be done in a manner to permit free ingress and egress of all persons and vehicles and emergency vehicles and trucks and other vehicles carrying out business duties with members.⁸ Only Recreational Vehicles or Motor Homes belonging to the property owner may be parked on the street or driveway over night and then only for the purpose of loading, unloading or cleaning. No one is to reside in said RV's while parked in Sun Valley Village.⁹

Section 2.5 Age Restriction: To occupy a lot within the Sun Valley Village Subdivision, at least one person must be fifty-five (55) years of age or older. Either spouse only may be younger than that age. This Covenant shall be enforceable against any one acquiring title to the lots within the subdivision after February 1, 1999.¹⁰

ARTICLE III <u>MEMBERSHIP AND VOTING RIGHTS</u>

³ Amended 1-7-80

⁴ Amended 1-23-2017

⁵ Amended 1-7-80, 1-11-88

⁶ Amended 1-7-80, 1-18-99

⁷ Amended 1-7-80, 1-21-13

⁸ Amended 1-7-80

⁹ Amended 1-19-15

¹⁰ Amended 1-11-88, 1-15-90, 1-18-99

Section 3.1 Members: Every owner of a lot or lots shall be a member of the Association.

Section 3.2 Voting Rights: Each property owner shall be entitled to one vote. When more than one person holds an interest in any lot or lots, all such persons shall be members. The vote for such lot or lots shall be exercised as they among themselves determine, but in no event shall more than one vote be cast for any such joint ownership.¹¹

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

<u>Section 4.1 Creation of the Lien and Personal Obligation of Assessments</u>: Each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to Covenant and agree to pay to the Association:

- (a) Annual assessments or charges which shall be payable monthly, and
- (b) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and attorney fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and attorney fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due.¹²

<u>Section 4.2 Purpose of Assessments</u>: The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the properties; to provide domestic water service to the residents and common area; to improve, maintain and replace the water system; to improve and maintain the common area and maintain street lights, streets, curbs, sidewalks, esplanades and similar facilities serving the properties.¹³

Section 4.3 Maximum Annual Assessment: 14

- (a) The maximum annual assessment for property owners is based on a monthly rate to be paid quarterly or annually. A property owner is defined as one who owns one or more adjoining lots on which one residence is located.
- (b) The maximum annual assessment may be increased not to exceed fifteen percent (15%) of the current assessment (dues), such increase to be determined by the Board of Directors.

Section 4.4 Special Assessments for Capital Improvements: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common area, including fixtures and personal property related thereto, or for the construction, reconstruction, repair or replacement of street, sidewalks, curbs and esplanades serving the property, provided that any such assessment shall have the vote or written assent of sixty-six and two-thirds percent (66-2/3%) of the members voting. Payment for all such special assessments shall be fixed at a rate approved by the Board of Directors.¹⁵

<u>Section 4.5 Notice and Quorum for Any Action Authorized Under Sections 4.3 and 4.4</u>: Written notice of any meeting called for the purpose of taking any action authorized under Section 4.3 or 4.4 shall be sent to all members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty

¹¹ Amended 1-7-80

¹² Amended 1-7-80, 1-21-91

¹³ Amended 1-7-80

¹⁴ Amended 1-7-80, 1-17-00, 1-17-11

¹⁵ Amended 1-7-80, 1-6-81

percent (50%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. ¹⁶

Section 4.6 Date of Commencement of Annual Assessments Due Dates: The annual assessments provided for herein shall commence as to all lots then forming a part of the properties on the first day of the month following transfer of ownership. The Board of Directors shall fix the amount of the annual assessment against each property owner at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid.¹⁷

Section 4.7 Effect of Nonpayment of Assessments-Remedies of the Association:

- (a) Any assessments which are not paid when due shall be delinquent. If the assessment is not paid prior to the next scheduled billing, a late payment charge of ten dollars (\$10.00) shall be added; and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. Interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of his lot.¹⁸
- (b) Any violation of the Declaration of Covenants, Conditions and Restrictions of SUN VALLEY VILLAGE PROPERTY OWNERS ASSOCIATION shall carry a fine of \$25.00 per day for each violation and that the Association may bring an action at law against the owner personally obligated to pay the same or foreclose a lien in the amount of the fine against the property in the same manner as above set out for the foreclosure of liens for the non-payment of assessments.¹⁹ The same penalties shall apply to any resident who willfully damages, steals, or destroys any property or equipment belonging to Sun Valley Property Owners Association until that property or equipment has been repaired, replaced or returned to the satisfaction of the Sun Valley Village Board of Directors.²⁰

Section 4.8 Subordination of the Lien to Mortgages; Sale or transfer of any lot shall not affect the assessment lien.²¹

Section 4.9 Exempt Property: The Board of Directors may exempt such charitable or non-profit organizations or governmental entities from assessments as it chooses provided such entities are exempt from taxation by the federal government and State of Texas. However, no lots or improvements devoted to use as a dwelling shall ever be exempt from assessments. Owners and operators of exempt property agree to permit the Board of Directors to approve or disapprove in advance the use of such property, and agree to abide by Board decisions.²²

Section 4.10 Insurance:

(a) The Board of Directors of the Association may obtain and continue in effect blanket property insurance to insure the buildings and structures in the common area and the Association against risks of loss or damage by fire and other hazards as are covered under standard extended coverage

¹⁶ Amended 2-1-79, 1-7-80

¹⁷ Amended 1-7-80

¹⁸ Amended 1-7-80, 1-19-04

¹⁹ Amended 1-11-83

²⁰ Amended 1-19-15

²¹ Amended 1-7-80

²² Amended 1-7-80

provisions, and said insurance may include coverage against vandalism.²³

- (b) The Board of Directors of the Association may obtain comprehensive public liability insurance in such limits as it shall deem desirable, insuring the Association, its Board of Directors, agents and employees, and each owner, from and against liability in connection with the common area, and for other protection.
- (c) Each owner shall be responsible at his own expense and cost for his own personal insurance on his or her mobile home and contents therein, garage and his additions and improvements thereto, including decorations, furnishing and personal property therein, and his personal property stored elsewhere on the properties; and for his personal liability not covered by liability insurance for all owners obtained as a part of the common expense.
- (d) All costs, charges and premiums for all insurance that the Board of Directors authorized as provided herein shall be a common expense of all owners and be a part of the maintenance assessment.

ARTICLE V ARCHITECTURAL COMMITTEE

<u>Section 5.1 Committee:</u> The Board of Directors may, at its discretion appoint an architectural committee composed of not less than three (3) nor more than five (5) members. Any committee so appointed shall act upon all matters to be submitted to the Board pursuant to Article VI herein.²⁴

ARTICLE VI USE RESTRICTIONS

Section 6.1 Residential Use: No owner shall occupy or use his lot or mobile home and such outbuildings as are customarily appurtenant to mobile homes, or permit the same or any part thereof to be occupied or used for any purpose other than as a private residence for the owner, his family, guests and tenants.²⁵

Section 6.2 Minimum Size, Age, Etc.: No mobile home having a width of less than twelve (12) feet, exclusive of open porches, breezeways, carports and garages shall be erected, placed or maintained on the properties and no mobile home shall be erected or placed on the properties which shall have been manufactured more than four (4) calendar years prior to being so erected or placed. All mobile homes must be completely enclosed, from ground level to lower portion of outside walls, within sixty (60) days after utilities are connected to the mobile home. However, notwithstanding the foregoing provision of this Section 6.2 not more than one travel trailer, camper or recreational vehicle containing utilities ready for hookup may be placed on a lot, in lieu of a mobile home, for a period not to exceed the thirty (30) days immediately following the recording of the deed of conveyance from owner to the purchaser. No structures of any kind, exclusive of mobile homes complying with the foregoing provisions of this Section 6.2 may be commenced, erected or maintained upon the properties, nor shall any exterior addition to, or change, or alteration therein be made or driveway put in until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or the architectural committee. No more than one (1) mobile home shall be placed on any one lot. Each time a new addition, change or new trailer, mobile home or acceptable structure is to be erected as above set out, the architectural committee will require the installation of a driveway prior to the commencement of any such construction or installation and the plans and specifications of such driveway must be approved by the architectural committee. Prior to commencement of any project, a building permit must be obtained from the architectural committee.²⁶

²³ Amended 1-7-80

²⁴ Amended 1-7-80

²⁵ Amended 1-7-80

²⁶ Amended 1-7-80

Section 6.3 Temporary Structures: No structures of a temporary character shall be used on any lot at any time as a residence or otherwise.²⁷

Section 6.4 Storage: One boat and boat trailer or one power golf cart and golf cart trailer will be allowed to be stored on a property owner's lot, provided that said equipment is owned by the property owner and has current licensing. This equipment must be stored in a garage, or on a concrete pad with a roof over it, and said equipment cannot extend closer to the front of the lot, than the front of the mobile home on that lot, but however, such equipment and boats may be kept and stored on that portion of the common area set aside by the Association for such purpose. If available storage space is unacceptable, storage away from the Village will be the responsibility of the property owner.²⁸

Section 6.5 Placement: No mobile home or structure shall be located on any lot nearer than ten (10) feet to the front lot line, or nearer than fifteen (15) feet to any side street lot line. No building shall be located nearer than five (5) feet to an interior lot line, except garages or other permitted accessory buildings located fifty (50) feet or more back from the front lot line. No mobile home shall be located on any lot nearer than ten (10) feet to the rear²⁹ lot line.

Section 6.6 Nuisances: No noxious or offensive activity shall be carried on upon any lot, or the common area, nor shall anything be done thereon which may or may become an annoyance or nuisance to the other owners. No repair work, dismantling or assembling of motor vehicles, boats, trailers, or any other machinery or equipment shall be permitted in any street, driveway or yard adjacent to a street, or in the common area. Nuisance shall be defined as anything creating a nuisance and defined under the statutes applying to towns, cities and villages in the state of Texas and further to include, but not be limited to, the continued parking of boats, trailers, motor homes or the like in the streets or driveways located within the Village. "Continued parking" shall be defined as in excess of seven (7) consecutive days. A mere removal for a seven-day period is insufficient to keep it from being declared a nuisance. No vehicle shall be parked on a lawn or easement. A driveway or concrete pad must be furnished for each vehicle. Also, inadequately maintained homes create a hazard to other homeowners and are also to be deemed a nuisance.³⁰

Section 6.7 Signs: No sign of any kind shall be displayed to public view on any lot or structure except one (1) sign of not more than five (5) square feet in area advertising the merits of the property for sale or rent.³¹

<u>Section 6.8 Oil and Mining Operations:</u> No gas or oil drilling, gas or oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot.

Section 6.9 Livestock and Poultry: No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other household pets, not to exceed a total of two (2) pets, may be kept provided that they shall not become a nuisance and are not kept, bred or maintained for any commercial purposes. All pets must be on a leash or confined to owner's property.³²

<u>Section 6.10 Garbage and Refuse Disposal</u>: No lot shall be used or maintained as dumping ground for rubbish. Trash, garbage or other waste shall be kept in sanitary containers. All equipment for the storage or disposal of such materials shall be kept in clean and sanitary condition.

Section 6.11 Obstruction of Sight Lines: No fence, wall or hedge shall be built or maintained nearer than ten (10) feet to the front property line of any lot. An exception shall be made in the case of retaining walls of not over twelve (12) inches above the ground. No fence, wall or hedge or shrub planting which obstructs sight lines shall be placed or permitted to remain on any corner lot.

Section 6.12 Owner's Maintenance:

²⁷ Amended 1-7-80

²⁸ Amended 1-7-80, 1-17-05

²⁹ Amended 1-15-07

³⁰ Amended 1-7-80, 1-21-08

³¹ Amended 1-7-80

³² Amended 1-7-80

- (a) The owner shall maintain and keep in repair the following equipment and lines located outside the mobile home and situated on owner's lot: septic tank, sanitary sewer line connecting the residence to the sanitary sewer collection system or septic tank, electric power service conductors from the exterior of the building to the point of connecting to the electric utility company's junction box or transformer, water lines to the point of connection into water mains, electric circuit breakers, any butane or other similar private fuel and power lines, any portion of natural gas, and/or telephone service lines located on the lot but not maintained by the gas and/or telephone companies.
- (b) Each lot shall be cared for in a manner to maintain the attractive appearance of the Village and the value of property. Mobile homes are to be properly maintained. Within reasonable limits, yards are to be kept mowed, trees and shrubs maintained or removed, dead material removed, etc. Properties inadequately maintained and declared a nuisance by the Board may be ordered maintained by the Board and the cost thereof added to the owner's annual assessment, provided that the owner be given prior notice in writing of the order, and thirty (30) days have passed since the issuance of the order.³³

<u>Section 6.13 Infringement:</u> An owner shall do no act nor any work that will impair the structural soundness or integrity of another mobile home or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other mobile homes or their owners.

ARTICLE VII EASEMENTS

<u>Section 7.1 Construction</u>: Each lot and the common area shall be subject to an easement for encroachments created by construction, settling and overhangs of utility lines, streets, common area improvements and the like, as designed or constructed by the declarant. A valid easement for said encroachments and for the maintenance of same, so long as it stands, shall and does exist.

Section 7.2 Utility, Emergency and Association: There is hereby created a blanket easement upon, across, over and under all of the properties for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones and electricity. By virtue of this easement, it shall be expressly permissible for the providing electrical and/or telephone company to erect and maintain the necessary poles and other necessary equipment on said property and to affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across and under the properties. An easement is further granted to all police, fire protection, ambulance, garbage and trash collector pickup vehicles and all similar persons to enter upon the common area in the performance of their duties. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines or other utilities may be installed or relocated on the properties except as approved by a sixty-six and two-thirds percent (66-2/3%) vote of the property owners. The easements provided for in this article shall in no way affect any other recorded easement on said premises.³⁴

ARTICLE VIII GENERAL PROVISIONS

Section 8.1 Enforcement: The Association, or any owner, shall have the right to enforce, by a proceeding at law or in equity, all Restrictions, Conditions, Covenants, Reservations, Liens and Charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any Covenant or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 8.2 Severability; Invalidation of any one of these Covenants or Restrictions by judgment

³³ Amended 1-7-80

³⁴ Amended 1-7-80

or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 8.3 Amendment: From the date of this amendment (January 18, 1999), these Covenants may be amended by not less sixty-six and two-thirds percent (66 2/3%) of the property owners voting, after notice of the annual or special meeting has been given. The certification by the Secretary of the Property Owners Association shall be sufficient to certify that at least this number of votes was given, and the amendment shall be signed by the Secretary and the President of the Property Owners Association certifying the action taken, and this shall be sufficient action to amend the Covenants.³⁵

Section 8.4 Annexation: Additional residential property and common area may be annexed to the properties with the consent of two-thirds (2/3rds) of the property owners.³⁶

IN WITNESS WHEREOF, the undersigned, being the declarant herein, has here unto set his hand and seal this 15^{th} day of January, 1972.

Harry C. Rawls, Trustee

We, the undersigned officers of the Board of Directors, duly acknowledge that these are the amended and restated Covenants of Sun Valley Village Property Owners Association as adopted at duly called meetings of the general membership of the Property Owners Association, at which a quorum was present. They are to be registered in the offices of Cameron County.

"Karen Clement"

Karen Clement, President

"BStevens"

Betty Stevens, Secretary

SWORN TO BEFORE ME by the said officers of Sun Valley Village Property Owners Association this 21st day of January, 2014.

"Angie Banda" Notary Public, State of Texas

Notarial Stamp--ANGIE BANDA Notary Public, State of Texas My Commission Expires October 18, 2017

³⁵ Amended 2-1-79, 1-7-80, 1-18-99

³⁶ Amended 1-7-80

BY-LAWS OF SUN VALLEY VILLAGE PROPERTY OWNERS ASSOCIATION

ARTICLE I NAME AND LOCATION

The name of the corporation is SUN VALLEY VILLAGE PROPERTY OWNERS ASSOCIATION, hereinafter referred to as the "Association". The principal office of the corporation shall be located at the residence of the Secretary, Sun Valley Village, Harlingen, Texas, but the meeting of the members and the Directors may be held at such place within the State of Texas as may be designated by the Board of Directors.

ARTICLE II DEFINITIONS

<u>Section 1. "Association"</u> shall mean and refer to the Sun Valley Village Property Owners Association, a Texas non-profit corporation, its successors and assigns.

<u>Section 2. "Owner"</u> shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any lot which is a part of the properties.

<u>Delegation of Use.</u> Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the common area to members of his family, his overnight guests, his tenants or contract purchasers who reside on his property.

<u>Section 3. "Properties"</u> shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Leasing Lots, Trailers or Mobile Homes within the Park. There shall be no lease permitted for a term of more than one year to any one or more persons. The Board of Directors must be contacted for prior approval of all leases. At the expiration of the first year's lease or any extension or renewal period for over one year, the Board of Directors must be contacted for approval of a further extension or renewal of any lease. All tenants shall meet the basic requirements set forth in Article II, Section 2.5.

Section 4. "Common Area" shall mean all real property and improvements thereon owned by the Association for the common use and enjoyment of the Owners.

Section 5. "Lot" shall mean and refer to any numbered lot or plot of land shown in any recorded subdivision map or plat of the properties, with the exception of the Common Area.

Section 6. "Mobile Home" shall mean a moveable dwelling unit designed and constructed for permanent occupancy by a single family, which contains permanent eating, cooking, sleeping and sanitary facilities, which is designed to be moved by axles and wheels forming a part of such unit (which axles and wheels may, however, be removed while the unit is at rest) and which units are manufactured with complete plumbing and electrical systems ready for hookup. "Mobile Home" shall not be deemed to include a travel trailer, or a similar unit designed for temporary occupancy, or a self-propelled living unit, such as a motor home or a camper.

<u>Section 7. "Water System"</u> shall mean and refer to all easements, pipes, pumps, wells, storage tanks and other similar facilities employed by the Association in providing domestic water service to the residents of the properties and to provide water for use in connection with the Common Area.

Section 8. "Member" shall mean and refer to those persons entitled to membership, as provided in the Declaration.

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meetings: The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association; and each subsequent regular annual meeting of the members shall be held on the third Monday in January of each year thereafter, at the hour of 7:30 o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

<u>Section 2. Special Meetings:</u> 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 (1/4th) of all of the votes of the membership.

<u>Section 3. Notice of Meetings:</u> 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 thirty (30), but not more than fifty (50), days before such meeting to each member entitled to vote thereat, the said notice being addressed to the member's 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, the day and the hour of the meeting and, in the case of a special meeting, the purpose of such meeting.

<u>Section 4. Quorum</u>: The presence at the meeting of members entitled to cast, or of proxies entitled to cast, fifty percent (50%) of the votes of the membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, 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 an announcement at the meeting, until a quorum, as aforesaid, shall be present or shall be represented.

<u>Section 5. Proxies:</u> At all meetings of members, each member may vote in person or by proxy. All Proxies shall be in writing and shall be filed with the Secretary, and the Proxy can only be voted on by a property owner of the Sun Valley Village Property Owners Association. Every Proxy shall be revocable and shall automatically cease upon the conveyance by the member of his lot.³⁷

ARTICLE IV BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

<u>Section 1, Number:</u> The affairs of this Association shall be managed by a Board of five (5) Directors, who must be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. Until the election of the Directors at the first annual meeting of the members, the initial Board of Directors shall so serve.

Section 2. Term of Office: At the first annual meeting, the members shall elect Directors for a term of one year, and, at each annual meeting thereafter Directors shall be elected biennially in sequence of two (2) Directors the first year and three (3) Directors in the next year, each to serve two year terms, so there is continuity of the business of Sun Valley Village. At each annual meeting thereafter, the same procedure shall be followed.³⁸

<u>Section 3. Removal:</u> Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, of resignation or of removal of the Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

<u>Section 4. Compensation:</u> No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the

³⁷ Amended 1-19-04

³⁸ Amended 1-19-04

performance of his duties.

<u>Section 5. Action Taken Without a Meeting:</u> 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 same effect as though taken at a meeting of the Directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination: Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nomination may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and one or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. 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.

<u>Section 2. Election:</u> Election to the Board of Directors shall be by secret, written ballot. 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 Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular Meetings: Regular meetings of the Board of Directors shall be held monthly, without notice, at such place and at such hour as may be fixed, from time to time, by resolution of the Board. Should the said meeting fall upon a legal holiday, then, that meeting shall be held at the same time on the next day which is not a legal holiday.

<u>Section 2. Special Meetings:</u> Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three days' notice to each Director.

<u>Section 3. Quorum:</u> A majority of the number of Directors shall constitute a quorum of 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.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers: The Board of Directors shall have the power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Area and the facilities, as well as the personal conduct of the members and their guests thereon, and establish penalties for the infraction thereof;
- (b) Suspend the voting rights and the right to the use of the recreational facilities of a member during any period in which such member shall be 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 sixty (60) days for infraction of published rules and regulations;

- (c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration;
- (d) 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; and
- (e) Employ a manager, independent contractors or such other employees as they deem necessary and prescribe their duties.

Section 2. Duties: It shall be in the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting which such statement is requested in writing by one-fourth (1/4th) of the members who are entitled to vote;
- (b) Supervise all officers, agents and employees of this Association and see that their duties are properly performed;
- (c) As more fully provided in the Declaration;
 - (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 thereto, 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 bring an action at law against the Owner personally obligated to pay the same;
- (d) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate, setting forth whether or not any assessment has been paid (a reasonable charge may be made by the Board for the issuance of these certificates; and, if a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment);
- (e) Procure and maintain adequate liability and hazard insurance on the property owned by the Association;
- (f) Cause all the officers or the employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- (g) Cause the Common Area to be maintained.

ARTICLE VIII OFFICERS AND THEIR DUTIES

<u>Section 1. Enumeration of Officers:</u> The officers of this Association shall be a President, a Vice President, a Secretary and a Treasurer, who shall at all times be members of the Board of Directors, and such other officers as the Board may, from time to time, by resolution, create.

<u>Section 2. Election of Officers:</u> The election of the officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

<u>Section 3. Term</u>: The officers of this Association shall be elected annually by the Board; and each officer shall hold office for two years, unless he shall sooner resign, shall be removed or shall otherwise be disqualified to serve.

<u>Section 4. Special Appointments:</u> The Board may elect such other 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.

<u>Section 5. Resignation and Removal:</u> Any officer may be removed from office without cause by the Board. Any officer may resign at any time, giving written notice to the Board, to the President and to the Secretary. Such resignation shall take effect on the date of receipt of such notice, or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be

necessary to make it effective.

<u>Section 6. Vacancies:</u> A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

<u>Section 7. Multiple Offices:</u> 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 4 of this Article.

Section 8. Duties: The duties of the officers are as follows:

President

The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall sign all checks and promissory notes in the absence of the Treasurer, except as may be otherwise approved by the Board of Directors.³⁹

Vice President

The Vice President shall act in the place and stead of the President in the event of his absence, his inability or his refusal to act and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

The Secretary shall record the votes and shall keep the Minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring the said seal; serve notice of meetings of the Board and of the members; keep appropriate current records, showing the members of the Association, together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

The Treasurer shall be responsible for the receipt and depositing in appropriate bank accounts all monies of the Association and the disbursement of such funds as directed by resolution of the Board of Directors; shall sign checks and promissory notes of the Association. During the year when not in residence in the Park, these banking duties may be delegated to an office manager, duly approved and supervised by the Board of Directors. The Treasurer shall keep proper books of account, shall cause an annual review of the Association's 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 represented to the membership at its regular, annual meeting, as well as deliver a copy of each to the members.⁴⁰

ARTICLE IX COMMITTEES

The Board of Directors may appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

³⁹ Amended 1-21-13

⁴⁰ Amended 1-21-13

ARTICLE X 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. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association monthly, annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid prior to the next scheduled billing, a late payment charge of ten dollars (\$10.00) shall be added; and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. Interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of his lot.⁴¹

ARTICLE XII CORPORATE SEAL

The Association shall have a seal, in circular form, having within its circumference the words: SUN VALLEY VILLAGE PROPERTY OWNERS ASSOCIATION.

ARTICLE XIII AMENDMENTS

<u>Section 1.</u> These By-Laws may be amended at a regular or special meeting of the members, by a vote of a majority of the members present in person or by proxy.

<u>Section 2.</u> In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and, in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

⁴¹ Amended 1-19-04

ARTICLE XIV MISCELLANEOUS

The fiscal year of the Association shall begin on the 1st 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.

We the undersigned officers of the Board of Directors, duly acknowledge that these are the amended and restated By-Laws of Sun Valley Village Property Owners Association as adopted at duly called meetings of the general membership of the Property Owners Association, at which a quorum was present. They are to be registered in the offices of Cameron County.

"Karen Clement"

Karen Clement, President

"BStevens"

Betty Stevens, Secretary

SWORN TO BEFORE ME by the said officers of Sun Valley Village Property Owners Association, this 21st day of January, 2014

"Angie Banda"

Notary Public, State of Texas

Notarial Stamp--ANGIE BANDA Notary Public, State of Texas My Commission Expires October 18, 2017