

## Association Rules and Regulations

### 1. Garage and Estate Sales

- Individual garage and/or lawn sales are strictly prohibited in Providence Landing.
- The community may determine to hold a community-wide market sale for one weekend at most once per annum. Sixty percent of households currently living in Providence Landing must approve the market sale by vote at least one month prior to the intended date. Households must be informed by the Board in writing at least two weeks prior to the date of the vote.
- Estate sales should be approved by the Board upon written request by a homeowner or next of kin.

### 2. Trash and Other Excess Materials

- Trash cans must be stored out of sight of streets and neighboring properties.
- Trash cans must not be placed on driveways, lawns, easements or streets before 6 p.m. the evening before pick-up and must be removed by 8 p.m. the day of pick-up.
- No lumber, metals, bulk materials, refuse or trash may be kept, stored or allowed to accumulate on any lot or open space area.
- Building materials may be stored on the premises during construction of a main residence or other building.

### 3. Cars, Recreational Vehicles, Boats, Trailers and Other Large Vehicles

- No disabled or inoperable vehicles may be parked or stored in public view.
- No boats, trailers or RVs may be parked on streets at any time.
- Boats, trailers or RVs may be parked on a lot owner's driveway for no more than 48 hours to allow for the reasonable loading of and preparation for trips. Any routine abuse of this provision will warrant a review by the Community Association and a vote on its continuance.
- Parking any vehicle on lawns, easements or open spaces is strictly prohibited.
- Personal vehicles in good working order should be parked in garages or on driveways at all times.
- The parking of lot owners' and/or their families' and friends' personal vehicles on streets within Providence Landing is permitted for periods less than one day, so long as the safe and orderly flow of traffic is not interrupted.
- No other large vehicle is permitted on the streets or on the lots within Providence Landing at any time except for the construction of residences and other buildings or the development or maintenance of pools, wells, septic systems or other approved improvement projects.
- Vehicles owned by utility companies are exempt from these provisions.

### 4. Fireworks, Firecrackers and Other Explosive or Incendiary Devices

- The possession and use of fireworks and firecrackers, no matter their size or content, is strictly prohibited under any and all circumstances anywhere within Providence Landing.

## *Providence Landing Home Design Guidelines*

The following Design Guidelines are promulgated by the Architectural Control Committee (the "Committee") as provided for in Article VIII of the Declaration of Covenants and Restrictions for Providence Landing, a Subdivision in Colorado County, Texas.

### 1. Main Residence: Minimum Square Footage and Number of Stories

- Minimum 2,500 sq. ft. under roof.
- No home may have a ground-level footprint with less than 1,750 sq. ft. of walled interior space.
- Minimum square footage is inclusive of an attached garage.
- No main residence or any other building, structure or other object may be taller than two stories.

### 2. Main Residence and Outbuildings: Construction and Exterior Requirements

- All buildings must be pre-approved individually by the Committee prior to the beginning of construction.
- Main residence must be 80% masonry (brick, stone, rock, etc.) or stucco.
- All outbuildings—including but not limited to pool houses, guest houses, cabanas and storage buildings—must be pre-approved by the Committee.
- All outbuildings must be built at the elevation of the main residence, whether or not utilities will be connected.
- No manufactured or pre-fabricated residences will be permitted at any time, including but not limited to mobile homes.
- Construction of any building prior to the beginning of construction of the main residence is prohibited.
- No guest quarters or other habitable building shall be constructed and/or occupied before the completion of the main residence.
- No camping shall be permitted on any lot within the subdivision prior to or during construction of the main residence.
- No house may be moved to any property in Providence Landing.
- All colors must be pre-approved by the Committee. Earth tones and muted colors are generally acceptable on trim, siding, shutters and all doors. No unsightly or extreme colors shall be permitted on any building at any time. The Committee reserves the right to deny the application, and demand the removal, of any offensively colored painted trim, siding, window treatment or door. The Committee may not revoke the right to use or re-apply, or demand removal of, any color previously approved by the Committee for use on one or any buildings.
- No turrets, spires, or other spaces may be built above the bottom roof line of the house. Outdoor upstairs decks at the floor level of the second story or below are acceptable upon approval by the Committee.
- All additions or changes to the planned or existing exterior structure of the main residence or any other building (see specific rules concerning the conversion of

- No other explosive or incendiary device, chemical, liquid or powder is permitted within Providence Landing at any time. Gasoline, propane and other reasonable power-generating fuels are exempt from this provision.

5. Noise and Use of Mechanical Equipment

- Lawnmowers, saws and other noise-making mechanical equipment shall not be operated before 7 a.m. any morning or after 9 p.m. any evening.
- Generators may be operated outside these hours in the event of a power outage.

6. Animals

- Except in the Orchard, no farm animals will be permitted, including but not limited to cows, horses, and poultry.

7. Use of Park

- No tractors, automobiles, trucks or other large vehicles are permitted beyond the fence-line entrance of the Park, except for maintenance, grooming or repair work on the Park. Small recreational vehicles, such as golf carts and four-wheel ATVs, are permitted.
- Open fires are prohibited except in designated fire or barbeque pits. Overnight camping is prohibited.
- Neither Declarant nor the Association shall be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the Park. Each Owner and occupant of any Lot and each permitted guest or invitee of an Owner, as applicable, acknowledges and understands that the Association, its Board of Directors, Declarant or any successor declarant are not insurers and that each Owner and occupant of any Lot and each permitted guest or invitee of any Owner assumes all risk for loss or damage to persons or property, and further acknowledges that the Association, its Board of Directors, Declarant or any successor declarant have made no representations or warranties nor has any Owner, occupant, or permitted guest or invitee relied upon any representations or warranties, expressed or implied, as to the safety of the Park. *Each Owner and occupant of any Lot and each permitted guest or invitee of an Owner hereby agrees to indemnify and hold harmless the Association, its Board of Directors, Declarant or any successor declarant for all loss or damage to persons or property in or around the Park.*

#### 14. Landscaping and Trees

- Upon completion of home construction and irrigation of the Lot, the Owner must plant a minimum of 10 45-gallon oak trees on their Lot.

#### 15. Decks, Arbors, Pergolas and Trellises

- Backyard decks without roofs, trellises or concealing walls or rails higher than 48 inches above ground level at the site of construction should conform to the overall design of the residence and may be built at the owner's discretion. Such decks are exempt from the masonry requirements of all buildings.
- Decks with roofs, trellises or walls higher than 48 inches must be pre-approved by the Committee and must meet the masonry requirements of all buildings.
- Arbors and Pergolas should conform to the overall design of the residence and may be built at the owner's discretion if less than eight feet tall and less than 100 square feet in area. Arbors and pergolas need not meet the masonry requirements of all buildings.
- All decks must be constructed behind the main residence.
- Pre-approval from the Committee is required for any arbor or pergola to be placed at the side of or in front of a residence.
- All trellises on individual properties must be pre-approved by the Committee and must not interfere with the views of other property owners within the subdivision.
- All community fences and trellises are exempt from these provisions.
- Any structure over 48 inches tall with opaque or obscured walls must be pre-approved by the Board.

garages to other uses) must be pre-approved by the Committee. Standard upkeep and maintenance are excluded from this provision.

### 3. Garages

- Each residence must have and maintain a minimum of a two-car enclosed garage, either under one roof or detached and connected by a walkway.
- Detached garages must be 60% masonry or stucco and of the same materials as the main residence.
- Renovations or conversions of existing garages, whether attached or detached, for any use other than the parking of vehicles, including but not limited to residential living space, must be pre-approved by the Committee. The construction of a new, Committee-approved garage must precede the renovation or conversion of the initial garage for other purposes.
- Garages for Lots 1-7, Lots 9 and 12, and Lots 14-18 must be side or rear entry and may not face any street within the subdivision. Garages for Lots 10 and 11 must be side entry only, facing Lots 9 and 12, respectively.
- Garages for corner lots 8 and 13 must be rear entry.
- No separate carports shall be permitted.
- A porte cochere consisting of the same materials as the main residence is allowed, upon approval.
- A circular drive in front of or on the side of a main residence is allowed, upon approval.
- All driveways must be concrete or blacktop, and must be completed within 6 months of completion of the main residence.
- No dirt driveways will be permitted after completion of the main residence.

### 4. Location of Buildings and Other Improvements on Lots 1-8 and 13-16

- No buildings or other improvements, including but not limited to the main residence, shall be located on any lot nearer than:
  - a. 150 feet from the main road
  - b. 30 feet from any other lot or road

### 5. Location of Buildings and Other Improvements on Lots 9-12

- No buildings or other improvements, including but not limited to the main residence, shall be located on any lot nearer than:
  - a. 150 feet from the main road
  - b. 30 feet from any other lot or the Park and its boundaries.
- No main residence or other building may be built beyond the fence-line preceding the Orchard under any circumstances.
- Decks, arbors, pergolas, picnic areas and other minor structures may be constructed beyond the fence-line but above the general area adjacent to the Orchard on the owner's property, so long as they are in keeping with the design structure of the main residence and the general grove and river theme of Providence Landing.
- Construction of a building or structure of any kind within the Orchard and towards the Colorado River is strictly prohibited.

#### 6. Construction Timeframe

- There is no time requirement on when to begin construction of a main residence on a lot. However, all lots must be properly maintained at all times, including but not limited to mowing and maintenance of clear drainage easements.
- Construction of a main residence and garage must be completed within eighteen months following design approval by the Committee and the beginning of construction.
- Construction of the exterior of the main residence and garage must be completed within one year from the starting date.

#### 7. Easements and Rights-of-Way

- All easements and rights-of-way must be respected and observed at all times.
- All drainage easements must be kept clear at all times.
- No building, landscaping or other improvement will be approved that obstructs any easement or right-of-way.
- It is the property owner's responsibility to understand and observe all easements and rights-of-way affecting his or her property.
- Any obstruction to an easement or right-of-way must be removed immediately upon the written notice of the Board or the verbal or written notice of any utility service.

#### 8. Use of Propane Tanks

- All propane tanks for providing gas service to a residence must be installed underground.

#### 9. Water Wells and Bladders

- Well bladders must be installed within garages or other storage buildings.
- All water wells are to be of pit-less design
- The water well existing pipe that remains above ground must be concealed with vegetation or landscape rocks
- Recommended water well contractor is Neuendorff Water Well (Kenny Neuendorff - Owner)

#### 10. Fences

- Fencing by property owners is only allowed on surveyed property boundaries and behind completed home structures.
- No cross fencing of property allowed and no temporary fencing of any kind allowed. No boundary or cross fencing shall be permitted within or between Lots 9 and 10 or Lots 11 and 12 below the residential fence line at the back of the estate lot home sites, except for a wood post and natural hemp rope line along property lines as modeled by the Park boundary fence. Specifications for this fence shall be identical to the Park fence: 32" tall 4" x 4" wood posts, sand packed and set 10' apart with a single 3/4" natural hemp rope connecting them. This low property fence must end before reaching the detention pond area.
- Surveyed property boundary fencing must meet the following criteria:

- Fence Post to be treated 4" x 6"
- 3 board fence to be treated 2" x 6" boards
- fence must be level with the height of any connecting fence
- post must be concreted in at 5 1/2" spacing
- Fence height to 52"
- Top post to be flush with post top 2nd and 3rd board to be spaced 11" apart
- If a treated 3 board fence is bordering another person's property or bordering the entry road including the T road it must have a 3 board assembly on both sides of the fence
- Any fence behind completed home structures must meet the following criteria
- Fence post to be black powder coated 4" x 4"
- Only vertical spindle configuration allowed with spacing to be of 1 1/2" or 4" all material to be black powder coated
- Vertical spindle may be of either 1" x 1" or 1" x 2" in width
- Fence height not to exceed 48"
- Any gates attached to fences behind completed home structures must be black powder coated.
- Decorative fence rails to be of 1" x 2" or 2" x 2" channel black powder Coated.
- 4" x 4" posts may be capped with decorative ball or a flat diamond

#### 11. Gates

- Drive through gates must be 12 foot in width
- Support gate posts must be 6" x 6" metal post with diamond or ball caps
- Posts to be painted black and not to exceed 52" in height
- Gate construction to be 2" x 2" metal channel vertical spindles to be placed with 4" spacing
- Horizontal 2" x 2" metal channel to be used horizontally to support top and bottom
- Top gate rail to be arched at 52"
- Gate must be painted black
- Owners of Lots 9-12 may construct a drive-through gate into that portion of their Lot within the Orchard, but must install at the same time a cattle guard
- Cattle Guard construction to be of 4" x 4" pipe, 6' wide and 12' long and set on concrete beams
- Recommended cattle guard construction to be by Kevin D. Ruether

#### 12. Play Structures

- Permitted upon approval and must be maintained in excellent condition or Owner will be required to remove them at Owner's expense.

#### 13. Pools

- Pools may be installed upon approval of the Committee. No above ground pools will be permitted.

BYLAWS  
OF  
PROVIDENCE LANDING  
OWNERS ASSOCIATION  
A Texas Non-Profit Corporation

ARTICLE I

GENERAL

Section 1. Definitions. In addition to words and terms defined in other provisions of these Bylaws, the following words, when used in these Bylaws, unless the context shall prohibit, shall have the following meanings:

- (a) "Assessment" or "Assessments" shall mean such assessments as may be levied by the Association under the terms and provisions of the Declaration and shall include both regular, special, and special individual assessments.
- (b) "Association" shall mean Providence Landing Owners Association, a Texas non-profit corporation.
- (c) "Board" shall mean the Board of Directors of the Association.
- (d) "Bylaws" shall mean the Bylaws of the Association, as they may be amended from time to time.
- (e) "Certificate" shall mean the Certificate of Formation of Providence Landing Owners Association, which has been filed in the office of the Secretary of State of the State of Texas, as it may be amended from time to time.
- (f) "City" shall mean the City of Columbus, Texas.
- (g) "Committee" shall mean the Architectural Control Committee provided for in Article VIII of the Declaration.
- (h) "Common Areas" shall mean: (a) any real or personal property leased, owned, or used by the Association for the common use and benefit of the Members of the Association, including without limitation the Park (as defined in the Declaration) and any recreation amenities, maintenance equipment and facilities, and landscape irrigation equipment and systems within the Park or the Orchard (as defined in the Declaration); (b) any areas reserved for or granted to the Association by easement or



otherwise for access to areas owned or used by the Association; (c) any areas for which the Association has obtained or assumed the right and obligation of maintenance; (d) all detention ponds and related facilities and landscape areas (if any, and without any obligation of Declarant or the Association to install such facilities or areas); (f) private streets and alleys (if any, and without any obligation of Declarant or the Association to install such private streets or alleys); (g) security systems and facilities (if any, and without any obligation of Declarant or the Association to install such systems or facilities); and (h) landscape facilities, including, but not limited to, landscape irrigating systems serving the Common Areas, lighting facilities, signage, and street furniture (if any) installed in the Common Areas, all of which are for the common use, enjoyment and benefit of the Members of the Association.

- (i) "County" shall mean Colorado County, a political subdivision of the State of Texas.
- (j) "Declarant" shall mean DIC Investments, LLC, its successors, assigns and duly authorized representatives and any of its assignees under the pertinent provisions of the Declaration.
- (k) "Declaration" shall mean the Declaration of Covenants and Restrictions executed by Declarant and filed for record in the real property records of the County, as it may be amended or supplemented from time to time.
- (l) "Design Guidelines" shall mean those particular standards restrictions, guidelines, recommendations, and specifications applicable to architecture, design, construction, placement, location, alteration, and maintenance of any Improvement of any nature whatsoever and also include landscaping to or within the Property, and all amendments, bulletins, modifications, supplements, and interpretations thereof. The Design Guidelines may be prepared by the Committee and may be reasonably amended, modified, supplemented and interpreted from time to time by the Committee.
- (m) "Improvement" shall mean any buildings, structures, recreational facilities, gazebos, ponds, underground or above ground installations, slope alterations, lights, driveways, utility facilities and lines, irrigation facilities, parking areas, fences, barriers, retaining walls, stairs, decks, poles, windbreaks, plantings, planted trees and shrubs, statues or sculptures and all other structures, landscaping, or improvements of every type and kind.
- (n) "Lot" shall mean each subdivided Lot within the Property.
- (o) "Manager" shall mean any manager retained by the Association pursuant to Article II, Section 8 or Article III, Section 3 below.
- (p) "Member" shall mean any Person holding membership rights in the Association.

- (q) "Mortgage" shall mean any deed of trust or mortgage covering any Lot or any other portion of the Property given to secure the payment of a debt.
- (r) "Mortgagee" shall mean the holder of any Mortgage.
- (s) "Owner" shall mean each and every Person who or which is a record owner of a fee or undivided fee interest in any Lot, but shall not mean a Mortgagee until and unless any such Mortgagee acquires and owns a fee simple interest in the subject Lot.
- (t) "Person" shall mean any individual, corporation, limited liability company, partnership (general or limited), joint venture, trust (or trustee), executor, administrator, guardian, association, estate or other entity having the legal right to hold title to real property.
- (u) "Plans and Specifications" shall mean any and all documents designed to guide or control the construction or erection of any Improvement, including, but not limited to those indicating size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, landscaping and fencing plans, elevation drawings, floor plans, specifications for all building products and construction techniques, samples of exterior colors, plans for utility services and all other documentation or information relevant to such Improvement.
- (v) "Property" shall mean and refer to all real property described in Article III of the Declaration.
- (w) "Rules and Regulations" shall mean the reasonable rules and regulations consistent with the terms of the Declaration and the Bylaws approved from time to time by the Board, in its discretion and as it deems advisable, governing the use and enjoyment of the Common Areas and the Lots, or any part thereof.
- (x) "Subdivision Plat" shall mean the map or plat of the Property and any amendments or replats that are applied for by the Declarant, approved by applicable local authorities and filed in the appropriate real property records. The Subdivision Plat for the Property, as of the effective date of the Declaration, was filed in Book 526, Page 480 the Plat Records of the County.

Section 2. Other Definitions. Any capitalized term not otherwise defined in the Bylaws has the meaning given to it in the Declaration.

## ARTICLE II

### OWNERS ASSOCIATION

Section 1. Members. Any Person upon becoming an Owner shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the property

interest which qualifies the Owner thereof for membership. Membership may not be severed from, or in any way transferred, pledged, mortgaged, or alienated except together with title to such property interest.

Section 2. Voting Rights. Subject to the provisions of Section 6 of this Article II, the right to cast votes, and the number of votes which may be cast, for election of members to the Board of the Association and on all other matters to be voted on by the Members shall be calculated as follows:

(a) So long as the Declarant owns any portion of the Property, the Association shall have two classes of voting membership, the Lot Owners and the Declarant. The Owner of each Lot shall have one vote per Lot. If there is more than one Owner of a Lot, all such Owners shall be Members, and the vote for such Lot shall be exercised as the Owners thereof mutually agree; provided, however, in no event shall more than one vote per Lot be cast. Multiple Owners of a Lot must advise the secretary of the Association in writing prior to any meeting at which their votes are to be cast as to the method of casting their vote. In the absence of such advice the vote for such a Lot shall be suspended if more than one Owner seeks to exercise a vote for that Lot.

(b) The Declarant is entitled to 50 votes for each Lot owned by the Declarant. At such time as the Declarant no longer owns any portion of the Property, the Declarant shall have the same voting rights as a Lot Owner and there shall be a single class of Members, each entitled to one vote per Lot.

Section 3. Annual Meetings. There shall be an annual meeting of the Members of the Association at a time and place set by the Board. Written notice of each annual meeting of the Association shall be given to all Members not later than the 10<sup>th</sup> day and not earlier than the 60<sup>th</sup> day before the date fixed for any such meeting. All notices of meetings shall be addressed to each Member at his address as it appears on the books and records of the Association. The President of the Association, or in his absence, the Vice President of the Association, shall call meetings of the Association to order and act as chairman of such meetings. In the absence of both officers, any Member entitled to vote or any proxy of any such Member shall call the meeting to order, and a chairman of the meeting shall be elected by the Members present.

Section 4. Special Meeting. Special meetings of the Members of the Association may be called from time to time by the President of the Association, the Board, or by Members having at least 10% of the votes entitled to be cast at such a meeting. Said special meetings shall be called by written notice given to all Members not later than the 10<sup>th</sup> day and not earlier than the 60<sup>th</sup> day before the date fixed for any such meeting. Any notice of a special meeting shall specify the purpose or purposes for which the meeting is called.

Section 5. Quorum. Members holding 51% of the votes of all Members entitled to be cast, represented in person or by legitimate proxy, shall constitute a quorum at any legally constituted meeting of the Association. If any meeting of the Association cannot be organized because a quorum is lacking, then by a majority vote of the Members present, either in person or by proxy, the meeting may be adjourned and reconvened not less than ten nor more than 30 days from the date on which

such meeting was to have been held originally. If notice of a meeting adjourned hereunder was required hereunder, notice of reconvening of the adjourned meeting, including all specific information required to be included in the notice of the adjourned meeting, shall be delivered as provided herein not less than three days prior to the date fixed for the reconvened meeting.

Section 6. Voting. The election of directors to the Board and the act, approval or disapproval of the Members, as the case may be, with respect to all other matters voted, or to be voted, on or by the Members shall be determined by the vote of the majority of the aggregate votes entitled to be cast by the Members present or represented by legitimate proxy at a legally constituted meeting at which a quorum of the Members is present, except where a vote by a greater percentage is required pursuant to the Declaration, the Certificate, or other provisions of these Bylaws or a Governmental Requirement. Any Member, including Declarant, may give a revocable written proxy to any person authorizing such person to cast all or any portion of the Member's votes on any matter. Such written proxy shall be executed in writing by the Member or by his duly authorized attorney in fact, but no such proxy shall be valid for a period of greater than 11 months. The cumulative system of voting shall not be allowed at any vote of the Members. The rights of any Member to cast votes on Association matters shall automatically be suspended during any period of time when such Member is not in good standing in the Association. A Member shall not be in good standing if such Person is (a) in violation of any portion of the Declaration, the Design Guidelines, or any rule or regulations promulgated by the Board; or (b) delinquent in the full, complete and timely payment of any Assessment (defined in the Declaration) or any other fee, charge or fine which is levied, payable or collectible pursuant to the provisions of the Declaration, the Bylaws, or any rule or regulation promulgated by the Board. Any Owner may collaterally assign his voting rights hereunder to the Mortgagee of a first Mortgage affecting such portion of the Property owned by such Owner, which said assignment shall not be effective until written notice thereof is actually received by the Association, together with evidence of such assignment.

Section 7. Notice. Any notice which shall be given to a Member with respect to any meeting or any other purpose shall be delivered personally or in any other manner permitted by law. Any notice required or permitted to be given to a Member hereunder may be waived by execution of a written waiver by such Member, regardless of whether the waiver is signed before or after the time of the meeting.

Section 8. Powers and Authority of the Association. Subject to such limitations and restrictions as are set forth in the Declaration, the Association shall have the powers conferred by the laws of the State of Texas upon corporations formed as nonprofit corporations under Chapter 22 of the Texas Business Organizations Code, as it may from time to time be amended (the "Code"), or any successor act or statute. It shall further have the power to do and perform any and all of the Association's duties set forth in the pertinent provisions of the Declaration and any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers granted to it by the laws of Texas or by the Declaration. Without in any way limiting the generality of the two preceding sentences, the Association, and the Board acting on behalf of the Association, shall have the power and authority at all times as follows:

(a) To levy Assessments as provided in the pertinent provisions of the Declaration.

(b) To enter upon any portion of the Property at any time in an emergency, or in a non-emergency after 24 hours written notice, without being liable to any Owner, for the purpose of enforcing the Declaration or maintaining or repairing any area, Improvement, or other facility to conform to the Declaration, and the expense incurred by the Association in connection with the entry upon any portion of the Property, enforcing the Declaration (including legal expenses) and the maintenance and repair work conducted thereon shall be a personal obligation of the Owner of such portion of the Property entered upon, shall be secured immediately by a lien upon such portion of the Property entered upon and any Improvement thereon, and shall be enforced in the same manner and to the same extent as provided in the pertinent provisions of the Declaration for Special Individual Assessments. The Association shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Declaration. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce the Declaration.

(c) To retain and pay for the services of a Manager to manage and operate the Association, to the extent deemed advisable by the Board. To the extent permitted by law, the Association and the Board may delegate any duties, powers and functions to the Manager. The Members hereby release the Association and the members of the Board from liability for any omission or improper exercise by the Manager of any such duty, power or function so delegated.

(d) To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

(e) To obtain and pay for any other property and services, and to pay any other taxes or assessments, which the Association or the Board is required to secure or to pay for pursuant to applicable law or the terms of the Declaration.

(f) To enter into contracts with any Person, including, but not limited to, Declarant, to carry out the purposes and duties of the Association on such terms and provisions as the Board shall determine.

Section 9. Performance of Obligations. The Association, acting by and through the Board shall have, perform, satisfy and observe each and every of the duties and obligations imposed on the Association under the provisions of the Declaration and these Bylaws, including, but not limited to, the duties imposed under the pertinent provisions of the Declaration to maintain and repair the Common Areas.

Section 10. Power to Indemnify and to Purchase Indemnity Insurance. The circumstances under which the Association must or may indemnify or may advance expenses under Chapter 8 of the Code are not restricted in any manner. The Association is authorized to purchase or procure or establish and maintain insurance or another arrangement to indemnify or hold harmless a person in the manner permitted by Chapter 8 of the Code. All costs and expenses of the insurance and other arrangements described herein shall be covered by Assessments.

### ARTICLE III

#### BOARD OF DIRECTORS

Section 1. Number. The number of members (the "Directors") that constitute the initial Board is three. The number of Directors may be increased or decreased, but never below three, from time to time by amendment of the Bylaws, but no decrease shall have the effect of shortening the term of any incumbent Director. A Director does not need to be a Member.

Section 2. Election Term and Classification. Except as otherwise provided below, each director shall be elected for, and shall serve, a term of one year; provided, however, the initial Board named in the Certificate shall serve until their successors are elected at the first annual meeting of Members.

Section 3. Duties and Authority. The Board, including the initial Board, shall perform the duties of the Association and manage the affairs of the Association, and the Board shall have such powers, duties, functions, authority and responsibility as shall be specified in the Declaration or these Bylaws or as may be delegated to it from time to time by the Members, including but not limited to the following:

- (a) Election of officers of the Association as hereinafter provided.
- (b) Administration of the affairs of the Association.
- (c) Keeping or causing to be kept sufficient books and records with a detailed accounting of the receipts and expenditures of the Assessments. The books and records of the Association will be available for inspection and copying by all Owners as provided by applicable law.
- (d) At the election of the Board, engaging the services of a Manager who may be delegated any of the duties and responsibilities of the Association that are to be performed by the Board pursuant to the Declaration or these Bylaws with respect to managing, maintaining and operating any area and Improvement as is or shall become the responsibility of the Board, upon such terms and for such compensation and with specific duties and authority as the Board may approve or as may be specified in a contract of employment executed by the Board on behalf of the Association.

(e) Promulgating Rules and Regulations as provided in the Declaration and these Bylaws, not in conflict with the Declaration or these Bylaws.

(f) Providing insurance in accordance with the provisions of these Bylaws.

(g) Delegating, any of its duties, powers and authority to any Manager employed by the Board.

(h) Adopting an annual budget pursuant to Article V herein assessing and collecting from the Owners their respective Assessments as provided in Article V herein.

(i) Adopting Assessments as provided in Article V below.

(j) Providing for the designation, hiring and removal of employees and other personnel, including bookkeepers and accountants, and engaging or contracting for the services of others, and in general making purchases of labor, material and/or services.

(k) Authorizing the President or any Vice President to convey, lease or sublease all or any of the real or personal property now or hereafter owned by or leased to the Association and any Improvement thereto, to grant easements across the Common Areas, and to encumber the same as permitted in the Declaration or as otherwise provided by law.

(l) Performing, satisfying, observing and carrying out all duties, powers, obligations and responsibilities of the Board under the provisions of the Declaration and to all such acts and things as may be necessary and appropriate to perform, satisfy, observe and carry out any and all such duties, powers, obligations and responsibilities.

(m) In general, the Board shall have all such duties, rights and authority to do all such acts and things as are not by the Declaration or these Bylaws directed to be done or exercised exclusively by the Owners or the Association, which shall be necessary or reasonably required for the successful and orderly administration, management and operation of the development established by the Declaration.

(n) After all of the Lots within the Property (including any annexations thereto) have been sold and conveyed by Declarant to third-party purchasers, the Board shall have the exclusive right and power, at any time and from time to time, to appoint and remove the members of the Committee, and to fill vacancies thereon, which Committee shall have all rights and obligations to approve the Plans and Specifications described in the Declaration.

**Section 4. Contractual Authority.** With respect to the performance of the obligations of the Association hereunder, the Board shall have the right to contract for all goods, services and insurance, and the exclusive right and obligation to perform the functions of the Association, except as otherwise provided herein.

Section 5. Maintenance Contracts. The Board, on behalf of the Association, shall have the full power and authority to contract with any person or entity (including without limitation the Declarant) for performance, on behalf of the Association, of services which the Association is otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper or advisable and in the best interest of the Association. The Board shall also have the full power and authority, but not the obligation, to contract with any Owner to provide maintenance, repair or replacement service, or any combination thereof, through the Association for any portion of the Property.

Section 6. Organizational and Annual Meetings. The organizational meeting of the Board shall be held as soon as practicable following the filing of the Certificate. Thereafter, annual meetings of each newly elected Board shall be held without notice immediately following the annual meeting of the Association at the same place, unless by unanimous consent of the Directors then elected and serving, such time or place shall be changed.

Section 7. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board members. Notice of the date, time and place of regular meetings shall be given to each Board member personally or by mail, telephone or facsimile transmission, at least three days prior to the day designated for such meeting.

Section 8. Special Meetings. Special Meetings of the Board may be called by the President and shall be called by the Secretary on the written request of two Board members. Notice of any special meeting of the Board shall be given to each Board member at least three days before the date of the meeting.

Section 9. Notice. Absent actual notice, proper notice shall be deemed to have been given of any special meeting of the Board if notice in writing, or by telephone or facsimile transmission shall have been sent to either the usual business or residence address of the Board member entitled to receive notice not less than three days preceding the date of the meeting.

Section 10. Waiver of Notice. Before or after any meeting of the Board, any Board member may waive notice of the time, date, place and purpose of such meeting by execution of a waiver thereof in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board shall be deemed as a waiver of the required notice of such meeting. If all the members of the Board are present at any meeting, no notice thereof shall be required and any business may be transacted at such meeting.

Section 11. Quorum. At all meetings of the Board a majority of the members of the Board shall constitute a quorum for the transaction of business, and the acts and decisions of the majority of the Board members present at any duly called meeting at which a quorum is present and of which notice was properly given or waived shall be the acts of the entire Board.

Section 12. Action by Consent. 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, specifying the actions so taken, is



signed by a sufficient number of members of the Board as would be necessary to take that action at a meeting at which all of the members of the Board were present and voting.

Section 13. Vacancies. Vacancies in the Board caused by any reason other than an increase in the authorized number of Directors or the removal of a Board member shall be filled for the unexpired term by a vote of the majority of the remaining Board members, even though they may constitute less than a quorum.

Section 14. Resignation. Any member of the Board may resign at any time by giving written notice of resignation to the President or any other officer of the Association.

Section 15. Removal By Association. At any regular or annual meeting or at any special meeting called for that purpose, the Association may by a 66  $\frac{2}{3}$ % vote remove any one or more members of the Board (except members of the initial Board), with or without cause, provided that a successor or successors shall then and there be elected to fill the vacancy or vacancies thus created, for the unexpired term of the Board member or members removed. Any Board member whose removal has been proposed shall be given an opportunity to be heard at such meeting.

#### ARTICLE IV

##### OFFICERS

Section 1. Officers. The officers of the Association shall consist of a President, a Vice President, a Secretary and a Treasurer, each of whom shall be elected by the Board at its annual meeting. Any two or more offices may be held by the same person, except the offices of the President and the Secretary may not be held by the same person. The President and Vice President shall be elected from among the members of the Board. The Secretary and Treasurer may, but are not required to be, elected from among the members of the Board. The Board shall have full authority to remove any officer from office, with or without cause, by the vote of a majority of the members of the entire Board at any time and to elect his successor at any regular meeting of the Board or at any special meeting called for that purpose.

Section 2. Duties. The duties of the officers of the Association shall be as follows:

(a) The President shall be the chief executive officer of the Association, and shall have general and active management and control of the business and affairs of the Association, and shall see that all orders and resolutions of the Board and Association are carried into effect. He shall call annual and special meetings of the Association and Board in accordance with law and these Bylaws and shall preside at all such meetings. He shall appoint, discharge and fix the compensation of agents and employees other than those appointed by the Board. The President shall also execute contracts, conveyances and other documents on behalf of the Association. He shall perform such other duties as may be prescribed from time to time by the Board.

(b) In the absence of the President or when it is inconvenient for the President to act, the Vice President shall perform the duties and exercise the powers of the President. At any time when the Vice President is performing a duty or exercising a power of the President, any party dealing with the Association may presume conclusively that the President was absent and that the Vice President was authorized to act in his place. He shall perform such other duties and have such other authority and powers as the Board may from time to time prescribe, or as the President may from time to time delegate.

(c) The Secretary shall attend all meetings of the Board and of the Association and shall record all business transacted and resolutions passed at such meetings in the minute book to be kept for that purpose and he shall perform like duties for standing committees, if any, when required. He shall give, or cause to be given, notice of all meetings of the Association and regular and special meetings of the Board, and he shall perform such other duties as the Board may from time to time prescribe, or as the President may from time to time delegate. The Secretary shall prepare a list of voting members in the manner required by law. The Board may, if it deems it advisable, from time to time, designate one or more persons as Assistant Secretaries, who may perform the duties and exercise the powers of the Secretary when the Secretary is absent or it is inconvenient for him to act. Any third person dealing with the Association may presume conclusively that any Assistant Secretary acting in the capacity of the Secretary was duly authorized to act. They shall perform such other duties and have such other powers as the Board may from time to time prescribe, or as the President or Secretary may from time to time delegate.

(d) The Treasurer shall be responsible for the custody of corporate funds and securities, shall keep full and accurate accounts and records of receipts, disbursements and other actions and books belonging to the Association and shall deposit all funds and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board. The Treasurer shall disburse funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and the Board whenever they may require it an account of all his transactions as Treasurer and of the financial condition of the Association. The Treasurer shall perform such other duties and have such other authority as the Board may from time to time prescribe, or as the President may from time to time delegate. The Board may, from time to time if it deems advisable, designate one or more persons as Assistant Treasurers who may perform the duties and exercise the powers of the Treasurer if the Treasurer is absent or it is inconvenient for him to act. Any third person dealing, with the Association shall be entitled to presume conclusively that any Assistant Treasurer, acting in the capacity of Treasurer, was duly authorized to do so. The Treasurer and/or Assistant Treasurers shall prepare a roster of the Members and the Assessments applicable thereto, and a record of the payment of such Assessments, and such records shall be kept at the principal offices of the Association and shall be open to inspection by any Member at any reasonable time during business hours. They shall perform such other duties and have such other powers as the Board may from time to time prescribe, or as the President or Treasurer may from time to time delegate.

Section 3. Terms and Vacancies. The officers of the Association shall hold office until their successors are elected or appointed and qualified, or until their death, resignation or removal from office. Any vacancy occurring in any office of the Association by death, resignation, removal or otherwise, may be filled by the Board.

Section 4. Compensation of Officers. The officers shall receive no compensation for their services as such, except that if the Manager or any other employee of the Association holds any office he may be paid for the services as Manager, including performance of the duties of his office.

## ARTICLE V

### ASSESSMENTS AND CHARGES

Section 1. Assessments. The Association (or an independent entity or agency which may be designated by the Association to receive such monies) shall levy, correct and receive Assessments in accordance with the pertinent provisions of the Declaration.

Section 2. Maintenance Fund and Purpose of Assessments. The Board shall establish a maintenance fund into which shall be deposited all monies paid to the Association and from which disbursements shall be made in performing the duties and obligations of the Association. The maintenance fund shall be established from Assessments levied by the Association and any other revenues and income of the Association. In particular and without limiting the purposes for which Assessments may be assessed and levied, assessments levied by the Association shall be used for any purpose authorized by law, including without limitation the purpose of operating the Association, promoting the enjoyment, recreation, health, safety, and welfare of the Owners as owners of Lots and Residences (as defined in the Declaration) within the Property, and for the proper maintenance, operation, and improvements to the Common Areas, including, but not limited to: (a) maintenance (and replacement as necessary) and cleaning of the Common Areas; (b) the payment of premiums for hazard insurance in connection with the Common Areas, and any improvements or facilities thereon to be replaced by the Association; (c) paying the cost of labor, equipment (including the expense of leasing any equipment) and material required for, and management and supervision of the Common Areas; (d) paying the costs and fees of a manager or firm retained to manage the affairs and carry out the duties of the Association; (e) carrying out the duties of the Board; and (f) carrying out the purposes of the Association as stated herein and in the Declaration.

Section 3. Amount and Payment of Annual Assessment. Each year, the Board shall create a budget and determine the current operation and maintenance costs and anticipated needs of the Association during the year for which the assessment is being made, including without limitation such items as reserves and capital replacement costs and the cost to repair and maintain the streets shown on the Subdivision Plat during the period of time such repair and maintenance is an obligation of the Association, and establish the amount of the annual assessment (an "Annual Assessment") for each Lot. The Annual Assessment for each Owner will be equal to the total amount of the annual budget multiplied by a fraction, the numerator of which is the number of Lots owned by that Owner and the denominator of which is the total number of Lots within the Property. Annual Assessments will be due and payable by January 31 of each year.

Section 4. Increase in Annual Assessments. Each year from and after calendar year 2006, Annual Assessments shall not be increased to more than the greater of (i) 110% of the immediately preceding year's Annual Assessment or (ii) the percentage increase in the CPI (hereinafter defined) since the date of the immediately preceding increase in the Annual Assessments, unless a greater increase is approved by Members representing at least 66⅔% of the votes cast at a meeting of Members present or represented by legitimate proxy at which a quorum is present. "CPI" shall mean the Consumer Price Index for All Urban Consumers, All Items, 1982-1984=100, as published by the Bureau of Labor Statistics, United States Department of Labor. If such index is discontinued, CPI shall then mean the most nearly comparable index published by the Bureau of Labor Statistics or other official agency of the United States government as determined by the Board.

Section 5. Special Assessment. The Association may by vote of at least 66⅔ % of the votes entitled to be cast by the Members present and voting in person or represented by legitimate proxy, regardless of class, at a meeting duly called for such purpose at which quorum is present, levy a special assessment ("Special Assessment") for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described improvement, including the necessary fixtures and personal property related thereto, or for carrying out the purposes of the Association as stated in the Certificate, the Bylaws, or as stated in the Declaration. Any such Special Assessment shall be allocated among the Lots in the same manner as Annual Assessments are allocated. The due date and delinquent date of any Special Assessment shall be fixed in the resolution authorizing such assessment. Written notice of such meeting shall be given to all Members at least 30 days in advance and shall set forth the purpose of the meeting.

Section 6. Special Individual Assessment. Upon the affirmative majority vote of the Board, the Association may levy Special Assessments against individual Owners for reimbursement to the Association for repairs to the Common Areas occasioned by the willful or negligent acts of such Owner, or for such other purpose as authorized in the Certificate, the Bylaws, the Declaration, or by applicable law ("Special Individual Assessment"). Any Special Individual Assessment shall be payable within 30 days following demand by the Board.

Section 7. Interest on Unpaid Assessments. In the event of default in the payment of any Assessment, the Owner of the Lot against which such Assessment was levied shall be obligated to pay interest at the highest rate allowed by applicable usury laws then in effect (or if there is no such highest contract rate, then at the rate of 18% per annum) on the amount of the Assessment from the due date thereof together with all costs and expenses of collection, including, without limitation reasonable attorneys' fees and expenses.

Section 8. Liens to Secure Assessments; Enforcement of Lien; Payment of Assessment on Sale of Lot; Personal Liability for Assessments. The Assessments imposed against each Lot are the personal and individual debt of the Owner of the subject Lot. Under the terms of the Declaration, the Association is granted a continuing lien and charge on the Lot owned by each such Owner and any Improvement. Reference is made to the pertinent provisions of the Declaration for the terms and conditions of such continuing lien and charge, the enforcement and foreclosure of such continuing

lien and charge, and the respective rights, powers, duties and obligations of the Association, the Board, and the Owner of each Lot with respect to such continuing lien and charge.

## ARTICLE VI

### MISCELLANEOUS

Section 1. Resolutions. Resolutions shall be kept in the minute book.

Section 2. Amendment. These Bylaws may be altered, amended or repealed, and new Bylaws may be adopted only by a vote of a majority of the Board.

Section 3. Declaration. The Association shall at all times be subject to, and operated in conformity with, the terms of the Declaration, as it may from time to time be amended, which Declaration and any amendments to the Declaration are incorporated as a part hereof. Should any provision of these Bylaws conflict with the provisions of the Declaration, the applicable provision of the Declaration shall control.

APPROVED by the Board of Directors as of June 17, 2006.