

TIERRA SANTA

Golf Club & Community

AMENDED AND RESTATED BY-LAWS

PROPERTY OWNERS ASSOCIATION
OF TIERRA SANTA, INC.

Subject Property:

Tract 1:

Amended Plat of Tierra Santa Golf Club & Community Phase I, an Addition to the City of Weslaco, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 31, Pages 102-104, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes.

Tract 2:

Tierra Santa Golf Club Community Phase II, an Addition to the City of Weslaco, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 31, Page 155, Map Records of Hidalgo County, Texas, reference to which is here made for all purposes.

Tract 3:

LAS VILLAS AT TIERRA SANTA SUBDIVISION, an Addition to the City of Weslaco, Hidalgo County, Texas, pursuant to a plat recorded on August 29, 2000, in the Map Records of Hidalgo County, Texas, in Volume 36, Page 126 (also described as *All of LAS VILLAS AT TIERRA SANTA SUBDIVISION, consisting of 10.45 acres, more or less, out of Farm Tract 791, West Tract Subdivision, Hidalgo County, Teas, as the plat of said subdivision is recorded in Volume 36, Page 126, Map Records of Hidalgo County, Texas).*

AFTER RECORDING RETURN TO:

Eugene R. Vaughan, III
JONES, GALLIGAN, KEY & LOZANO, L.L.P.
2300 West Pike Blvd., Suite 300
P.O. Drawer 1247
Weslaco, Texas 78599-1247

**BY-LAWS
of
PROPERTY OWNERS ASSOCIATION OF TIERRA SANTA, INC.**

**TIERRA SANTA SUBDIVISION
Of the City of Weslaco, Hidalgo County, Texas**

Effective Date November 13, 2018

ARTICLE I

Section 1.1 NAME:

PROPERTY OWNERS ASSOCIATION OF TIERRA SANTA, INC. (the "ASSOCIATION"), was established by the certificate of formation filed with the Secretary of State of Texas on October 28, 2008, under file number 801045684 as a Texas NonProfit Corporation.

ARTICLE II

Section 2.1 PRINCIPAL OFFICE:

The Principle office of the ASSOCIATION is located at 1901 Club de Amistad, Weslaco, Texas 78596. The ASSOCIATION may have other offices from time to time as designated by the BOARD OF TRUSTEES.

ARTICLE III

Section 3.1 DEFINITIONS:

- A. BOARD OF TRUSTEES. The governing BOARD of the ASSOCIATION.
- B. COMMON PROPERTY. The Subdivision's walkways, utility easements, streets, parking spaces, and all real property and improvements identified in the DECLARATION and the Official Records of Hidalgo County, Texas as COMMON PROPERTY owned by the ASSOCIATION or in common by the OWNERS of LOTS in the Subdivision, for the common use and enjoyment of the OWNERS.
- C. DECLARATION. As used herein, the term "DECLARATION" shall mean the DECLARATION of Covenants, Condition, and Restrictions, dated June 12, 1996, executed by Cottonfields, Ltd., a Texas limited partnership (the Declarant), recorded

under Document No. 543242 in the Official Records of Hidalgo County, Texas relating to certain real property located in Hidalgo County, Texas, as more particularly described therein; thereafter amended by the Supplemental Declaration of Covenants, Conditions, and Restrictions of Tierra Santa Community recorded under Document No. 626284 and further amended by the Supplemental Declaration of Covenants, Conditions, and Restrictions of Tierra Santa Community recorded under Document No 99805; and amended by the Declaration of Covenants, Conditions, and Restrictions of Las Villas at Tierra Santa Subdivision recorded under Document Number 999338 dated 16th of August, 2001 all recorded in the Official Records of Hidalgo County, Texas.

- D. **GOVERNING BODY.** The BOARD of Trustees (the "BOARD") elected to manage the affairs of the ASSOCIATION. Each BOARD member or Trustee has one vote. The initial BOARD is composed of Trustees appointed in the Certificate of Formation. Each trustee must be a Member or, in the case of an entity Member, a person designated in writing by the Secretary.
- E. **GOVERNING DOCUMENTS.** Shall mean and refer to the following documents applicable to the Subdivision in the following order of priority:
 - a. DECLARATION of Covenants, Conditions, and Restrictions (as may be amended).
 - b. Certificate of Formation (as may be amended).
 - c. By-Laws (as may be amended).
 - d. Rules and Regulations promulgated by the ASSOCIATION (as may be amended).
 - e. Decision and/or Action of the ASSOCIATION
- F. **LOTS.** Shall mean and refer to any numbered residential LOT, other than any COMMON PROPERTY, and improvements thereon, shown in any recorded subdivision map or Plat of the subdivision or any conveyance.
- G. **MEMBERS.** Individuals who own LOT(S) subject to the DECLARATION and these By-Laws.
- H. **OWNER.** Shall mean and refer to any OWNER(S) of record of fee simple title to any LOT in the subdivision, including those selling a LOT under a contract for deed. Such OWNER shall be a member of the ASSOCIATION with voting rights as provided by Section 4.2 herein; provided however, that such membership is not intended to apply to those persons who hold an interest in any such LOT merely as security for the performance of an obligation to pay money, e.g., mortgages, deeds of trust, or real estate contract purchases.

- I. **VOTING MEMBERS.** Members who are eligible to vote as a Class A or Class B voting Member pursuant to these by-laws and who are subject to the DECLARATION.

ARTICLE IV MEMBERS

Section 4.1 MEMBERS.

Each individual who shall be the owner and holder of record legal title to a LOT, shall for the duration of such ownership be a Member of Property Owners Association Of Tierra Santa, Inc.

Section 4.2 VOTING RIGHTS.

Article 6, Section 4 of the DECLARATION entitles the OWNER(S) to one single and unified vote for each LOT owned, as they among themselves determine. Such entitlement is subject to suspension as per Section 9.6 herein. In no event shall more or less than one full vote be counted with respect to any LOT.

Section 4.3 VOTING REQUIREMENTS

In order to be eligible to vote in any election or meeting of the ASSOCIATION, or to exercise any voting privileges in the ASSOCIATION, an OWNER, upon the request of the ASSOCIATION, must comply with the following:

- A. **Ownership:** An Owner must present notarized affidavit(s) in the form prescribed by the ASSOCIATION, with supporting documents attached, to verify his/her ownership of the LOT. If ownership of any LOT or the name of any OWNER changes after the initial set of Ownership Proof documents is received in the ASSOCIATION'S Office, the OWNER must submit a new set of notarized forms (in the form prescribed by the ASSOCIATION). After initial verification, confirmation of ownership/name form may be requested of each OWNER annually so that the ASSOCIATION voting list may be accurately maintained.
- B. **Entity(s):** If any LOT is owned by an Entity, the OWNER of each such LOT must provide documentation in the form prescribed by the ASSOCIATION verifying the name, address and telephone number of the trustee(s) of each owning Entity having the authority to act on the Entity's behalf concerning the ASSOCIATION'S business and/or any delegation of such authority by any trustee.
- C. If the documentation required in 4.3 A and B is not presented within the time required by the ASSOCIATION and at least 30 days prior to any meeting or

election held by TRUSTEES or MEMBERS of the ASSOCIATION, the OWNER(s) (who is also a MEMBER) of such LOT will not be eligible to vote the LOT interest in any election or at any meeting concerning ASSOCIATION matters and business.

Section 4.4 ANNUAL MEETING

An annual meeting of the Members of the ASSOCIATION shall be held in February by the BOARD at a place as determined by the BOARD within Hidalgo County, Texas.

Section 4.5 NOTICE.

Notice of any annual meeting of the Members of the ASSOCIATION shall be required. Notice shall be emailed and placed in LOT owner mailboxes 10 to 60 days prior to the Annual Meeting and the date shall also be placed on the ASSOCIATION website 10 to 60 days prior to the date of the Annual Meeting. LOT owners who receive their mail at another location besides their LOT will be emailed and sent a postal letter of information. Also, a sign notifying OWNERS will be placed at the Westgate entrance and the Texas entrance 1 week prior to the Annual Meeting. However, in an emergency such as severe weather or the illness of a board officer, the BOARD reserves the right to change the date and time of the meeting as necessary and with notice given to the members.

Section 4.6 SPECIAL MEETINGS.

Special meetings of the Members for any purpose or purposes, unless otherwise prescribed by statute or by the certificate of formation of the ASSOCIATION, may be called by the President or Secretary at the request in writing of a majority of the BOARD, or at the request in writing of ten (10) percent of Voting Members entitled to vote at such meeting. Any such request shall state the purpose or purposes of the proposed meeting. In the case of a special meeting, a written or printed notice stating the place, day, and hour of the meeting (provided that such place must be located within Hidalgo County, Texas), and the purpose or purposes for which the meeting is being called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally, by email, and/or by mail, by or at the direction of the President, Secretary or the Officer or person calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his/her address as it appears on the records of the ASSOCIATION, with postage thereon prepaid.

Section 4.7 WAIVER OF NOTICE.

A Member may, in writing, waive notice of meeting. Attendance at a meeting is a waiver of notice of the meeting, unless the Member objects to lack of notice when the meeting is called to order.

Section 4.8 QUORUM.

OWNERS who represent or hold the voting rights to more than 10% of the LOTS entitled to vote (the numerator and denominator of which percentage calculation shall not include LOTS whose voting rights have been suspended), whether present or by proxy, shall constitute a quorum at any meeting of the OWNERS, for any action except as otherwise provided in the GOVERNING DOCUMENTS. However, if such quorum shall not be present or represented at any meeting, the OWNERS entitled to vote thereat shall have power to adjourn the meeting without notice other than announcement at the meeting of a date, time and place to reconvene the meeting, until a quorum as aforesaid shall be present or be represented.

Section 4.9 MAJORITY VOTE.

Votes representing more than fifty percent of the Voting Members present at a meeting at which a quorum is present are a majority vote.

Section 4.10 PROXIES AND POWERS OF ATTORNEY.

An OWNER may delegate all his/her voting and attendance rights as to any meeting or action by OWNERS of the ASSOCIATION by giving a written proxy (in the form prescribed by the ASSOCIATION) to any one (1) specified OWNER. An OWNER designating another individual OWNER to vote on his/her behalf must ensure that the individual OWNER granted the proxy has provided timely verification of ownership to the Secretary or the Secretary's designee. Any proxy vote at a meeting shall require the personal attendance of the proxy to be valid. All proxies shall be given in writing (using the form prescribed by the ASSOCIATION) and submitted to the Secretary for validation at least twenty-four (24) hours prior to any such meeting or vote. Every proxy shall be revocable if done in writing by notice delivered to the Secretary (or his/her designee) prior to the start of any meeting, or prior to the casting of any vote as to such LOT, and shall automatically terminate upon adjournment of the meeting or time period for a vote held outside of a meeting.

An OWNER'S properly designated Attorney in Fact may attend any meeting, or vote, in place of the OWNER.

Section 4.11 CONDUCT OF MEETINGS.

The President will preside over Members' meetings. The Secretary will keep minutes of the meetings and will record in a minute book the votes of the Members.

Section 4.12 ACTION WITHOUT MEETING.

Any action that may be taken at a Members' meeting may be taken without a meeting by written consent setting forth the action taken signed by a sufficient number of Members as would be necessary to take that Action at a meeting.

**ARTICLE V
BOARD OF TRUSTEES**

Section 5.1 NUMBER.

The number of Board Members of the ASSOCIATION shall not be less than five (5) nor more than seven (7). Every Member of the BOARD must have an ownership interest in a LOT which is part of the property subject of the DECLARATION and be current on dues with no past dues, penalties or interest. At least five (5) Members on the Board must be resident owners and all Trustees must be LOT owners.

Section 5.2 ELECTION.

The ASSOCIATION at their inaugural annual meeting shall elect seven (7) Trustees, to serve as the BOARD as hereinafter provided. Thereafter, the ASSOCIATION shall elect the number of Trustees required to fill vacancies of Trustees whose terms have expired or who have resigned. If vacancies occur on the BOARD between elections, due to death, resignation, or ineligibility, the next highest vote getter from the prior election shall be asked to serve. If there are no other nominees remaining from the prior election, the BOARD shall appoint successor(s), confirmed by BOARD majority. Elections shall be as follows:

- A. MEMBERS may apply to run for election to the BOARD by submitting the form prescribed by the ASSOCIATION to the Secretary at least seven (7) days prior to the annual meeting.

- B. Election to the BOARD shall be by secret written ballot.
- C. Election shall be conducted separately for each specific position and term to be filled.
- D. The OWNER(S) shall be entitled to one (1) vote for each LOT owned, as provided in Article VI, Section 4 of the DECLARATION and Section 4.2 herein. There shall be no cumulative voting.
- E. For election to the BOARD, a candidate must receive a majority of the votes cast; if only one person has been nominated, the chairman may declare such Nominee elected (which is referred to as election by acclamation).
- F. If, at any ballot, no candidate receives the necessary number of votes to be elected, then balloting shall continue, retaining all the candidates on the ballots who do not voluntarily withdraw.
- G. The full three year term to which any TRUSTEE was elected at an Annual Meeting shall start immediately following the Meeting. If a TRUSTEE is elected to replace an appointed TRUSTEE filling an unexpired term, the new TRUSTEE'S position shall start immediately after the Annual Meeting and continue for the remainder of the unexpired term.

Each TRUSTEE shall serve to the end of their office's respective terms and/or until their successors assume office.

Section 5.3 CLASSIFICATION OF TRUSTEES.

- A. The initial BOARD shall be divided into classes by the drawing of straws, or such other means as they may deem advisable, with one class consisting of two TRUSTEES to be designated to serve for a term of three (3) years and one class consisting of three (3) TRUSTEES to be designated to serve for a term of two (2) years, and the remaining class shall serve for a term of one (1) year. Thereafter, elected TRUSTEES of each respective class shall serve for three (3) year terms upon the expiration of his or her respective initial term of office.
- B. Each such TRUSTEE must be and remain:
 - a. OWNERS and/or CO-OWNERS by virtue of fee simple title (ownership having been verified) to any LOT in the Subdivision; and

- b. An individual who is 21 years of age or older; and
- c. In compliance with all the requirements of all the GOVERNING DOCUMENTS of the ASSOCIATION, entitled to vote as an OWNER, and current on all ASSESSMENTS.
- d. CO-OWNERS of a single LOT may serve at the same time.
- e. No Entity(s) shall serve as a TRUSTEE due to ownership of any LOT, except that an individual who serves as trustee of an Entity that owns a LOT of which Entity that individual is a beneficiary, may serve as a TRUSTEE.
- f. TRUSTEES shall be elected for staggered three year terms as established just prior to the enactment of these revised bylaws and as are currently in place, so that no more than two of the five terms will end at the same time. Each term of office shall begin immediately upon election at the Annual Meeting in February. In the event of a Special Meeting of Owners called for the purpose of electing one or more replacement TRUSTEES, the specially elected TRUSTEES shall serve out the remainder of the three year term of the TRUSTEES whom he/she replaces.

Section 5.4 REMOVAL OF TRUSTEES AND VACANCIES.

- A. **REMOVAL BY MEMBERS.** Any TRUSTEE may be removed, with or without cause, by an instrument signed by the then OWNERS of no less than fifty-one percent (51%) of all the LOTS in the Subdivision. Any TRUSTEE whose removal is sought will be given notice of the proposed removal.
- B. **REMOVAL BY BOARD.** Any TRUSTEE may be removed at a BOARD meeting if the TRUSTEE:
 - a. Failed to attend 3 consecutive BOARD meetings;
 - b. Failed to attend 50% of BOARD meetings within one year;
 - c. Is delinquent in the payment of any ASSESSMENT for more than 60 days; or,
 - d. Is the subject of an enforcement action by the ASSOCIATION for violation of the GOVERNING DOCUMENTS.
- C. **VACANCIES.** A TRUSTEE'S position becomes vacant if the TRUSTEE dies, becomes incapacitated, resigns, or is no longer a Member.
- D. **SUCCESSORS.** If a TRUSTEE is removed or a vacancy exists, a successor will be elected by the remaining TRUSTEES for the remainder of the term.

Section 5.4 LIABILITY OF TRUSTEES.

To the fullest extent not prohibited by law, a TRUSTEE of the ASSOCIATION shall not be liable to the ASSOCIATION for monetary damages due to an act or omission in the TRUSTEE'S capacity, except that this article does not eliminate or limit the liability of a TRUSTEE for the following:

- A. An act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law.
- B. A transaction from which a TRUSTEE received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the TRUSTEE'S office.
- C. An act or omission for which the liability of a TRUSTEE is expressly provided for by statute.

Section 5.5 ANNUAL MEETINGS.

Annual meetings of the BOARD shall be held each year immediately following the adjournment of the annual meeting of the Members, and no notice of such annual meeting of the BOARD of Trustees is required.

Section 5.6 SPECIAL MONTHLY MEETINGS.

Special and/or monthly meetings of the BOARD may be called by a TRUSTEE or by the President, and shall be held at such time and place as shall be specified in the notice given of such meeting provided that all special and monthly meetings of the BOARD shall be held in Hidalgo County, Texas.

Section 5.7 NOTICE OF MEETING.

Written notice stating the place, day, and hour of each BOARD'S meeting, other than a reconvened meeting or a regular meeting, must be given to TRUSTEES at least five (5) days before the meeting or if by telephone two (2) days in advance. Notice to the BOARD is deemed given when emailed, hand delivered or mailed to a Trustee. If mailed, notice is deemed given (whether actually received or not) when deposited with the United States Postal Service, postage prepaid. Unless otherwise restricted by law or the certificate of formation, any action required or permitted to be taken at a meeting of the BOARD may be taken without a meeting if a consent in writing setting forth the action to be taken is signed by all the members of the

Board and the consent or consents are filed with the minutes of the meeting of the BOARD.

Section 5.8 EXECUTIVE SESSION.

The BOARD may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the ASSOCIATION is or may become involved, contract negotiations, enforcement actions, other business of a confidential nature involving a Member, and matters requested by the involved parties to remain confidential. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 5.9 QUORUM.

A majority of the BOARD shall constitute a quorum for the transaction of business. Every act or decision by a majority of the quorum shall be regarded as a valid act of the ASSOCIATION.

Section 5.10 POWERS AND DUTIES OF THE BOARD OF TRUSTEES.

The BOARD shall act in all instances on behalf of the ASSOCIATION, unless otherwise provided by the DECLARATION. The BOARD'S powers and duties shall be the following:

- A. Enforcement of the applicable provisions of the DECLARATION, the By-Laws, and any Rules of the ASSOCIATION;
- B. Payment of taxes and ASSESSMENTS that are or could become a lien on the COMMON PROPERTY or a portion of the COMMON PROPERTY,
- C. Contracting for casualty, liability, and other insurance on behalf of the ASSOCIATION;
- D. Contracting for goods and services for the COMMON PROPERTY, facilities, and interests of the ASSOCIATION;
- E. Delegation of its powers to such committees, officers, or employees of the ASSOCIATION as are expressly authorized by the GOVERNING DOCUMENTS;

- F. Preparation of budgets and financial statements for the ASSOCIATION as prescribed in the GOVERNING DOCUMENTS;
- G. Formulation of rules of operation for the COMMON PROPERTY and facilities owned or controlled by the ASSOCIATION;
- H. Initiation and execution of disciplinary proceedings against OWNERS for violations of provisions of the GOVERNING DOCUMENTS in accordance with procedures set forth in the GOVERNING DOCUMENTS;
- I. Production of Accounts and Reports. Accounting and controls must conform to good accounting practices. Accounts will not be commingled with accounts of other persons. The following financial reports will be prepared at least annually:
 - a. An income statement reflecting all income and expense activity for the preceding period.
 - b. A statement reflecting all cash receipts and disbursements for the preceding period.
 - c. A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format.
 - d. A balance sheet as of the last day of the preceding period.
 - e. A delinquency report presented to the BOARD listing all OWNERS who are delinquent by more than thirty (30) days in paying any ASSESSMENT and describing the status of any action to collect the delinquent ASSESSMENTS.

Section 5.11 LIMITATIONS ON POWERS OF THE BOARD OF TRUSTEES.

Notwithstanding the powers set forth in Section 5.10 above, the BOARD shall be prohibited from taking any of the following actions except with the approval of a majority of the voting power of the ASSOCIATION residing in the Members:

- A. Entering into (i) a contract with a third person under which the third person will furnish goods or services for a term longer than one (1) year, except for a management contract approved by the Federal Housing Administration or Veterans Administration; (ii) a contract with a public utility if the rates charged are regulated by the Public Utilities Commission, provided that the term shall not exceed the shortest term for which the utility will contract at the regulated rate; or, (iii) prepaid

casualty and/or liability insurance of not more than three (3) years duration, provided that the policy provides for short-rate cancellation by the insured.

B. Incurring aggregated expenditures for capital improvements to the COMMON PROPERTY in any fiscal year in excess of five (5) percent of the budgeted gross expenses of the ASSOCIATION for that fiscal year.

C. Selling during any fiscal year property of the ASSOCIATION having an aggregate fair market value in excess of five (5) percent of the budgeted gross expenses of the ASSOCIATION for the fiscal year.

D. Paying compensation to TRUSTEES or to Officers of the ASSOCIATION for services rendered in the conduct of the ASSOCIATION business, provided, however, that the BOARD may cause a TRUSTEE or Officer to be reimbursed for expenses incurred in carrying out the business of the ASSOCIATION.

ARTICLE VI OFFICERS

Section 6.1 OFFICERS.

A. The Officers of the ASSOCIATION shall consist of a President, a Vice President, a Secretary, and a Treasurer, and such additional officers deemed advisable by the BOARD.

B. OFFICERS shall be elected by the BOARD at its Annual Meeting. The BOARD shall have full authority to remove any Officer of the ASSOCIATION from office by the vote of a majority of the members of the entire BOARD at any time; and the election of each Officer of the ASSOCIATION shall be subject to such power of the BOARD.

Section 6.2 MULTIPLE OFFICES.

The Offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of the other offices except in the case of special appointments created pursuant to Section 6.5 of this Article.

Section 6.3 TIME OF ELECTION.

Immediately following each Annual Meeting of the MEMBERS, at the meeting of the BOARD, the BOARD will hold election of Officers of the ASSOCIATION. Any TRUSTEE is eligible to hold any officer position.

Section 6.4 TERM OF OFFICE.

Each Officer shall hold office for one (1) year with the initial term beginning on March 1 after elections of officers as provided in Section 6.3. The term of office shall continue until a successor is elected, unless an officer shall sooner resign, or shall be removed, or service shall otherwise be terminated. Replacement Officers shall serve the remainder of any unexpired term of office.

Section 6.5 SPECIAL APPOINTMENTS:

- A. The BOARD may appoint other officers, and/or they may discontinue any such appointment by majority vote, as affairs of the ASSOCIATION may warrant.
- B. Appointed officers that hold office for such a period(s), have such authority, and perform such duties as the BOARD may, from time to time, determine.
- C. Appointed officers need not be members of the BOARD, but must otherwise be eligible to serve as TRUSTEE. Such offices include Office Manager, Bookkeeper, etc. Appointed officers are not eligible to vote at meetings of the BOARD.

Section 6.6 TERMINATION.

Any officer may be removed from office at any time, with or without cause, by majority vote of the BOARD. Any officer may resign at any time, giving written notice to the BOARD or to any of the TRUSTEES. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein.

Section 6.7 RESIGNATION.

Any officer may resign at any time by giving written notice to the BOARD, the President, or the Secretary. Resignation takes effect on the date of the receipt of the notice or at any later time specified in the notice.

Section 6.8 VACANCIES.

A vacancy in any office may be filled with an appointment by the BOARD from the BOARD. The term shall run from the time of appointment until the earlier of resignation or removal of the successor or a successor officer is elected by the BOARD at its first meeting following the Annual Meeting.

Section 6.9 DUTIES OF OFFICERS.

The duties of the BOARD officers are as follows and as stated in the DECLARATION, these By-Laws, and the certificate of formation, including that:

A. The President shall:

- a. be the Chief Executive Officer of the ASSOCIATION; and,
- b. preside at all meetings of the BOARD; and,
- c. see that orders and resolutions of the BOARD are carried out; and
- d. sign all leases, mortgages, deeds and other written instruments on behalf of the BOARD and ASSOCIATION; and,
- e. execute contracts, conveyances, and other documents on behalf of the ASSOCIATION;
- f. sign any promissory notes for the BOARD and/or ASSOCIATION as may be authorized by the BOARD and/or ASSOCIATION.

B. The Vice-President Shall:

- a. assume the President's duties in the event of his/her absence or when inconvenient for the President to act. At any time when the Vice-President is performing a duty of exercising a power of the President, any third party dealing with the ASSOCIATION may presume conclusively that the President was absent and that the Vice-President was authorized to act in the President's place; and
- b. exercise and discharge such other duties as may be required by the BOARD.

C. The Secretary Shall:

- a. Issue notice of TRUSTEES' and Members' meetings if so directed by the party calling the meeting; and,
- b. Shall be responsible for the ASSOCIATION'S minutes and records all votes and minutes of meetings of the BOARD and ASSOCIATION; and
- c. At least (10) days before each meeting of the Members, make a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order with addresses, which lists for a period of ten (10) days prior to such meeting shall be kept on file at the

- Office of the ASSOCIATION and shall be subject to inspection by any member at any time during usual business hours; and
- d. keep the ASSOCIATION Corporate Seal and affix it on all papers as required; and
- e. certify in writing all actions of the ASSOCIATION and BOARD; and
- f. certify the ASSOCIATION and BOARD representative's signature on ASSOCIATION documents; and
- g. keep an appropriate current list(s) of ASSOCIATION OWNERS with addresses; and
- h. perform such other duties as required by the GOVERNING DOCUMENTS and the BOARD.

D. The Treasurer Shall:

- a. have custody of the ASSOCIATION's funds and securities and receive and deposit in appropriate bank accounts all ASSOCIATION monies and disburse such funds as directed by resolution of the BOARD (including signing checks); and
- b. keep proper books of accounts of the ASSOCIATION and render to the President and BOARD an account of all transactions as Treasurer and of the financial condition of the ASSOCIATION and exhibit such books, records and account to the President or BOARD at any time; and
- c. disburse funds for capital expenditures as authorized by the BOARD and in accordance with the orders of the BOARD and present to the BOARD's attention any request for disbursing funds if in the judgment of the Treasurer any such request is not properly authorized; and
- d. direct an audit of the ASSOCIATION books at the completion of each fiscal year; and
- e. prepare or cause to be prepared an annual budget and a summary statement of income and expenditures for issue to the OWNERS at each Annual Meeting; and
- f. perform such other duties as may be directed by the BOARD of Trustees or by the President, if required by the BOARD.

E. The Board may:

- a. Designate one or more persons as Assistant Secretaries, who may perform the duties and exercise the power of the Secretary when the Secretary is absent or it is inconvenient for him/her to act. Any third person dealing with the ASSOCIATION may presume conclusively that any Assistant Secretary acting in the capacity of Secretary was duly authorized so to act; and

- b. in the case of the Treasurer's death, resignation, retirement or removal from office, remove all books, papers, vouchers, money and other property of whatever kind in the Treasurer's possession or under the Treasurer's control belonging to the ASSOCIATION. The Assistant Treasurers (if any) in the order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and shall perform such other duties as the BOARD shall prescribe.

ARTICLE VII COMMITTEES

Section 7.1 ARCHITECTURAL CONTROL COMMITTEE.

The BOARD shall appoint an Architectural Control Committee (ACC) as provided in Article IV, Section 1 of the DECLARATION.

Section 7.2 MEMBERSHIP DURATION.

Said Committee members shall serve for staggered three year terms as provided in Article IV, Section 1 of the DECLARATION.

Section 7.3 NOMINATING COMMITTEE.

The President shall appoint a member of the BOARD to serve as Chairman of the Nominating Committee to select candidates to run for election to the BOARD at the Annual Meeting.

Section 7.4 POWERS AND DUTIES OF COMMITTEES.

Officers have such powers and duties as are generally associated with their respective offices and as may be specifically conferred by the BOARD. The Treasurer has primary responsibility for the preparation of the budget and financial reports and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

ARTICLE VIII DUTIES OF THE ASSOCIATION

Section 8.1 BOARD RESPONSIBILITIES.

In addition to the duties delegated to the ASSOCIATION or its agents and employees elsewhere in the GOVERNING DOCUMENTS, the BOARD shall be responsible for the following:

- A. Operation and maintenance of the COMMON PROPERTY and the facilities located on the COMMON PROPERTY. This duty shall include, but shall not be limited to, exterior painting, maintenance, repair, improvements to and landscaping of the Common Property as the BOARD shall determine are necessary and proper.
- B. The business affairs and property of the ASSOCIATION shall be managed and controlled by the BOARD. The BOARD shall have the duty to maintain, operate, repair, and replace the general common properties as described in the DECLARATION, to administer the common surplus, if any, and to perform such other duties as shall be appropriate to the management of the subject property for the use, enjoyment and benefit of the Members of the ASSOCIATION in accordance with the terms and provisions of the DECLARATION, and they are expressly given full powers not inconsistent with these By-Laws, and the DECLARATION, and applicable provisions of law, to accomplish such purpose.
- C. The BOARD shall have power to make rules for their own government and for the government of the ASSOCIATION; to prescribe and enforce penalties for violations of the rules, regulations and By-Laws of the ASSOCIATION; to assess and fix charges to be levied against the Members of the ASSOCIATION; and, to exercise such other powers as may be necessary or proper to attain the objectives of the ASSOCIATION, all in accordance with and as limited by the DECLARATION. The BOARD shall have authority to create committees and specify the duties of any committee so created.
- D. Acquisition of and payment from the maintenance fund for the following:
 - a. Water, sewer, garbage, electrical, telephone, gas, and other necessary utility services for the COMMON PROPERTY.
 - b. A policy or policies of fire insurance with extended coverage endorsement for the full insurable replacement value of the COMMON PROPERTY payable as provided herein or such other fire and casualty insurance as the BOARD shall determine.
 - c. A policy or policies insuring the BOARD, the Owners and/or the ASSOCIATION against any liability to the public or to the Members and their tenants and invitees ownership and or use of the subdivision,

including the personal liability exposure of the Members. Limits of liability under such insurance shall not be less than \$1,000,000 for any one person injured, \$2,000,000 for any one claim, and \$500,000 for property damage. The limits and coverage shall be reviewed at least annually by the BOARD and varied in its discretion, provided, however, that the said limits and coverage never be of fewer lands or lesser amounts than those set forth in this paragraph. The policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement in which the rights of named insured under the policy or policies shall not be prejudiced as respects his, her, or their action against another named insured.

- d. Worker's compensation insurance to the extent necessary to comply with any applicable laws.
- e. To employ such employees as the affairs of the ASSOCIATION shall require, and delegate to any such employee so much of its authority as it shall deem advisable. The BOARD may engage the services of a Managing Agent who shall manage and operate the general and limited COMMON PROPERTY for the Members of the ASSOCIATION, upon such terms and for such compensation and with such specific duties and authority as the BOARD may approve and delegate to such Managing Agent. The compensation paid to such Managing Agent shall be deemed to be a part of the common expenses for which the Members shall be assessed. The BOARD shall likewise have power for *any* cause they deem sufficient to discharge any or all employees, including the Managing Agent, of the ASSOCIATION and may delegate their authority to do so to any officer or committee of this DECLARATION.
- f. Legal and accounting services necessary or proper for the operation of the COMMON PROPERTY or the enforcement of this DECLARATION.

E. Maintenance of the following books and records, such books and records to be kept in accordance with generally accepted accounting procedures:

- a. Financial records with a detailed account of the receipts and expenditures affecting the ASSOCIATION and its administration and regular expenses of the COMMON PROPERTY and any other expenses incurred by or on behalf of the ASSOCIATION.
- b. Minutes of proceedings of Members, BOARD and Committee to which any authority of the BOARD has been delegated.

- c. Record the names and addresses of all Members with voting rights.
 - d. Voting records, proxies, and correspondence relating to DECLARATION amendments.
- F. Arrangement for an annual independent audit of all books and records of the ASSOCIATION.

ARTICLE IX DECLARANT'S CONTROL PERIOD

Section 9.1 APPOINTMENT.

Declarant shall have the power to appoint and remove Officers and members of the BOARD until one hundred twenty (120) days after Declarant has sold seventy five (75) percent of the LOTS in the subdivision to owners other than the Declarant, provided, however, that, not later than the one hundred twentieth (120th) day after Declarant's conveyance of fifty (50) percent of the subdivision to owners other than to Declarant, not less than one third (1/3) of the BOARD members must be elected by Members other than the Declarant. Declarant may waive this section by written consent.

Section 9.2 ASSESSMENTS.

The BOARD shall have full power and authority to assess or charge the Members of the ASSOCIATION for funds required for the performance of its object and purpose as set forth in the DECLARATION. Each ASSESSMENT shall be due and payable by each Member at the time and in the manner set forth in the resolution fixing such ASSESSMENT. In the absence of specific provision in such resolution, each ASSESSMENT shall be due and payable on or before thirty (30) days from and after the date of notification of such ASSESSMENT, and shall be payable in cash at the address designated by the BOARD.

Section 9.3 LEVY.

ASSESSMENTS may be levied and assessed upon Members of the ASSOCIATION according to the DECLARATION. Where a LOT is owned by more than one person, such persons shall not be assessed a sum in excess of the amount which a single individual Member owning such LOT would have been

assessed, for each LOT jointly owned by them. If a dwelling has been erected on more than on LOT, the LOT ASSESSMENT for each LOT shall not be waived.

Section 9.4 CHARGES.

The BOARD shall also fix and determine the charges, if any, to be made to Members with property and equipment maintained and operated by the ASSOCIATION.

Section 9.5 INTEREST.

ASSESSMENTS, charges, fees or any other sum levied by the BOARD of Trustees upon Members of the ASSOCIATION which are paid on or before thirty (30) days after the due date shall not bear interest, but all sums not paid on or before thirty (30) days after the due date shall bear interest as stated in the DECLARATION from the due date until paid. All payment upon accounts shall be first applied to interest and then to the ASSESSMENT payment first due.

Section 9.6 DELINQUENT ASSESSMENTS.

No member who is delinquent in the payment of any ASSESSMENT, charge, fee or other sum due from such Member to the ASSOCIATION, shall be entitled to vote as a Member of the ASSOCIATION upon any matter, unless and until all such delinquent sums are paid in full.

ARTICLE X AMENDMENTS

Section 10.1 AMENDING.

These By-Laws may be amended at any time by a majority vote by the BOARD of the ASSOCIATION. This provision will not be construed as limiting the BOARD's power to amend the enforcement procedures to comply with changes in law.

ARTICLE XI DECLARATION

Section 11.1 DECLARATION.

This ASSOCIATION shall at all times be subject to, and operate in conformity with, the terms of the DECLARATION, which are incorporated herein by reference.

ARTICLE XII INDEMNIFICATION

Section 12.1 INDEMNIFICATION.

The ASSOCIATION is authorized to and shall indemnify and advance expenses to TRUSTEES of the ASSOCIATION in the manner prescribed in and to the maximum extent permissible under the Texas Business Organization Code.

ARTICLE XIII MISCELLANEOUS

Section 13.1 FISCAL YEAR.

The BOARD may establish the ASSOCIATION's fiscal year by resolution. In the absence of a BOARD resolution determining otherwise, the ASSOCIATION's fiscal year is a calendar year.

Section 13.2 CONFLICT.

The DECLARATION controls over these By-Laws.

Section 13.3 INSPECTION OF BOOKS AND RECORDS.

- A. Inspection by Members. After a written request to the ASSOCIATION, a Member may examine and copy, in person or by agent, any ASSOCIATION books and records relevant to that purpose. The BOARD may establish rules concerning the (1) written request; (2) hours, days of the week, and place; and (3) payment and costs related to a Member's inspection and copying of books and records.

Section 13.4 VOTING.

Voting at any general or special meeting of the Members of the ASSOCIATION may be as provided in Texas Property Code section 209.00592, or as said statute may be amended from time to time.

The undersigned, being all of the TRUSTEES of the ASSOCIATION, hereby unanimously enact and approve the preceding By-Laws of the PROPERTY OWNERS ASSOCIATION OF TIERRA SANTA, INC. on this, the 11th day of ~~November~~ ^{December} 2018.

Rusty Dargel

Timothy Bruce


Norma Christian-Wilson

Dennis Slavin

Drew Hadzima

Hannah McCann

I, the undersigned PRESIDENT of the PROPERTY OWNERS ASSOCIATION OF TIERRA SANTA, INC. were unanimously adopted and approved by the Board of Trustees of PROPERTY OWNERS ASSOCIATION OF TIERRA SANTA, INC.


Rusty Dargel, President

ATTESTATION

I, being the Secretary of PROPERTY OWNERS ASSOCIATION OF TIERRA SANTA, INC., attest that the above signature is that of Rusty Dargel, President of Property Owners Association of Tierra Santa, Inc. acting be and through its Board of Trustees, to sign same on behalf of Property Owners Association of Tierra Santa, Inc.

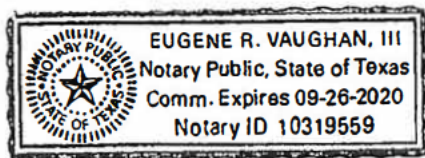
By: *Norma Christian-Wilson*
Norma Christian-Wilson, Secretary

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF HIDALGO §

This instrument was acknowledged before me on December 13, 2018, by NORMA CHRISTIAN-WILSON, Secretary of Property Owners Association of Tierra Santa, Inc., a Texas non-profit corporation.



Eugene R. Vaughan III
Notary Public, State of Texas

My commission expires:

.9/24/2020

*****THIS PAGE IS PART OF THE DOCUMENT*****

Any provision herein which restricts the Sale, Rental, or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document No: 2972505
Receipt No: 20181213000272
Recorded On: December 13, 2018 03:50 PM
Deputy Clerk: Belya Trevino
Station: CH-1-CC-K31

Record and Return To:

Erxchange
14911 Quorum Dr., Suite 200D

dallas TX 75254



STATE OF TEXAS
COUNTY OF HIDALGO

I hereby certify that this Instrument was FILED in the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Hidalgo County, Texas.

Arturo Guajardo Jr.
County Clerk
Hidalgo County, Texas