



**AFTER RECORDING RETURN TO:**

Michael D. Hesse  
HESSE & HESSE, L.L.P.  
1518 Legacy Drive  
Suite 250  
Frisco, Texas 75034

**CORPORATE CERTIFICATE  
OF  
SORANO (FRISCO) HOMEOWNER'S ASSOCIATION, INC.**

STATE OF TEXAS           §  
  §  
COUNTY OF COLLIN       §

KNOW ALL PERSONS BY THESE PRESENTS:

That the undersigned (herein referred to as the "Affiant") is the duly elected and acting Secretary, as indicated below, of **SORANO (FRISCO) HOMEOWNER'S ASSOCIATION, INC.**, a Texas nonprofit corporation (herein referred to as the "Association"), and is authorized to execute and deliver this Certificate, and Affiant certifies as follows:

1. That the Association was formed for the maintenance, management, preservation, care and control of the Common Areas and related improvements provided in the residential area of Sorano, a residential subdivision situated in the City of Frisco, County of Collin, State of Texas (herein referred to as the "Property"), such Property described in that certain **Declaration of Covenants, Conditions and Restrictions for Sorano** (herein referred to as the "Declaration") filed of record in the Official Public Records of Collin County, Texas, on December 29, 2008, under **County Clerk's Instrument Number: 20081229001454700**, which Property is platted as Sorano, as approved by the City of Frisco, Texas, and filed of record in the Official Public Records of Collin County, Texas, on December 29, 2008, under **County Clerk's Instrument Number: 20081229010004480**, and in **Volume 2008, Page 716** of the Map or Plat Records of Collin County, Texas, and the owners of the Property are subject to any rules, regulations and restrictions promulgated by the Association.

2. That a true, complete and correct copy of the Certificate of Formation of the Association, filed with the Secretary of State of Texas on December 28, 2007, is attached hereto as **Exhibit A** and incorporated herein by reference for all purposes.

3. That a true, complete and correct copy of the Bylaws of the Association, as of the date hereof, is attached hereto as **Exhibit B** and incorporated herein by reference for all purposes.

4. That pursuant to the Declaration, the Association has the authority to publish and adopt rules, regulations and building guidelines, and any such items that supplement the dedicatory instruments of the Association described above and which are applicable to the Property which shall

be made available to any owner or prospective owner or other party contemplating obtaining an interest in any portion of the Property upon request to the Secretary of the Association.

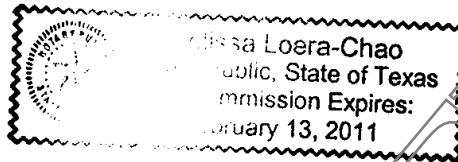
5. That neither the Certificate of Formation nor the Bylaws of the Association attached hereto have been amended, modified or rescinded as of the date hereof, and any amendments or modifications to any such dedicatory instruments which are effective after the date hereof may be obtained upon request to the Secretary of the Association.

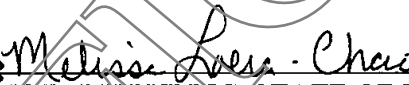
IN WITNESS WHEREOF, I have hereunto set my hand as of the 12 day of January, 2009.

AFFIANT:

  
\_\_\_\_\_  
MICHAEL ROBERTSON, Secretary

SUBSCRIBED AND SWORN TO BEFORE ME on the 12<sup>th</sup> day of January, 2009, to certify which witness my hand and official seal.



  
\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS  
Printed Name: Melissa Loera-Chao  
My Commission Expires: Jan. 13, 2011



**EXHIBIT "A"**

**Office of the Secretary of State**

**CERTIFICATE OF FILING  
OF**

**SORANO (FRISCO) HOMEOWNER'S ASSOCIATION, INC.**  
File Number: 800916657

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 12/28/2007

Effective: 12/28/2007



A handwritten signature in black ink that reads "Phil Wilson".

Phil Wilson  
Secretary of State

**CERTIFICATE OF FORMATION  
OF  
SORANO (FRISCO) HOMEOWNER'S ASSOCIATION, INC.  
(a Nonprofit Corporation)**

**FILED**  
In the Office of the  
Secretary of State of Texas  
**DEC 28 2007**  
**Corporations Section**

I, the undersigned natural person of the age of 18 years or more, acting as an organizer of a nonprofit corporation (herein referred to as the "Association") under the Texas Business Organizations Code, do hereby adopt the following Certificate of Formation for the Association:

**ARTICLE ONE  
ASSOCIATION NAME AND TYPE**

The entity being formed is a nonprofit corporation. The name of the Association is SORANO (FRISCO) HOMEOWNER'S ASSOCIATION, INC.

**ARTICLE TWO  
REGISTERED AGENT AND REGISTERED OFFICE**

The initial registered agent of the Association is Michael D. Hesse. The business address of the registered agent and the registered office address is 15303 Dallas Parkway, Suite 1040, Addison, Texas 75001.

**ARTICLE THREE  
DIRECTORS  
(A minimum of 3 directors is required)**

Management of the affairs of the Association is to be vested in its board of directors. The number of directors constituting the initial board of directors of the Association is three (3), and the names and addresses of the persons who are to serve as the initial directors until the first annual meeting of members or until their successors are elected and qualified are:

Steven E. Langhoff                      LHD Turner, Ltd.  
5800 Granite Parkway  
Suite 860  
Plano, Texas 75024

Stanley C. Browning                    LHD Turner, Ltd.  
5800 Granite Parkway  
Suite 860  
Plano, Texas 75024

Michael Robertson                    LHD Turner, Ltd.  
5800 Granite Parkway  
Suite 860  
Plano, Texas 75024

**ARTICLE FOUR**  
**MEMBERS**

The Association will have members.

**ARTICLE FIVE**  
**PURPOSE**

The purpose for which the Association is organized is to provide for the maintenance and preservation of, and to promote the health, safety and welfare of the residents of Sorano, Frisco, Collin County, Texas (herein referred to as the "Addition"). and to preserve the beautification of the Addition, in accordance with the provisions of the Declaration of Covenants, Conditions and Restrictions for Sorano (herein referred to as the "Declaration"), including, without limitation, the following purposes:

- A. To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- B. To maintain the Common Areas (as defined in the Declaration); and
- C. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, and reference to the Declaration is hereby made for all purposes.

**ARTICLE SIX**  
**DURATION**

The period of duration of the Association is perpetual.

**ARTICLE SEVEN**  
**LIMITATION OF LIABILITY OF DIRECTORS**

No director of the Association will be liable to the Association or its members for monetary damages for an act or omission in the director's capacity as a director, except as provided in the Texas Business Organizations Code.

**ARTICLE EIGHT**  
**INDEMNIFICATION**

The Association shall indemnify any person who (i) is or was a director, officer, employee, or agent of the Association, or (ii) while a director, officer, employee, or agent of the Association, is or was serving at the request of the Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan,

or other enterprise, to the fullest extent that a corporation may or is required to grant indemnification to a director under the Texas Business Organizations Code. The Association may indemnify any person to such further extent as permitted by law.

**ARTICLE NINE**  
**ORGANIZER**

The name and address of the organizer is Michael D. Hesse, 15303 Dallas Parkway, Suite 1040, Addison, Texas 75001.

**ARTICLE TEN**  
**EFFECTIVENESS OF FILING**

This Certificate of Formation becomes effective when it is filed by the Secretary of State.

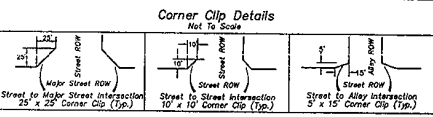
The undersigned signs this Certificate of Formation subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

EXECUTED this 28<sup>th</sup> day of December, 2007.

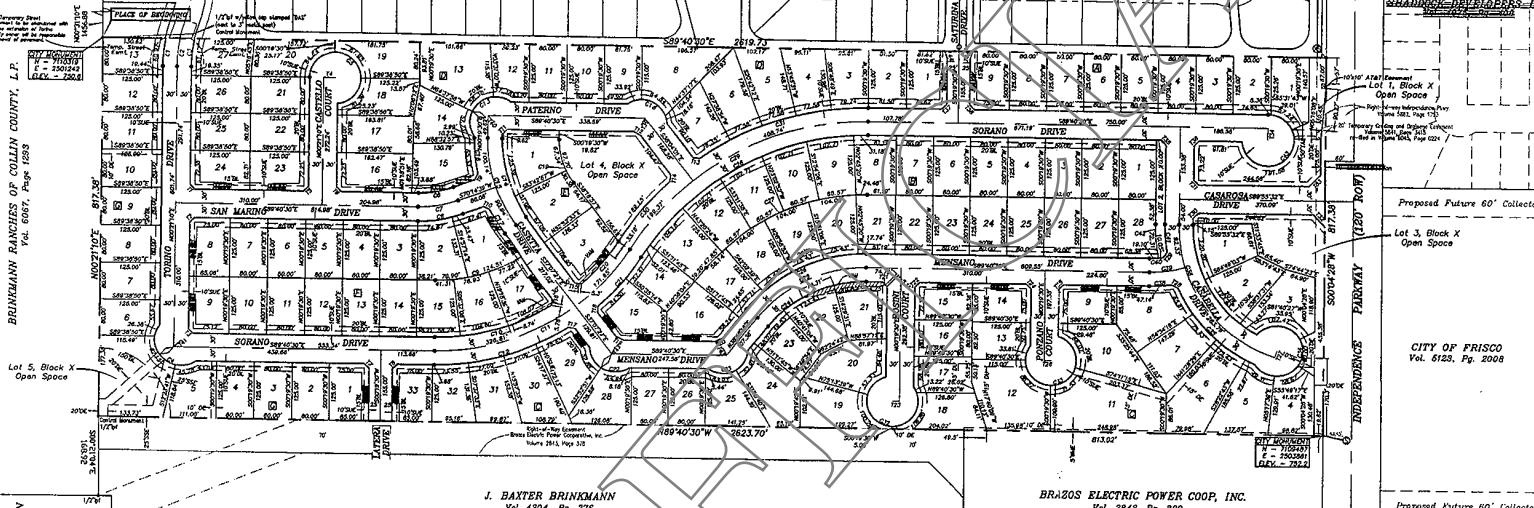
  
\_\_\_\_\_  
MICHAEL D. HESSE, Organizer



SCALE: 1" = 100'  
 Bearings based on the west line of the subject as recorded in Vol. 4347, Pg. 3145

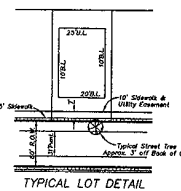


NOTICE: Setting a portion of this addition by meter and bounds is a violation of City Ordinance and state law and is subject to fines and withholding of utility and building permits.  
 No part of the buildable area of this lot is overlain with the 100 year floodplain as defined by the Flood Insurance Rate Map No. 4808SC0270C as published by FEMA and dated January 19, 1998.



CURVE	RADIUS	DELTA	TANGENT	CHORD	BEARING
01	1000.000	36.870	368.700	368.700	S89.910°W
02	1000.000	36.870	368.700	368.700	S89.910°W
03	1000.000	36.870	368.700	368.700	S89.910°W
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05	1000.000	36.870	368.700	368.700	S89.910°W
06	1000.000	36.870	368.700	368.700	S89.910°W
07	1000.000	36.870	368.700	368.700	S89.910°W
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45	1000.000	36.870	368.700	368.700	S89.910°W
46	1000.000	36.870	368.700	368.700	S89.910°W
47	1000.000	36.870	368.700	368.700	S89.910°W
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50	1000.000	36.870	368.700	368.700	S89.910°W

LINE	LENGTH	BEARING
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50	1000.000	S89.910°W



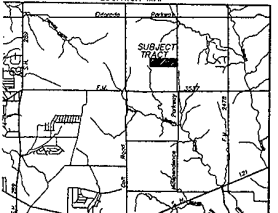
F.M. 3537

**LEGEND**  
 Min.FF = Minimum Finish Floor Elevation  
 H.O.A. = Homeowners Association  
 RL = Building Line  
 DE = Drainage Easement  
 UE = Public Utility Easement  
 SUE = Sanitary Sewer Easement  
 WME = Well Maintenance Easement (to the H.O.A.)  
 SUE = Sidewalk and Utility Easement  
 SE = Sewer Easement  
 TAE = Temporary Access Easement

Indicative Street Name Change  
 1/2" Iron pin with red cap stamped Tipton Eng. Inc. set  
 1/2" Iron pin found  
 Lot Frontage

**PROJECT #FP08-0030  
 FINAL PLAT  
 SORANO  
 J.T. JOHNSON SURVEY ~ ABSTRACT NO. 490  
 CITY OF FRISCO, COLLIN COUNTY, TEXAS  
 OWNER  
 LHD TURNER, LTD.  
 6800 Granite Parkway ~ Suite 600 ~ Plano, Texas 75024  
 (972) 791-8192  
 ENGINEERING/SURVEYING/PLANNING  
 TIPTON ENGINEERING, INC.  
 6300 Broadway Blvd. ~ Suite C ~ Garland, Texas 75043  
 (972) 228-2997**

130 Lots (SPS Standards) 2,148,817 SF/49,194 AC 10/23/07 #40



# EXHIBIT "B"

**BYLAWS  
OF  
SORANO (FRISCO) HOMEOWNER'S ASSOCIATION, INC.  
(a Nonprofit Corporation)**

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**ARTICLE I  
GENERAL**

Section 1.1 Name and Location. The name of the corporation is SORANO (FRISCO) HOMEOWNER'S ASSOCIATION, INC. (herein referred to as the "Association"). The initial registered office of the Association was originally designated at 15303 Dallas Parkway, Suite 1040, Addison, Texas 75001, but meetings of Members and Directors may be held at such places within the State of Texas, County of Dallas or Collin, as may be designated by the Board of Directors.

Section 1.2 Applicability of Bylaws. The provisions of these Bylaws are applicable to the property as defined in the Declaration of Covenants, Conditions and Restrictions for Sorano dated as of December 29, 2008 (herein referred to as the "Declaration"), filed of record on December 29, 2008, under County Clerk's Instrument Number: 20081229001454700 in the Real Property Records of Collin County, Texas, by LHD Turner, Ltd., a Texas limited partnership (herein referred to as the "Declarant"). All present and future Owners, mortgagees, lessees and occupants of Lots and their employees, and any other person who may use the Development in any manner are subject to these Bylaws and the Declaration, as they may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the act of occupancy or use of a Lot or the Common Area shall conclusively establish the acceptance and ratification of these Bylaws and the Declaration, as they may be amended from time to time, by such person and shall constitute and evidence an agreement by such person to comply with the same.

Section 1.3 Terms. Unless otherwise indicated, capitalized terms used herein shall have the meaning specified for such terms in the Declaration.

**ARTICLE II  
ASSOCIATION OF MEMBERS**

Section 2.1 Composition. All of the Owners of Lots in the Development, and the Declarant, acting as a group, in accordance with the Declaration and these Bylaws, shall constitute the Association, which shall have the responsibility of administering the Development, establishing and collecting the assessments, managing the Development, and performing all of the other acts that may be required to be performed by the Association by the Declaration or these Bylaws. The Association shall have two (2) classes of voting members. The Class "A" Members shall be all Owners, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any lot, all such persons shall be Members, provided, however, in no event shall more than one (1) vote be cast with respect to any Lot. The Class "B" Members shall be the Declarant. The Declarant shall be entitled to ten (10) votes for



each Lot it owns; provided, however, that the Declarant shall cease to be a Class "B" Member and shall become a Class "A" Member entitled to one (1) vote per Lot it owns on the happening of either (a) the date upon which the total votes outstanding in the Class "A" membership equals the total votes outstanding in the Class "B" membership, or (b) upon the expiration of fifteen (15) years from the date of recording of the Declaration in the Deed Records of Collin County, Texas. Membership shall be appurtenant to and shall not be separated from ownership of any Lot. Except as to those matters which the Declaration specifically requires to be performed by vote of the Members, the administration of the foregoing responsibilities shall be performed by the Board of Directors or officers of the Association, as more particularly set forth herein.

Section 2.2 Annual Meetings; Special Meetings. The Association will have at least one meeting a calendar year and such number of special meetings during a calendar year as the Directors shall deem necessary. The notice of any such special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 2.3 Place of Meetings. Meetings of the Association shall be held at such suitable place convenient to the Members as may be designated by the Board of Directors.

Section 2.4 Notice of Meetings. It shall be the duty of the Secretary to deliver personally or mail, but United States mail, first class postage prepaid, a notice of each meeting of the Association, not less than thirty (30) nor more than sixty (60) days in advance of such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Owner of record, at the address of their respective Lots or at such other address as each Owner may have designated by notice in writing to the Secretary. The mailing of a notice of a meeting in the manner provided in this Section shall be deemed service of notice.

Section 2.5 Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, another meeting may be called subject to the same notice requirement set forth in Section 2.4 hereinabove, and the required quorum at such subsequent meeting shall be one half ( $1/2$ ) of the quorum requirement for such prior meeting. The Association may call as many subsequent meetings as may be required to achieve a quorum (the quorum requirement being reduced for each such meeting). No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 2.6 Voting. The vote to which each Member shall be entitled at all meetings of the Association shall be as provided in Section 4.2 of the Declaration. At all meetings of the Association, there shall be no cumulative voting. Prior to all meetings, the Board shall determine the total number of votes outstanding and the Members entitled to vote. Except where a greater number is required by the Declaration or these Bylaws, a majority of the Members shall be required to adopt decisions at any meeting of the Association. No Member in default of any assessments may vote at any meeting of the Association or be elected to or serve on the Board of Directors.

Section 2.7 Proxies. The votes appertaining to any Lot may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Owner, or, in the cases where the Owner is

more than one person or is an entity, by or on behalf of all such persons or by an authorized officer or agent of the entity. No such proxy shall be revocable except by actual notice by the Owner or by any of the persons who are Owners of the Lot to the person presiding over the meeting, that it is revoked. Any proxy shall be void if it is not dated, if it purports to be revocable without notice as aforesaid, or if the signatures of those executing the same have not been duly acknowledged. The proxy of any person shall be void if not signed by a person having authority, at the time of the execution thereof, to execute deeds on behalf of that person. Any proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of that proxy, and all proxies must be filed with the Secretary before the appointed time of the meeting for which they are given. No proxy shall in any event be valid for a period in excess of eleven (11) months after execution thereof.

Section 2.8 Majority of the Members. As used in these Bylaws, the term "majority of the Members" or words of like import shall mean the Members who possess fifty one percent (51%) or more of the aggregate outstanding votes as determined pursuant to Section 4.2 of the Declaration.

Section 2.9 Quorum. At any meeting of the Members, the presence of Members or of proxies of voting representatives entitled to cast ten percent (10%) of all the votes entitled to be cast by the Members of the Association shall constitute a quorum, except with respect to meetings held pursuant to the terms of Sections 4.3 and 4.4 of the Declaration in which the presence of Members or of proxies entitled to cast fifty percent (50%) of all of the votes entitled to be cast by the Members of the Association shall constitute a quorum.

Section 2.10 Conduct of Meeting. Subject to Section 4.4, either the President or the Management Company, if employed by the Association pursuant to the Declaration, shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting. The then current Roberts Rules of Order or any other rules of procedure acceptable to a majority of the Members present at any meeting in person or by proxy shall govern the conduct of any meetings of the Association when not in conflict with the Declaration or these Bylaws. All votes shall be tallied by persons appointed by the Management Company or the President or his designee presiding over the meeting.

### **ARTICLE III** **BOARD OF DIRECTORS**

Section 3.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. The Board of Directors shall be composed of three (3) natural persons for so long as Declarant owns any Lots or unplatted acreage in the Development. Thereafter, the number of directors shall automatically be increased to five (5) natural persons. All Directors other than those designated by the Declarant shall be Owners or spouses, officers, partners, agents or employees of Owners or the Declarant. The Declarant shall have the exclusive right in its sole discretion to replace such Directors as may be selected and designated by it, and to select and designate their successors.

Section 3.2 Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things unless the Declaration or these Bylaws requires that such acts be exercised and done by vote of the members. The Board of Directors shall have the power from time to time to adopt rules and regulations (herein referred to as the "Rules and Regulations") deemed necessary for the enjoyment of the Development provided the Rules and Regulations shall not be in conflict with the Declaration or these Bylaws. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to, and shall be responsible for, the following:

(a) Preparation of an annual budget, in which there shall be established the required contribution of each Owner to the assessments.

(b) Making assessments against Owners in accordance with the terms of the Declaration, establishing the means and methods of collecting such assessments from the Owners, and establishing the period of payment of any special assessments.

(c) Providing for the operation, care, upkeep, replacement, and maintenance of all of the Common Area.

(d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Areas and providing services for the Development, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties, which equipment, supplies and materials shall be deemed the property of the Association.

(e) Collecting the assessments against the Owners, depositing the proceeds thereof in interest bearing or non-interest bearing accounts with a bank depository which it shall approve, and using the proceeds to carry out the administration of the Association.

(f) Making and amending Rules and Regulations respecting the use of the Development.

(g) Opening bank accounts on behalf of the Association and designating the signatories required therefore.

(h) Making, or contracting for the making of, repairs, additions, and improvements to, or alterations or restoration of, the Development in accordance with the other provisions of these Bylaws or the Declaration.

(i) In its discretion, enforcing by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations and bringing or defending against any proceedings in which may be instituted on behalf of or against the Owners.

(j) Obtaining and carrying insurance as provided in the Declaration or these Bylaws, paying the premium cost thereof, and adjusting and settling claims thereunder.

(k) Paying the cost of all services rendered to the Association that are not billed directly to Owners, which shall be paid through the assessments received from Owners.

(l) Keeping books with detailed accounts in chronological order of the receipts and expenditures affecting the Development, and administration of the Development, specifying the maintenance and repair expenses and any other expenses incurred. Books and vouchers accrediting the entries thereupon shall be available for examination by the Owners or their duly authorized agents or attorneys, during general business hours on working days. All books and records shall be kept in accordance with generally accepted accounting principles, and the same shall be audited at least once a year by an accountant employed by the Board of Directors. The cost of such audit shall be an expense included in the Assessments.

(m) Exercising such rights as the Association may have as a member of any other organization or association.

(n) Doing and performing all other acts and duties of the Board of Directors required or permitted by the Declaration and to do such other things and acts not inconsistent with the Declaration which it may be authorized to do by a resolution of the Association.

Section 3.3 Election and Term of Office. For so long as Declarant owns any Lots or unplatted acreage in the Development, all Directors shall be elected at the annual meeting of the Association and the term of office of all members of the Board of Directors shall be fixed at one year. Thereafter, the Directors shall serve staggered terms. At the first (1<sup>st</sup>) election after the Declarant no longer controls the Board of Directors, two (2) Directors shall be elected to serve three (3) year terms, two (2) Directors shall be elected to serve two (2) year terms and one (1) Director shall be elected to serve a one (1) year term. After conclusion of each of these designated terms, all succeeding directors shall serve two (2) year terms. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

Section 3.4 Removal or Resignation of Members of the Board of Directors. Except with respect to Directors designated or elected by the Declarant, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the members at any regular or special meeting duly called, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given at least seven (7) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. A member of the Board of Directors may resign at any time and any Director who is an Owner shall be deemed to have resigned upon divestiture of title to his or her Lot in fee or by lease for a term or terms of six (6) months or more, unless such Director acquires or contracts to acquire another Lot under terms giving such

Director a right of occupancy effective as of or before the termination of the right of occupancy pursuant to such other disposition.

Section 3.5 Vacancies. Vacancies of the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member so removed and until a successor shall be elected at the next annual meeting of the Association; provided, however, that subject to Section 2.2 the vacancy in the position of any Director designated or elected by the Declarant shall be filled by the Declarant.

Section 3.6 Organization Meetings. The first meeting of the members of the Board of Directors following any meeting of the Association at which Directors are elected shall be held within ten (10) days after such meeting, and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present at such meeting.

Section 3.7 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, delivered in person or given by mail or telegraph, at least three (3) business days prior to the date named for such meeting.

Section 3.8 Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each Director, delivered in person or given by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Directors.

Section 3.9 Waiver of Notice. Any Director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by such Director of the time and place of such meeting. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 3.10 Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present or a sole present Director may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present any

business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 3.11 Compensation. No Director shall receive any compensation from the Association for acting as such.

Section 3.12 Conduct of Meetings. Subject to Section 4.4, the President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at all meetings of the Board of Directors. The then current Roberts Rules of Order or any other rules of procedure at any time or from time to time acceptable to a majority of the Board of Directors shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration or these Bylaws.

Section 3.13 Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 3.14 Common or Interested Directors. Each member of the Board of Directors shall exercise his or her powers and duties in good faith and with a view to the interests of the Association. No contract or other transaction between the Association and any of its Directors, or between the Association and any corporation, firm or association (including the Declarant) in which any of the Directors of the Association are Directors or officers or are pecuniarily or otherwise interested, is or shall be either void or voidable because any such Director is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or her vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

- (a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or is noted in the minutes, and the Board of Directors authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or
- (b) The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

Any common or interested Directors may be counted in determining the presence of a quorum at any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, but shall not vote at such meeting to authorize any such contract or transaction. The approval required in such cases under subsection (a) above shall be made by a majority of the whole Board of Directors less the number of common or interested Directors.

Arrangements between the Association and the Declarant or entered into with affiliates of the Declarant while Declarant has the right to elect a majority of the Directors hereunder, shall be deemed to satisfy the requirements of this Section 3.14.

Section 3.15 Management. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize.

#### **ARTICLE IV** **OFFICERS**

Section 4.1 Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be Owners or spouses of Owners, or partners, officers, directors, employees or trustees of Owners who are not natural persons, and shall be selected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary or desirable. The President may be a member of the Board of Directors. Any officers other than the principal officers so designated above shall be members of the Board of Directors. The foregoing ownership and Board membership requirements of this Section 4.1 shall not apply to officers chosen by Directors appointed or elected by the Declarant during the period Declarant controls a majority of the Board of Directors as described in Article IV of the Declaration. Additionally, during such period of Declarant control, the same individual may hold more than one office.

Section 4.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 4.3 Removal or Resignation of Officers. Upon the affirmative vote of a majority of the members or the Board of Directors, any officer may be removed, either with or without cause. Any officer may resign at any time. Any officer who is a Owner shall be deemed to have resigned upon divestiture of title to his or her Lot in fee or by lease for a term or terms of six (6) months or more, unless such officer acquires or contracts to acquire another Lot under terms giving a right of occupancy effective on or before the termination of the right of occupancy pursuant to such disposition. Any vacancy in an office shall be filled by the Board of Directors at a regular meeting or special meeting for such purpose.

Section 4.4 President. The President shall be chief executive of the Association, shall preside or designate another officer or the management agent for the Development to preside at all meetings of the Association and of the Board of Directors, and in general shall have all of the general powers and duties which are incident to the office of president of a business corporation organized under the Texas Business Organizations Code, including, but not limited to, the power to appoint committees from time to time from among the Owners as the President deems appropriate to assist in the conduct of the affairs of the Association.

Section 4.5 Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Vice President also shall perform such other duties as shall from time to time be imposed by the Board of Directors or by the President.

Section 4.6 Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors, shall have charge of such books and papers as the Board of Directors may direct, and, in general, shall perform all the duties incident to the office of secretary of a business corporation organized under the Texas Business Organizations Code.

Section 4.7 Treasurer. The Treasurer shall have the responsibility for Association funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements, for the preparation of all required financial data and for the deposit of all monies and other valuable effects in the name of the Association, in such depositories as may from time to time be designated by the Board of Directors, and shall, in general, perform all the duties incident to the office of treasurer of a business corporation organized under the Texas Business Organizations Code.

Section 4.8 Agreements, Contracts, Deeds, Leases, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by such other persons as may be designated by the Board of Directors.

Section 4.9 Compensation of Officers. No officer shall receive any compensation for acting in such capacity.

#### **ARTICLE V**

#### **LIABILITY OF THE BOARD OF DIRECTORS, OFFICERS, OWNERS, AND THE ASSOCIATION**

Section 5.1 No Liability.

(a) The officers of the Association and members of the Board of Directors shall not be liable to the Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Owners and the Association hereby indemnify and hold harmless each of the officers and Directors from and against all liability to others arising out of contracts made, or other action taken, by the officers or the Board of Directors on behalf of the Owners of the Association, unless any such contract or action shall have been made in bad faith or contrary to the provisions of the Declaration or these Bylaws. It is intended that officers and Directors shall have no personal liability (except as Owners) with respect to any contract made or other action taken by them on behalf of the Association. Every agreement made by the Board of Directors on behalf of the Association, shall provide, if obtainable, that the Board of



Directors is acting only as an agent for the Association and shall have no personal liability thereunder.

(b) The Association shall not be liable for any failure of utility services or other services to be obtained by the Association, or for injury or damage to any person or property caused by the elements or by any Owner, or by any other person, or resulting from electricity, fire, smoke, wind, water, snow or ice which may leak or flow from any portion of the Common Areas or from any pipe, drain, conduit, appliance or equipment. The Association shall not be liable to any Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Areas. No diminution or abatement of any assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Areas, from any action taken by the Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

Section 5.2 Indemnity. The indemnity contained in Article Eight of the Certificate of Formation is incorporated herein for all purposes as if fully set forth herein.

## **ARTICLE VI** **OPERATION OF THE ASSOCIATION**

### Section 6.1 Determination of Assessments Against Owners.

(a) Fiscal Year. The fiscal year of the Association shall consist of the twelve (12) month period commencing on January 1 of each year and terminating on a December 31 of that year.

(b) Preparation and Approval of Budget.

(1) Each year, the Board of Directors shall adopt an annual budget for the Association containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Areas and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be expenses to be covered by assessments pursuant to the Declaration, these Bylaws or a resolution of the Board of Directors or by the Association, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Development and the rendering to the Owners of all related services.

(2) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital for the association, a general operating reserve, and reserves for contingencies and replacements. The budget shall constitute the basis for determining each Owner's contribution for the total assessments.

(c) Levy of Assessments. The total amount of the estimated funds required for the operation of the Association set forth in the budget or budgets for any fiscal year adopted by the Board of Directors shall be assessed against each Owner, and shall be a lien against each Owner's Lot, all as provided in the Declaration. It shall be the duty of the Board of Directors to assess and collect the assessments and, to enforce the rights and remedies of the Association, to the extent and in the manner it deems appropriate, consistent with the Declaration, these Bylaws and the laws of the State of Texas with respect to the collection of such assessments.

Section 6.2 Payment of Assessments. Each Owner shall be obligated to pay all assessments assessed by the Board of Directors pursuant to the Declaration and these Bylaws. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also constitute a personal obligation of the person or entity who was the record Owner of such Lot at the time of the assessment. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by such successors; provided, however, the lien upon the Lot shall continue until paid.

Section 6.3 Collection of Assessments. The Board of Directors shall take prompt action to collect any assessments due from any Owner in the manner and to the full extent provided by the Declaration and permitted by applicable law.

Section 6.4 Maintenance and Repair. The Board of Directors shall be responsible for the maintenance, repair and replacement of the Development and the Common Areas in the manner set forth in the Declaration and shall enforce the requirements of the Declaration with respect to construction of improvements and use of Lots.

Section 6.5 Additions, Alterations and Improvements. No addition, alteration or improvement to any Lot or Common Areas may be made except in strict compliance with the Declaration.

## ARTICLE VII COMPLIANCE AND DEFAULT

Section 7.1 Relief. Each Owner shall be governed by, and shall comply with, all the terms of the Declaration, these Bylaws, and the Rules and Regulations, and any amendments of any of the foregoing. A default by a Owner shall entitle the Association, acting through its Board of Directors, to the following relief:

(a) Legal Proceedings. Failure to comply with any of the terms of the Declaration, these Bylaws, or the Rules and Regulations shall be grounds for relief which may include, without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all Assessments, any other relief provided for in the Declaration, these Bylaws, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may

be sought by the Association, the Board of Directors, and, if appropriate, by an aggrieved Owner.

(b) Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by a Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court, or otherwise specified in the Declaration, these Bylaws or any agreement of the defaulting Owner.

(c) No Waiver of Rights. The failure of the Association, the Board of Directors, or an Owner to enforce any right, provision, covenant, or condition which may be granted by the Declaration, these Bylaws, or the Rules and Regulations shall not constitute a waiver of the right of such person to enforce such right, provision, covenant, or condition in the future. All rights, remedies and privileges granted to the Association, the Board of Directors or any Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, or the Rules and Regulations shall be deemed to be cumulative, and the exercise of any one of more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration, these Bylaws or the Rules and Regulations, or at law or in equity.

(d) Interest. In the event of a default by any Owner in paying any Assessments or any other sum assessed against the Owner which default continues for a period in excess of thirty (30) days, such Owner shall be obligated to pay interest on the amounts due at the highest lawful rate from the due date of payment, until paid.

(e) Assessment Lien. The Board of Directors shall enforce the rights and remedies of the Association, to the extent, and in the manner it deems appropriate, consistent with the Declaration, these Bylaws and the laws of the State of Texas with respect to the collection of assessments to the full extent permitted by applicable law, or may exercise any other lawful remedy deemed necessary or desirable for the collection of assessments permitted or required by the Declaration or these Bylaws.

## **ARTICLE VIII** **MISCELLANEOUS**

Section 8.1 Notices. Except as otherwise provided herein, all notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified United States mail, return receipt requested, or first-class postage prepaid, (i) if to a Owner, at the address that the Owner shall designate in writing and file with the Secretary, or if no such address is designated, at the address of the Lot of such Owner, or (ii) if to the Association or the Board of Directors, at the principal office of the Association, or at such other address as shall be designated by notice in writing to the Owners pursuant to this Section. If a Lot is owned by more than one person, each such person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

Section 8.2 Invalidity. The invalidity of any portion of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 8.3 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision thereof.

Section 8.4 Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the neuter and the use of the singular shall be deemed to include the plural, and vice versa whenever the context so requires.

Section 8.5 Amendments. Except as otherwise provided in these Bylaws, these Bylaws may be modified or amended pursuant to the agreement of Owners of Lots to which at least sixty six and two thirds percent (66 2/3%) of the outstanding votes (determined pursuant to Section 4.2 of the Declaration) held by Members at a meeting at which a quorum is present. Notwithstanding the foregoing, Declarant shall have the right to execute amendments to the Bylaws without the consent or approval of any other party if the sole purpose of the amendment is for the purpose of correcting technical errors or for purposes of clarification.

Section 8.6 Binding Effect. A modification or amendment once adopted as provided for herein shall then constitute part of these Bylaws, and all Owners shall be bound to abide by such modification or amendment.

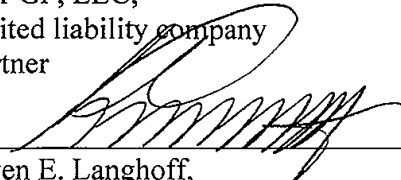
Section 8.7 Non-Interference with Declarant. Anything herein to the contrary notwithstanding, so long as the Declarant owns one or more Lots, no Bylaw amendment or Rule or Regulation shall be adopted that could, if adopted, unreasonably interfere with the sale, lease or other disposition of such Lots or that could abridge, modify, eliminate or otherwise affect any right, powers, easement, privilege or benefit reserved to the Declarant under the Declaration or these Bylaws or which would impose any discriminatory charge or fee against the Declarant.

**IN WITNESS WHEREOF**, the Declarant has caused these Bylaws to be duly executed on the date set forth below, to be effective for all purposes as of the 9<sup>th</sup> day of January, 2009.

**DECLARANT:**

LHD TURNER, LTD.,  
a Texas limited partnership

By: LHD Turner GP, LLC,  
a Texas limited liability company  
Its: General Partner

By:   
Steven E. Langhoff,  
Executive Vice President

UNOFFICIAL

Filed and Recorded  
Official Public Records  
Stacey Kemp, County Clerk  
Collin County, TEXAS  
01/20/2009 12:59:25 PM  
\$96.00 BPETERSON  
20090120000057710



*Stacey Kemp*