

## **BYLAWS OF HOLLAND RIDGE COMMUNITY ASSOCIATION, INC.**

### **ARTICLE I NAME AND LOCATION**

The name of the corporation is HOLLAND RIDGE COMMUNITY ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the Association shall be located at 12211 Duncan Road, Houston, Texas 77066, but meetings of members and directors may be held at such places within the State of Texas, as may be designated by the Association's Board of Directors, and in compliance with the Texas Residential Property Owners Protection Act.

### **ARTICLE II DEFINITIONS**

Section 1. "Member(s)" shall mean and refer to those persons or entities so designated in the Articles of Incorporation of the Association.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration(s) of Covenants, Conditions and Restrictions filed of record covering sections of HOLLAND RIDGE, a residential subdivision in Grimes County, Texas, and such additional sections of HOLLAND RIDGE as may hereinafter be brought within the jurisdiction of the Association.

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

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Properties with the exception of the Common Area and commercial reserves, if any, which may be excluded from the scope of the Declaration of Covenants, Conditions and Restrictions.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Developer" shall mean and refer to Hassell Management Services, L.L.C., its successors and assigns if such successors or assigns should acquire undeveloped real property from the Developer for the purpose of developing the property as a portion of the HOLLAND RIDGE development.

Section 7. "Restrictions" shall mean and refer to the Declaration(s) of Covenants, Conditions and Restrictions applicable to HOLLAND RIDGE, recorded or to be recorded in the Official Public Records of Real Property of Grimes County, Texas, and any amendments thereafter or such other restrictions created by additional properties annexed to the Properties.

Section 8. "Management Company" shall mean and refer to the company retained, from time to time, by the Board of Directors of the Association to handle such ministerial matters as may, from time to time, be requested or authorized by the Board of Directors. Neither the Declarant, the Association nor the members of the Board of Directors shall have any liability for any act or omission of the Management Company

### **ARTICLE III MEETING OF MEMBERS**

Section 1. Annual Meetings. The first annual meeting of Members shall be held on the \_\_\_ day of \_\_\_\_\_, 2012, and subsequent meetings shall be held on the anniversary dates of such first annual meeting, or as otherwise determined by the Board of Directors of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President of the Association or by the Board of Directors of the Association, or upon written request of the Members who are entitled to vote (as defined in the Association's Articles of Incorporation).

Section 3. Notice of Meetings. No written notice will be required for the annual meetings of the Members. Written notice of each special meeting of the Members shall be given by the Secretary of the Association or by the person authorized to call the meetings. Notice shall be mailed, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote. Notice shall be addressed to the member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, date, hour and purpose of the meeting.

Section 4. Quorum. The presence at any meeting of the Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10th) of the votes of each class of membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, Declaration(s) of Covenants, Conditions and Restrictions or these Bylaws. If, however, a quorum shall not be present or represented at any meeting, the Members entitled to vote therein shall have power to adjourn the meeting from time to time without notice of other than an announcement at the meeting until a quorum shall be present or represented.

Section 5. Proxies. At all meetings, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary or the Management Company of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

### **ARTICLE IV BOARD OF DIRECTORS: SELECTION AND TERM OF OFFICE**

Section 1. Number. The affairs of this Association shall be managed by a board of three (3) directors, who need not be Members of the Association.

Section 2. Term of Office. At the first annual meeting the Members shall elect two (2) directors for terms of two (2) years, and one (1) director for a term of three (3) years; and at each annual meeting thereafter, the Members shall elect directors for terms of two (2) years as may be needed.

Section 3. Removal. Any director may be removed from the Board of Directors, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or disability of a director, his successor shall be selected by the remaining Members of the Board of Directors and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association.

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

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

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a Member of the Board of Directors, and two (2) or more Members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at 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. Such nominations may be made from among Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation and Restrictions. The persons receiving the largest number of votes shall be elected.

#### **ARTICLE VI** **MEETING OF DIRECTORS**

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held as determined by the Board of Directors, on such dates and at such place and hour as may be fixed from time to time by the Board of Directors. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

Section 4. Vacancies. The remaining members of the Board of Directors shall have the power by majority vote of such remaining members, to fill any vacancies which may, from time to time, occur in the membership of the Board of Directors.

Section 5. Open Board Meetings During Development Period. During the development period, being defined as that period during which the Developer reserves (i) a right to facilitate the development, construction, and marketing of the HOLLAND RIDGE subdivision; and (ii) a right to direct the size, shape and composition of the HOLLAND RIDGE subdivision, the Board of Directors shall give notice in compliance with Texas Property Code Section 209.0051, as may be amended, to members of the Association, and allow attendance of the members of the Association, to all meetings involving the following matters:

- (1) adopting or amending the governing documents, including the Declaration(s) of Covenants, Conditions and Restrictions, the Bylaws of the Association, and/or any rules or regulations of the Association;
- (2) increasing the amount of the regular assessments of the Association or adopting or increasing a special assessment;
- (3) electing non-developer board members of the Association or establishing a process by which those members are elected; or,
- (4) changing the voting rights of the members of the Association.

Section 6. Open Board Meetings After Development Period. After the development period, being defined as that period during which the Developer reserves (i) a right to facilitate the development, construction, and marketing of the HOLLAND RIDGE subdivision; and (ii) a right to direct the size, shape and composition of the HOLLAND RIDGE subdivision, the Board of Directors shall give notice in compliance with Texas Property Code Section 209.0051, as may be amended, to members of the Association of all meetings of the Board of Directors, and shall allow the attendance of all members at all such meetings, unless the subject matter of the meeting shall fall within the permitted reasons to exclude members.

## **ARTICLE VII**

### **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

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

(a) adopt and publish rules and regulations governing use of Common Area and facilities, if any, and the personal conduct of the Members and their guests thereon, and to establish penalties for infractions thereof;

(b) suspend the right to use of recreational facilities, if any, by Members during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infractions of published rules and regulations.

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation, or the Declaration(s) of Covenants, Conditions and Restrictions;

(d) declare the office of a member of the Board of Directors to be vacant in the event each such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ manager(s), accountant(s), bookkeeper(s), attorney(s), and independent contractor(s), or such other employees as they deem necessary, and to prescribe their duties.

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members or at any special meeting when such statement is requested in writing by one-fourth (1/4th) of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees, and the Management Company of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration(s) of Covenants, Conditions and Restrictions, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same; if in the judgment of the Association it is necessary;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors before the issuance of these certificates. If a certificate states an assessment has been paid, such certificate

shall be conclusive evidence of such payment;

(e) to procure and maintain adequate liability and hazard insurance on the property owned by the Association;

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

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

## **ARTICLE VIII**

### **OFFICERS AND THEIR DUTIES**

**Section 1. Enumeration of Offices.** The officers of the Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary, a Treasurer, and such other officers that the Board of Directors, from time to time, by resolution may 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 this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he/she shall sooner resign, be removed or otherwise be disqualified to serve.

**Section 4. Special Appointments.** The Board of Directors 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 of Directors 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 of Directors. Any officer may resign at any time giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of said 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 by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

**Section 7. Multiple Offices.** The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

#### **President**

(a) The President shall preside at all meetings of the Board of Directors;

shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes of the Association.

#### Vice-President

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

#### Secretary

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

#### Treasurer

(d) The Treasurer shall receive and deposit or cause to be received and deposited in appropriate bank accounts all monies of the Association and shall disburse or direct the disbursement of such funds as directed by the Board of Directors; shall co-sign all promissory notes of the Association; keep proper books of account, cause a report of the Association's books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting. Copies of these documents shall be available for purchase at a reasonable cost.

### **ARTICLE IX** **COMMITTEES**

The Association shall appoint all committees as provided in the Declaration(s) of Covenants, Conditions and Restrictions and a Nominating Committee, as provided by these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

### **ARTICLE X** **BOOKS AND RECORDS**

The books, records and papers of the Association shall be open and available for inspection by members in accordance with Texas Property Code Section 209.005. Further, the Association, shall, as soon as practicable, adopt a policy detailing how members of the Association may request and view the books, records and papers of the Association in accordance with Texas Property Code Section 209.005.

**ARTICLE XI**  
**REMEDIES FOR NON-PAYMENT OF ASSESSMENT**

As more fully provided in the Declaration(s) of Covenants, Conditions and Restrictions, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Member may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

**ARTICLE XII**  
**AMENDMENTS**



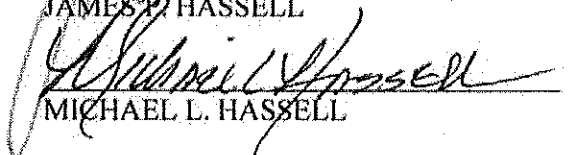
Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy. Notwithstanding the foregoing sentence, the right and power to alter, amend or repeal the Bylaws of the Association, or to adopt new Bylaws is expressly delegated by the Members of the Association to the Board of Directors of the Association in accordance with the Restrictions.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Restrictions and the Bylaws, the Restrictions shall control.

**ARTICLE XIII**  
**FISCAL YEAR**

The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the Directors of the HOLLAND RIDGE COMMUNITY ASSOCIATION, INC., have hereunto set our hands this 9 day of MARCH, 2012.

  
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JAMES G. HASSELL  
  
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JAMES P. HASSELL  
  
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MICHAEL L. HASSELL