

BY-LAWS OF  
FLEETWOOD PROPERTY OWNERS ASSOCIATION, INC.

529-74-0651

ARTICLE I - NAME AND LOCATION

The name of the corporation is FLEETWOOD PROPERTY OWNERS ASSOCIATION, INC. (hereinafter "Association"). The principal office of the corporation shall be located at the address of the registered agent which shall be in Houston, Harris County, Texas, but meetings of Members and Directors may be held at such places within the State of Texas, County of Harris, as may be designated by the Board of Directors.

ARTICLE II - DEFINITIONS

Section 1. "Association" shall mean and refer to FLEETWOOD PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Restrictions (as hereinafter defined) which is restricted to residential use in FLEETWOOD, SECTIONS ONE, TWO, THREE, FIVE, SIX, and such additions thereto as may hereafter be brought within the jurisdiction of the Association. See

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties, with the exception of the Common Area and commercial reserves excluded from the scope of the Restrictions.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the 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 any obligation.

Section 6. "Restrictions" shall mean and refer to the Declaration of

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Covenants, Conditions and Restrictions applicable to the Properties, which have been recorded in the Deed Records of the County Clerk of Harris County, Texas, and any amendments thereto.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Restrictions.

**ARTICLE III - MEETING OF MEMBERS**

Section 1. Annual Meetings. The Annual Meeting of the Members shall be held on the last Thursday in the month of January, of each year. If the day scheduled for the Annual Meeting is a legal holiday, then the meeting shall be held on the next succeeding Thursday. The time and place of the Annual Meeting shall be specified in the Notice of the Annual Meeting sent to the Members, as specified below.

Section 2. Special Meetings. Special Meetings of the Members may be called at any time by a majority of the Board of Directors, or upon written request of Members who are entitled to vote one-third (1/3) of all of the votes of the Members, as herein defined.

Section 3. Notice of Meetings. Written notice of each Annual Meeting or Special Meeting of the Members shall be given by the Secretary or person authorized by the Board of Directors to call the meeting. Notice shall be mailed, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote. Notice shall be addressed to each 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 date, place, time and, in the case of a Special Meeting of the Members, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members or Proxies entitled to cast ten percent (10%) of the votes of the membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Restrictions, or these By-Laws. If, however, a 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 shall be present or represented. A vote by a majority of those Members constituting a quorum shall constitute a vote of the Members.

Section 5. Proxies. At all meetings of the Members, each Member entitled to vote may vote in person or by proxy. All proxies shall be originals, be in writing and shall be filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of their lot. No proxy shall be valid for more than eleven (11) months from the date of its issuance.

#### ARTICLE IV - BOARD OF DIRECTORS, SELECTION AND TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a Board of nine (9) Directors, each of whom must be a Member of the Association. Members who are not current in the payment of their annual maintenance assessments as they become due or related charges, members who are subject to an ongoing deed restriction violation dispute with the Association and members who are involved with litigation against the Association are to be considered not in good standing and are disqualified to stand for election or to retain the office of Director until the matter in dispute or noncompliance is fully resolved.

Section 2. Term of Office. At the Annual Meeting in January 1994, nine (9) Directors shall be elected to the Board. The five (5) candidates receiving the most individual votes shall be elected for a term of two (2) years and the next four (4) candidates receiving the most individual votes shall be elected for a term of one (1) year. At each Annual Meeting thereafter, the number of Directors whose terms are expiring, or for which vacancies exist, shall be elected. The candidates receiving the most votes, in descending order, shall first fill the positions of the longest term for which a Director is being elected by the Members. After the January 1994 election, no elected Director shall be a candidate for, nor be re-elected for, consecutive terms. Any Director appointed by the Board to fill a vacancy on the Board, shall be eligible to be a candidate in the next held election, provided that such appointed Director has served less than half of the term of the Director whom he or she replaced. If such appointed Director has served more than one-half of the term of the Director he or she

replaced, then that Director shall not be eligible for re-election at the next meeting. The terms of elected Directors will begin at the conclusion of the Annual Meeting at which they are elected and shall run to the conclusion of the next Annual Meeting, unless said Director is removed, according to the provisions of these By-Laws, or upon the resignation of any Director. In the case of tied votes for any Director position, the deciding vote shall be determined by a majority of the then existing Board of Directors.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of a quorum of Members at a Special Meeting called for the purpose of removing a Director. In the event of the death, resignation or removal of a Director, their successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of the Director who is being replaced.

Section 4. Compensation. No Director, their employer or a company of which they own a controlling interest, shall receive compensation for any service they may render to the Association or products they may sell to the Association. Notwithstanding the foregoing, a Director may receive reimbursement for actual expenses incurred in their capacity as a Director, and approved by the Board.

Section 5. Action Taken without a Meeting. 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 of the Directors. Faxed approval shall be sufficient. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 6. Current in their Financial Obligations to the Association. Directors must, at all times, be current in the payment of their Annual Maintenance Assessments and other financial obligations to the Association. If any delinquency is not paid in full within fifteen (15) days after written notice to the delinquent Director by the Treasurer, then the delinquent Director shall be automatically removed from the Board.

## ARTICLE V - NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nominations for election to the Board of



Directors shall be made by a Nominating Committee. Nominations 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 two (2) or more Members of the Association. The Nominating committee shall be appointed by the Board of Directors prior to each Annual Meeting and shall serve from the close of such Annual Meeting until the close of the next Annual Meeting. Such appointments shall be announced at each Annual Meeting by the President. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its sole discretion determine, but not less than the number of vacancies that are to be filled. Such nominations must be made from among Members in good standing. No more than one (1) owner of a Lot may serve on the Board at the same time, nor may they be nominated to serve on the Board.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election Members or their Proxies entitled to vote may cast one (1) vote for each vacancy to be filled on the Board. The Secretary shall appoint whatever assistants are deemed necessary to receive proxies, distribute, collect and count the ballots, and to report the results of the vote. The results of the voting shall be announced, subject to verification, during the Annual Meeting. Cumulative voting is not permitted.

## ARTICLE VI - MEETINGS OF DIRECTORS

Section 1. Regular Meetings. The Board of Directors shall hold regular monthly meetings as may be fixed from time to time by resolution of the Board. The Board may set in advance a regularly reoccurring date for Board meetings. In the absence of a regularly set date and place or if the regularly set date and place are changed, each Board member shall be notified in writing at least five (5) days prior to the meeting.

Section 2. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President, or by a majority of the Directors. The date and place of all special meetings shall be noticed to each Board member in writing at least five (5) days prior to the meeting. Attendance by a Director at a Special Meeting of the Board shall constitute a waiver of notice of the meeting unless presence at the meeting is solely to protest the calling of

the meeting.

Section 3. Quorum. The presence in person of a majority of the Directors shall constitute a quorum for the transaction of Board business. Every act or decision done or made by a majority of the Directors present at a duly called and held meeting, at which a quorum is present, shall be regarded as the act of the Board. Proxies are not permitted to be given by Board members.

Section 4. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice of the meeting, unless presence at the meeting is solely to protest the calling of the meeting. If all the Directors are present at any meeting of the Board, unless presence at the meeting is solely to protest the calling of the meeting, no notice shall be required and any business may be transacted at such meeting.

#### ARTICLE VII - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

(a) suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any Annual Maintenance Assessment due to the Association;

(b) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Members by other provisions of these By-Laws or the Articles of Incorporation, or the Deed Restrictions;

(c) declare the office of a member of the Board of Directors to be vacant in the event such Director shall be absent from four (4) regularly scheduled Board meetings in any consecutive twelve (12) month period, and

(d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.



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

- (a) cause to be kept a written record of its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting. The records shall be available for reasonable inspection by a Member or their designated representative, during regular business hours;
- (b) supervise all officers, agents and employees of the Association and to see that their duties are properly performed;
- (c) as more fully provided in the Restrictions, to:
  - (1) fix the amount of the Annual Assessment against each lot at least thirty (30) days in advance of the beginning of each calendar year;
  - (2) send written notice of the Annual Assessment to each owner subject thereto at least thirty (30) days in advance of the beginning of each calendar year;
  - (3) foreclose the lien against any property for which Annual Assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same, if in the judgment of the Association, it is necessary;
- (d) cause the Treasurer, or an appropriate designated agent, to issue, upon written request by any Member, a certificate setting forth whether or not any Annual Assessment or other assessment is past due. A reasonable charge may be made to the Member before the issuance of such a certificate.
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association and Directors and Officers liability insurance, provided that such insurance shall be

reasonably obtainable by the Board.

(f) cause all officers or employees having fiscal responsibilities to be bonded, as the Board may deem appropriate; and

(g) cause the Common Area, to be maintained.

(h) To administer and enforce restrictions, uses, limitations, obligations and all other provisions set forth in the Restrictions.

(i) To establish, make and enforce compliance with rules necessary for the orderly operation, use and occupancy of the subdivision. (A copy of such rules and regulations shall be delivered or mailed to each member promptly upon the adoption thereof.)

(j) To borrow funds in order to pay for any required expenditure or outlay.

(k) To enter into contracts within the scope of their duties and power.

(l) To establish a bank account for the common treasury for all separate funds which are required or may be deemed advisable by the Board of Directors.

(m) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the Owners, and to cause a certified audit of the books and accounts to be made by an independent Certified Public Accountant, at least once every two years.

(n) To meet at least once each month.

(o) To designate the personnel necessary for the maintenance and operation of the Common Elements.

(p) In general, to carry on the administration of this Association



and to do all of those things, necessary and reasonable, in order to carry out the communal aspect of restricted subdivision ownership.

#### ARTICLE VIII - OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of the Association shall be a President, Vice President, Secretary and 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.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each Annual Meeting.

Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. 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.

Section 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 written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt or at any later time specified therein, and unless otherwise so specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office shall be filled by appointment by the Board. The officer appointed to such vacancy shall serve the remainder of the term of the officer they replace.

Section 7. Multiple Offices. No person shall simultaneously hold more than one office 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 and Annual and Special Meetings of the Members; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments, and shall co-sign all checks and promissory notes of the Association.

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

Secretary. The Secretary shall record the votes of the Directors and Members 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 the seal upon all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by the Board of Directors; shall co-sign all checks and promissory notes of the Association; keep proper books of account; cause a report of the Association's books to be made at the end of each fiscal year; and shall prepare an annual pro-forma budget for the ensuing year, and a statement of income and expense for the preceding year and a balance sheet as of year end, to be presented to the membership at the Annual Meeting; and shall cause copies of each such financial report and budget to be mailed, postage prepaid, to each Member either shortly before or after the Annual Meeting.

#### ARTICLE IX - INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Indemnifications. The Association shall indemnify every Director or officer, their heirs, executors and administrators, against all loss, cost and expense, including counsel fees, reasonably incurred by them in connection



with any action, suit or proceeding to which they may be made a party by reason of their being or having been a Director or officer of the Association, except in matters of gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters in which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of their duty as such Director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association in connection with the foregoing indemnification provision shall be treated and handled by the Association as a regular expense.

The Association may obtain, as a common expense, policies of Directors and Officers Liability Insurance to fund this provision in the event of a loss.

Section 2. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

## ARTICLE X - COMMITTEES

Section 1. The Board shall appoint an Architectural Control Committee, as provided in the Deed Restrictions, 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 purposes.

Section 2. Architectural Control Committee. The Architectural Control Committee shall be composed of not less than three (3) nor more than five (5) Members, one or more of which may also be Directors. The Committee members shall serve at the pleasure of the Board of Directors and may be removed or replaced at any time by a resolution of the Board. The Committee shall meet within ten (10) days of the receipt of any Architectural Control Committee application to consider the request. A lot Owner shall do no act nor any work that will impair the structural soundness and integrity of any structure or adjacent structure or impair any easement or hereditament. No Owner shall in any way alter, modify, add to or otherwise perform any work whatever upon any house, structure, garage, or alter the appearance of the exterior of their

home without the prior written consent and approval in writing by the Architectural Control Committee, which request the Committee may approve or reject in its sole discretion. Any such approved alteration or modification shall be in harmony with the external design and location of the surrounding structure and topography, and shall not be considered until submission to the Committee of complete plans and specifications showing the nature, kind, shape, size, materials, color and location for all proposed work.

Section 3. No Liability. The Association, the Board of Directors, the Architectural Control Committee or the members thereof shall not be liable in damages to anyone submitting plans or specifications to them for approval, or to any owner of property affected by the restrictions by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications.

#### ARTICLE XI - BOOKS AND RECORDS

The books and records of the Association shall be subject to reasonable inspection, during regular business hours, by any Member in good standing, or their designated agent. Copies of the Articles of Incorporation, By-Laws of the Association, and Deed Restrictions shall be available for inspection by any Member in good standing at the principal office of the Association, where copies may be purchased at a reasonable cost.

#### ARTICLE XII - REMEDIES FOR NON-PAYMENT OF ASSESSMENT

As more fully provided in the Deed Restrictions, each Member is obligated to pay to the Association annual 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 within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate specified in the Deed Restrictions applicable to that specific section in the subdivision, 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, collection costs and reasonable attorney's 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 abandonment of their lot.

#### ARTICLE XIII - CORPORATE SEAL

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

#### ARTICLE XIV - MEMBERSHIP VOTING RIGHTS

Section 1. Membership. All owners of a fee or fee interest in a Lot shall automatically, upon becoming an owner, be a Member of the Association, and shall remain a Member thereof until their ownership ceases for any reason, at which time their membership in the Association shall automatically cease. The foregoing is not intended to include persons or entities who own an interest merely as security for the performance of an obligation. Membership in the Association shall be appurtenant to and shall automatically follow the ownership of each Lot and may not be separated from such ownership.

Section 2. Voting Rights. Members shall be all owners of a Lot, each of which owners shall be entitled to one (1) vote for each platted residential lot owned by them. When more than one person or entity owns a fee interest in any Lot, all such interested persons shall be members; however, the vote for such Lot in which more than one person has a fee interest shall be cast by the persons or entities owning a majority interest therein, and in the event the persons or entities having a majority interest therein are not able to agree in respect to a vote upon any matter, then such owners shall not have a right to vote on such matter as there shall be no fractional votes allowed. Members who are not current in their payment of the assessments to the Association shall have their voting rights suspended until all assessments, fees, and chargebacks are brought current. The Association shall set a record cut off date fourteen (14) days prior to the meeting for determining voting eligibility. Members ineligible to vote because of nonpayment shall be entitled to attend the meeting but shall not count towards a quorum.

#### ARTICLE XV - AMENDMENTS

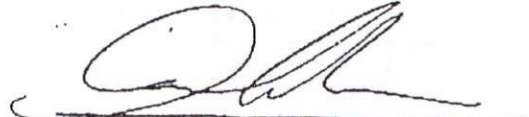
Section 1. These By-Laws may be amended at the Annual or a Special Meeting of the Members, by a majority of the votes of a quorum of votes present in person or by proxy, provided that the proposed modification is noticed to the Members, in writing and sent by first class mail, at least fifteen (15) days prior to the meeting.


Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Deed Restrictions and the Articles of Incorporation or these By-Laws, the Deed Restrictions shall control.


#### ARTICLE XVI - FISCAL YEAR

The fiscal year of the Association shall be the calendar year.

IN WITNESS WHEREOF, the undersigned, being all of the Directors of FLEETWOOD PROPERTY OWNERS ASSOCIATION, INC., have hereunto set our hands this 9<sup>th</sup> day of December, 1993.

  
Director

  
Director

  
Director



**AMENDMENTS TO THE BY-LAWS OF THE  
FLEETWOOD PROPERTY OWNERS ASSOCIATION, INC.**

On February 2, 1995, at the Annual Meeting, the membership of the Fleetwood Property Owners Association, Inc. adopted two amendments to the By-laws previously revised on December 9, 1993.

Therefore, it is resolved that Article IV, Section 2 and Article V, Section 2 are amended to read in their entirety as follows:

**AMENDMENT 1**

**ARTICLE IV -- BOARD OF DIRECTORS, SELECTION AND TERM OF OFFICE**

**Section 2. Term of Office.** At the Annual Meeting in January 1994, nine (9) Directors shall be elected to the Board. The five (5) candidates receiving the most individual votes shall be elected for a term of two (2) years and the next four (4) candidates receiving the most individual votes shall be elected for a term of one (1) year. At each Annual Meeting thereafter, the number of Directors whose terms are expiring, or for which vacancies exist, shall be elected for a term of two (2) years. After the January 1994 election, no elected Director shall be a candidate for, nor be re-elected for, consecutive terms. Any Director appointed by the Board to fill a vacancy on the Board, shall be eligible to be a candidate in the next held election, provided that such appointed Director has served less than half of the term of the Director whom he or she replaced. If such appointed Director has served more than one-half of the term of the Director he or she replaced, then that Director shall not be eligible for re-election at the next meeting. The terms of the elected Directors will begin at the conclusion of the Annual Meeting at which they were elected and shall run to the conclusion of the Annual Meeting either one year or two years thereafter, as applicable, unless said Director is removed, according to the provisions of these By-laws, or upon the resignation of any Director. The terms of elected Directors will begin at the conclusion of the Annual Meeting at which they are elected and shall run to the conclusion of the next Annual Meeting, unless said Director is removed, according to the provisions of these By-laws, or upon the resignation of any Director. In the case of tied votes for any Director position, the deciding vote shall be determined by a majority of the then existing Board of Directors.

**AMENDMENT 2**

**ARTICLE V-- NOMINATION AND ELECTION OF DIRECTORS**

**Section 2. Election.** Election to the Board of Directors shall be by secret written ballot. Members or their proxies may vote at the Annual Meeting, or they may vote prior to the annual meeting by mail or by facsimile transmission, delivered to the Secretary of the Association. Members or their Proxies entitled to vote may cast one (1) vote for each vacancy to be filled on the Board. The Secretary shall appoint whatever assistants are deemed necessary to receive proxies, distribute, collect and count the ballots, and to report the results of the vote. The results of the voting shall be announced, subject to verification, during the Annual Meeting. Cumulative voting is not permitted.