

**BYLAWS  
OF  
THE RESORT AT EAGLE MOUNTAIN LAKE HOMEOWNERS ASSOCIATION, INC.,  
a Texas non-profit corporation**

**ARTICLE I**

**DEFINITIONS**

The following words when used in these Bylaws (herein so called), unless a different meaning or intent clearly appears from the context, shall have the meaning set forth opposite such word(s):

(a) "Association" shall mean THE RESORT AT EAGLE MOUNTAIN LAKE HOMEOWNERS ASSOCIATION, INC., a non-profit corporation organized pursuant to the Texas Non-Profit Corporation Act.

(b) "Board of Directors" or "Board" shall mean the governing body of the Association, elected pursuant to the Bylaws of the Association.

(c) "Common Properties" shall mean and refer to the Common Properties as described in the Declaration (hereinafter defined).

(d) "Declaration" shall mean and refer to that certain Declaration of Covenants, Conditions and Restrictions for The Resort on Eagle Mountain Lake, recorded under Clerk's File No. 0199192720 of the County Clerk's Office of Tarrant County, Texas, and as the same may be amended or supplemented from time to time as therein provided.

(e) "Developer" shall have the same meaning as the term "Declarant" as defined in the Declaration.

(f) "Lot" shall mean and refer to a Lot as defined in the Declaration and/or a townhome unit, as same is referred to in the Declaration.

(g) "Member" shall mean and refer to a Member as defined in the Declaration.

(h) "Mortgage" shall mean a first lien deed of trust as well as a first lien mortgage on one or more Lots.

(i) "Mortgagee" shall mean a beneficiary under or holder of a Mortgage who has given to the Association written notice that it is the beneficiary under, or holder of, a Mortgage affecting all or any part of the Properties, as hereinafter defined.

(j) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot(s) situated upon the Properties, but, notwithstanding any applicable theory of mortgages or liens, shall not mean or refer to any mortgagee or lienholder unless and until such mortgagee has acquired title to one or more Lots pursuant to foreclosure or any proceeding in lieu of foreclosure.

(k) "Property" shall mean and refer to the Property described in the Declaration together with such additions as may hereafter be made thereto, pursuant to the terms of the Declaration.

(l) "Subdivision Plat" shall mean and refer to all respective maps, plats or replats of the Property, or portions thereof, recorded in the Plat Records of Tarrant County, Texas.

## ARTICLE II

### OFFICES AND PURPOSE

**Section 1.** Principal Office. The principal office of the Association shall be located in the County of Tarrant, State of Texas.

**Section 2.** Other Offices. The Association may also have offices at such other places, within and without the State of Texas, as the Board of Directors may from time to time determine or as the business of the Association may require.

**Section 3.** Purpose. The purpose of the Association is to exercise the rights and responsibilities granted to it in the Declaration, including maintenance of the Common Properties, all at the expense of the Owners through the assessments provided for in the Declaration.

## ARTICLE III

### MEMBERSHIP

**Section 1.** Membership. Every Owner (including the transferee of such owner who becomes an Owner by the acquisition of a fee or undivided fee interest in a Lot) shall, upon acquisition by original purchase or transfer of the fee or undivided fee interest in a Lot, whether by foreclosure, deed in lieu of foreclosure or otherwise, automatically be a Member of the

Association and entitled to all rights of the Members as provided in the Declaration; including the rights with respect to the Common Properties, subject, however, to the terms and provisions of the Declaration. The term "Member" is further defined to include and refer to the executors, personal representatives and administrators of any Member, and all of the persons, firms or corporations, acquiring or succeeding to the title of the Member by sale, grant, will, foreclosure, execution, or by any legal process, or by operation of law, or in any other legal manner. The interest and proportionate share of each member in the Association shall not be assigned, hypothecated or transferred in any manner whatsoever except as an appurtenance to a Lot.

**Section 2. Payment of Assessments.** The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against the Owner of and becomes a lien upon each Lot against which such assessments are made as provided by Article VIII of the Declaration (incorporated herein and made a part hereof for all purposes).

**Section 3. Suspension of Membership.** During any period in which a Member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to the use of the Common Properties of such Member, his tenants, and each individual residing with either of them in the Lot owned by such Member, may be suspended by the Board of Directors until such assessment has been paid. Such rights of a member, his tenants, and each individual residing with either of them in any improvements located on such Member's Lot may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Properties, or for failure to meet any obligation imposed by the Declaration upon such Member, his tenants, or any individual residing with either of them.

## ARTICLE IV

### **PROPERTY RIGHTS: RIGHTS OF ENJOYMENT**

Each Member, his tenants, and the individuals who reside with either of them in any improvements located on any Lot owned by such member, shall be entitled to the use and enjoyment of the Common Properties and in accordance with an subject to the terms and conditions set forth in the Declaration, these Bylaws, and the rules and regulations adopted from time to time by the Board of Directors. The rights and privileges of any such tenant or other individual are subject to suspension to the same extent as those of the Member. Any Member may also delegate the aforementioned rights of enjoyment to his guests, subject to any applicable rules and regulations that may be adopted from time to time by the Board of Directors of the Association.

## ARTICLE V

### BOARD OF DIRECTORS

**Section 1. Number: Qualifications.** The affairs of this Association shall be managed by a Board of Directors. The Board of Directors of the Association shall consist of at least three (3) members. During the period of time Declarant, its successors and/or assigns, owns at least one (1) Lot in the Addition, the directors need not be Members of the Corporation and thereafter, all Directors must be Members of the Corporation.

**Section 2. Election: Term.** The directors named in the Articles of Incorporation (the "Articles") shall serve for a term of three (3) years and until their respective successors are elected and qualified, or their earlier death, resignation or removal, respectively. Thereafter, beginning with the third regular annual meeting, directors shall be elected every other regular annual meeting of the Members (being more fully described in Article X below) and serve for a term of two (2) years and until their respective successors are elected and qualified, or until their earlier death, resignation or removal.

**Section 3. Death, Resignation and Removal: Filing Vacancies.** Any director may resign at any time by giving written notice to the other directors, and any director may be removed from membership on the Board by the Members entitled to cast a majority of the votes of the Association. Any vacancy in the Board shall be filled by the other directors, provided that the Members, acting at a meeting called within ten (10) days after the occurrence of the vacancy, may fill the vacancy.

**Section 4. Compensation.** Directors shall serve without pay. However, a director may be reimbursed for his actual expenses incurred in the performance of his duties.

**Section 5. Action Taken Without a Meeting.** The Board of Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

## ARTICLE VI

### MEETINGS OF DIRECTORS

**Section 1. Place of Meetings.** Meetings of the Board of Directors, regular or special, may be held either within or without the State of Texas.

**Section 2. First Meeting.** The first meeting of each newly elected Board of Directors shall be held at such time and place as shall be fixed by the vote of the Members at the annual meeting, and no notice of such annual meeting shall be necessary to the newly elected directors in

order legally to constitute the meeting, provided a quorum shall be present.

**Section 3. Regular Meetings.** Regular meetings of the Board of Directors (in addition to the first meeting provided in Section 2 above) may be held without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should the day so fixed by a legal holiday, then the meeting shall be held at the same time on the next day not a legal holiday. The Board of Directors shall, at a minimum, meet annually.

**Section 4. Special Meetings.** Special meetings of the Board of Directors may be called by the president of the Association and shall be called by the secretary on the written request of two (2) directors of the Board. Written notice of special meetings of the Board of Directors shall be given to each director at least three (3) days before the date of the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

**Section 5. Quorum.** A majority of the directors shall constitute a quorum for the transaction of business and the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by the Articles. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

## **ARTICLE VII**

### **NOMINATION AND ELECTION OF DIRECTORS**

**Section 1. Nomination.** Except as provided in Article VII, Section 3 below, nomination for election to the Board of Directors shall be made by a Nominating Committee (herein so called). Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members in which directors are to be elected, to serve from the close of such annual meeting until the close of the next annual meeting in which directors are to be elected, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

**Section 2. Election.** Except as provided in Article VII, Section 3 below, election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast as many votes as they are entitled to exercise.

**Section 3. Special Rights of Developer.** Notwithstanding anything herein to the

contrary, so long as Declarant owns at least one (1) Lot, Declarant shall have the sole right, but not the obligation, in its sole discretion, at any time, effective as of the date of execution of the Declaration, to control, perform and/or conduct the following:

- (1) appoint the Board of Directors (including itself);
- (2) terminate the Board of Directors;
- (3) amend the Covenants, Conditions and Restrictions and any other provisions under the Declaration, in whole or in part;
- (4) enforce the Covenants, Conditions and Restrictions and other provisions provided for under the Declaration;
- (5) review, determine and enforce the architectural control of the Lots; and
- (6) assigns its rights and obligations under the Declaration to any entity at any time, in whole or in part.

Declarant's rights set forth above are absolute in its sole discretion and do not require the approval, consent, or joinder of (i) any Owner, (ii) the Association, (iii) the Board of Directors, or (iv) any committees or other parties which may be established with respect hereto. At such time as the Declarant no longer owns a Lot within the Property, all of such rights of enforcement shall revert to the Association.

In the event any provision herein is in contradiction with this Article VII, Section 3, in whole or in part, this Article VII, Section 3 shall prevail. Within sixty (60) days after Developer has sold all of the Lots, a special meeting shall be called to elect Directors to complete any unexpired term of the Directors which were elected by the Developer.

## **ARTICLE VIII**

### **POWERS OF THE BOARD OF DIRECTORS**

**Section 1. Powers.** The business and affairs of the Association shall be managed by its Board of Directors, which may exercise all such powers as are not by law, by the Articles, or by the Bylaws directed or required to be exercised and done by the Members. The power and authority of the Board of Directors shall include, but shall not be limited to, all powers, duties and authority vested in or delegated to the Board of Directors in the Declaration.

**Section 2. Limitation.** The Board's powers and duties hereinabove enumerated shall be limited in that the Board shall not have the authority to acquire and pay for any structural alterations, capital additions to, or capital improvements of the Common Properties (other than

for purposes of replacing or restoring portions thereof, subject to all the provisions of the Declaration) requiring any expenditure in excess of Ten Thousand and No/100 Dollars (\$10,000.00) exclusive of (a) any insurance proceeds applied to such alterations, additions, improvements, or repair of damages, or (b) any expenditure included in an annual budget approved, without in each case the prior approval of the Members entitled to cast a majority of the votes in the Association.

## ARTICLE IX

### MANAGEMENT AND/OR CONSULTING COMPANIES

**Section 1.** Management and/or Consulting Companies. The Board of Directors, by resolution adopted by a majority of the Board, may contract with or employ professional management companies or consultants to perform such services and/or assist the Association and/or the Board of Directors in the furtherance of its purposes, powers and duties, to the extent provided in such resolution, and shall have and may exercise all of the authority of the Association or the Board of Directors, as the case may be, except to the extent that the action of the Members or the Board of Directors is required by statute. The Board of Directors shall be authorized to pay such management companies or consultants fair and reasonable compensation for the services for which it is contracted. Nothing contained herein shall prevent any such management company or consultant from being affiliated with any Member, Owner, or member of the Board of Directors or any officer of the Association; provided, however, that any compensation paid to such management company or consultant shall not exceed that which would otherwise be paid to an independent, third-party management company or consultant, for rendering substantially the same services.

## ARTICLE X

### MEETINGS OF MEMBERS

**Section 1.** Place of Meetings. Meetings of the Members shall be held at the Offices of the Association, or at such other location within Tarrant County, State of Texas, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

**Section 2.** Annual Meeting. A regular annual meeting of Members shall be held on the second Tuesday of March in each year commencing with the year 2000. The date of the annual meeting may be changed from time to time by the resolution duly adopted by the Board of Directors of the Association.

**Section 3.** Special Meetings. Special meetings of the Members shall be called by the secretary upon written request of (a) two (2) Members of the Board of Directors, or (b) Members entitled to cast one-fourth (1/4) of the votes in the Association.

**Section 4.**     **Notice.** Written notice of the organization meeting, each annual meeting, and each special meeting of the Members, specifying the date, hour and place of the meeting, shall be delivered to each owner (and, upon request to each Mortgagee, which shall be permitted to designate a representative to attend all such meetings) not less than ten (10) nor more than fifty (50) days prior to the date fixed for said meeting. Notices of special meetings shall in addition specify the general nature of the business to be transacted at the meeting.

**Section 5.**     **Purposes.** Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

**Section 6.**     **Quorum.** Subject to the provisions of Article VI of the Declaration, the presence at any meeting of Members entitled to cast twenty percent (20%) of all of the votes of the Association's Members, regardless of class, represented in person or by proxy, shall constitute a quorum. If a quorum is not present at any meeting, the Members present, though less than a quorum, may adjourn the meeting once to a later date and give notice thereof to all the Members in accordance with the provisions of Section 4 of this Article X, and at that meeting the presence of Members constituting one-half (1/2) of the required quorum at the preceding meeting; provided, however, that no such second meeting may be held more than sixty (60) days following the first meeting, or the process must then be repeated. If a quorum is not present at the second meeting, the Members present, though less than a quorum, may again adjourn the meeting to a later date and give notice thereof to all Members in accordance with the provisions of Section 4 of this Article X, and at the third meeting whatever Members are present shall constitute a quorum.

**Section 7.**     **Majority Vote.** The vote of Members entitled to cast at least fifty-one percent (51%) of all of the votes thus represented at a meeting at which a quorum is present shall be the act of the Members' meeting, unless the vote of a greater number is required by law, the Declaration, the Articles or these Bylaws.

**Section 8.**     **Voting Rights.** Each Member may cast as many votes as he is entitled to exercise under the terms and provisions of the Articles on each matter submitted to a vote at a meeting of the Members, except to the extent that the voting rights of any member have been suspended in accordance with the Bylaws. Whenever there is more than one record Owner of a Lot, any or all of the record Owners may attend and collectively vote one (1) vote, at any meeting of the Members. Other than by the Developer, who may cast four (4) votes for each Lot owned by it, in no event shall more than one vote be cast with respect to any Lot. Cumulative voting is not permitted.

**Section 9.**     **Proxies.** Any Member may attend and vote at a meeting of Members in person or by an agent duly appointed by an instrument in writing signed by the Member and filed with the Board of Directors. Whenever there is more than one (1) recorded Owner of a Lot, any designation of an agent to act for such record Owners must be signed by all such record Owners. Unless otherwise provided in writing, designation of an agent to act for a Member may be revoked at any time by written notice to the Board of Directors and shall be deemed revoked



when the Board shall receive actual notice of the death or judicially declared incompetency of such member of the conveyance by such Member of his Lot. Upon the death of a Member, the legal representative of the Member's estate shall have the right to vote for that Member and the legally appointed guardian of a Member who has been judicially declared to be incompetent shall have the right to vote for the Member.

**Section 10. List of Members.** The officer or agent having charge of the corporate books shall make, at least ten (10) days before each meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the principal office of the Association and shall be subject to inspection by any Member at any time during the usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting.

**Section 11. Record Date.** The Board of Directors may fix in advance a date, not exceeding ten (10) days preceding the date of any written notice of a meeting of Members, as a record date for the determination of the Members entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, and such Members and only such Members as shall be Members of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof, notwithstanding any change of membership on the books of the Association after any such record date fixed as aforesaid.

**Section 12. Action Without a Meeting.** Any action required by the statutes to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

## ARTICLE XI

### NOTICES

**Section 1. Delivery.** Any notice to a director or Member shall be in writing and delivered personally or mailed to the director or Member addressed to the director or Member at the address of his Lot, or at such other address as may be given in writing to the Board of Directors by the director or Member. Notice by mail shall be deemed to be given at the time when deposited in the United States mail addressed to the Member or directors, with postage thereon prepaid. Notice to directors may also be given by telegram and shall be deemed to be given when given to the telegraph company.

**Section 2. Waivers.** Whenever any notice is required to be given to any member or director by law, the Declaration, the Articles, or the Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein,

shall be equivalent to the giving of such notice.

**Section 3. Attendance at Meetings.** Attendance of any member or director at a meeting shall constitute a waiver of notice of such meeting, except when a director or member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

## **ARTICLE XII**

### **OFFICERS AND THEIR DUTIES**

**Section 1. Enumeration of Officers.** The officers of the Association (who shall at all times be members of the Board of Directors) shall be a president, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

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

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

**Section 4. Special Appointment.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

**Section 5. Resignation and Removal.** Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 6. Vacancies.** A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaced.

**Section 7. Multiple Offices.** One person may hold more than one office.

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

#### **The President**

- (a) The president shall be the chief executive officer of the

Association, shall preside at all meetings of the Members and the Board of Directors, shall have general and active management of the business of the Association, and shall see that all orders and resolutions of the Board of Directors are carried into effect. He shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Association, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Association.

#### The Vice Presidents

(b) The vice presidents, if any, in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the president, perform the duties and exercise the powers of the president. They shall perform such other duties and have such other power as the Board of Directors shall prescribe.

#### The Secretary and Assistant Secretary

(c) The secretary shall attend all meetings of the Board of Directors and all meetings of the Members and record all the proceedings of the meeting of the Association and of the Board of Directors in a book to be kept for that purpose and shall perform like duties of the standing committees when required. He shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or president under whose supervision he shall be. He shall keep in safe custody the seal of the Association and, when authorized by the Board of Directors, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his signature or by the signature of the treasurer or an assistant secretary.

(d) The assistant secretaries, in the order of their seniority, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary. They shall perform such other duties and have such powers as the Board of Directors may from time to time prescribe.

#### The Treasurer

(e) The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such

depositories as may be designated by the Board of Directors.

(f) The treasurer shall disburse the funds of the Association as may be authorized by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and the Board of Directors at its regular meetings or when the Board of Directors so required an account of all his transactions as treasurer and of the financial condition of the Association.

(g) The treasurer shall cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare (i) an annual budget, and (ii) a projected statement of income and expenditures, to be presented to the membership at its regular annual meetings (a copy of each of which shall be made available to each Member upon request), for approval by the Members entitled to cast a majority of the votes in the Association.

### **ARTICLE XIII**

#### **BOOKS AND RECORDS**

The Declaration, the Articles, these Bylaws, and the books, records and financial statements of the Association shall at all times, upon request during normal business hours and under other reasonable circumstances, be subject to inspection by any Member. Copies of the Declaration, the Articles, and the Bylaws of the Association may be purchased at a reasonable cost at the principal office of the Association.

### **ARTICLE XIV**

#### **AMENDMENTS**

Except as otherwise provided in Article VII, Section 3 and/or in the Declaration, these Bylaws may be amended, at a regular or special meeting of the Members or the Board of Directors, by a vote of the Members or the Board of Directors, as the case may be, entitled to cast a majority of the votes of the Members or directors, not just those present in person or by proxy; provided, that no amendment shall be made which would cause these Bylaws to be in conflict with the terms or provisions of the Declaration or the Articles.

### **ARTICLE XV**

#### **CONFLICTS**

In the case of any conflict between the Articles and these Bylaws, the Articles shall control, and in the case of any conflict between the Declaration and these Bylaws, the

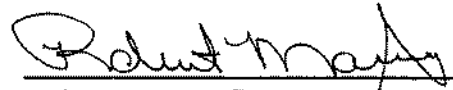
Declaration shall control.

**ARTICLE XVI**

**FISCAL YEAR**

The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

By his execution hereof, the Secretary certified that these Bylaws have been approved and adopted by the Board of Directors at the Organizational Meeting and same shall be inserted into the Minute Book of the Corporation.

A handwritten signature in cursive script, appearing to read "Robert Maxey", is written over a horizontal line.

Robert Maxey, Secretary

Date: August \_\_, 1999