

BYLAWS  
OF  
HERITAGE FARMS OWNERS ASSOCIATION

ARTICLE 1

DEFINITIONS

**Project Defined**

1.01. *Project* shall mean all of the real property located in the City of El Paso, County of El Paso, State of Texas, together with all improvements and structures on the land; and all easements, rights, and appurtenances to the land, Located in the Heritage Farms Subdivision in El Paso County, Texas more particularly described as follows:

The property consists of a 31.78 acre parcel situated within the corporate limited of the City of El Paso, El Paso County, Texas, and is described as follows:

Tracts 11 and 12, Block 7, Upper Valley Surveys, El Paso County, Texas.

**Declaration Defined**

1.02. Declaration shall mean the Declaration of Covenants, Conditions and Restrictions For Heritage Farms Subdivision applicable to the Project and filed in the Office of the County Clerk of El Paso County, Texas, in the Real Property Records of El Paso County, Texas, Document #200800070517, including any amendments to the Declaration as may be made from time to time.

**Control of Declarant**

1.03. Notwithstanding anything herein to the contrary, several provisions of these Bylaws may be modified by the Declarant subject to the rights and reservations as set forth in the Deed records of El Paso, Texas, if the Bylaws which are effective during the Control Period of the Declarant, if the Declarant determines that certain amendments are necessary to these Bylaws during the Development Period. Reference is herein made to the Declaration.

**Other Terms Defined**

1.04. The terms and phrases used in these Bylaws shall have the meaning given them in the Declaration, incorporated by reference and made a part of these Bylaws

**Governing Documents**

1.05. Means, singly or collectively as the case may be, these Bylaws the Association's Rules and Regulations, the Declaration filed in the Real Property records and any amendments to the aforementioned as the circumstances require and in accordance herewith.

## ARTICLE 2

### APPLICABILITY OF BYLAWS

#### **Corporation**

2.01. The provisions of these Bylaws constitute the Bylaws of the nonprofit corporation known as Heritage Farms Owners Association, referred to as the Association.

#### **Project Applicability**

2.02. The provisions of these Bylaws are applicable to the Project as defined in Paragraph 1.01 of these Bylaws.

#### **Personal Application**

2.03. All present or future owners, present or future tenants, their employees, or other persons that use the facilities of the Project in any manner are subject to the regulations set forth in these Bylaws. The acquisition or rental of any of the Lots of the Project, or the act of occupancy of any of the Lots, will signify that these Bylaws are accepted and ratified and will be complied with by the purchaser, tenant, or occupant.

## ARTICLE 3

### OFFICES

#### **Principal Office**

3.01. The principal office of the Association shall be located in the City of El Paso, County of El Paso, State of Texas.

#### **Registered Office and Registered Agent**

3.02. The Association shall have and shall continuously maintain in the State of Texas a registered office and a registered agent, whose office shall be identical with the registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the corporation, and the address of the registered office may be changed from time to time by the Board of Directors.

## ARTICLE 4

### QUALIFICATIONS FOR MEMBERSHIP

#### **Membership**

4.01. The membership of the Association shall consist of all of the Owners of the Lots within the Project.

## **Proof of Membership**

4.02. The rights of membership shall not be exercised by any person until satisfactory proof has been furnished to the Secretary of the Association that the person is qualified as a Member. Such proof may consist of a copy of a duly executed and acknowledged deed or title insurance policy evidencing ownership of an Lot in the Project. Such deed or policy shall be deemed conclusive in the absence of a conflicting claim based on a later deed or policy.

## **No Additional Qualifications**

4.03. The sole qualification for membership shall be the ownership of a Lot in the Project. No initiation fees, costs, or dues shall be assessed against any person as a condition of membership, except such assessments, levies, and charges as are specifically authorized under the Articles of Incorporation, the Declaration or these Bylaws.

## **Certificates of Membership**

4.04. The Board of Directors may provide for the issuance of certificates evidencing membership in the Association that shall be in such form as may be determined by the Board. All certificates evidencing membership shall be consecutively numbered. The name and address of each Member and the date of issuance of the certificate shall be entered on the records of the Association and maintained by the Secretary at the registered office of the Association.

## **ARTICLE 5**

### **VOTING RIGHTS**

#### **Voting**

5.01. Voting rights shall be allocated among the Members on the basis of each Lot Owner shall have one (1) vote as a Member.

#### **Proxies**

5.02. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease on conveyance by the Member of the Member's Lot or on receipt of notice by the Secretary of the death or judicially declared incompetence of such Member. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise specifically provided in the proxy.

#### **Quorum**

5.03. The presence, either in person or by proxy, at any meeting, of Members entitled to cast at least twenty-five (25%) percent of the total voting power of the Association shall constitute a quorum for any action, except as otherwise provided in the Governing Instruments. In the absence of a quorum at a meeting of Members, a majority of those Members present in



person or by proxy may adjourn the meeting to a time not less than five (5) days or more than thirty (30) days from the meeting date.

### **Required Vote**

5.04. The vote of the majority of the votes entitled to be cast by the Members present, or represented by proxy, at a meeting at which a quorum is present shall be the act of the meeting of Members, unless the vote of a greater number is required by statute or by the Declaration, by the Articles of Incorporation of this Association, or by these Bylaws.

### **Cumulative Voting**

5.05. Cumulative voting is not permitted.

## **ARTICLE 6**

### **MEETINGS OF MEMBERS**

#### **Annual Meetings**

6.01. The first meeting of the Members of the Association shall be held within six (6) months after the closing of the sale of the first Lot within the Project. After the first meeting, the annual meeting of the Members of the Association shall be held on second Tuesday of March of each succeeding calendar year at the hour of 7:00 p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting shall be held at the same hour on the first day following that is not a legal holiday or a Saturday or Sunday.

#### **Special Meetings**

6.02. Special meetings of the Members may be called by the President, the Board of Directors or by Members representing at least twenty (20%) percent of the total voting power of the Association.

#### **Place**

6.03. Meetings of the Members shall be held within the Project or at a meeting place as close to the Project as possible, as the Board may specify in writing.

#### **Notice of Meetings**

6.04. Written notice of all Members' meetings shall be given by or at the direction of the Secretary of the Association or such other persons as may be authorized to call the meeting, by mailing or personally delivering a copy of such notice at least ten (10) but not more than fifty (50) days before the meeting to each Member entitled to vote at the meeting. The notice must 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. The notice shall specify the place, day, and hour of the meeting and, in the case of a special meeting, the nature of the business to be undertaken.



## **Order of Business**

6.05. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meetings or waiver of notice.
- (c) Reading of Minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of directors.
- (g) Unfinished business.
- (h) New business.

## **Action Without Meeting**

6.06. Any action required by law to be taken at a meeting of the Members or any action that 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 and filed with the Secretary of the Association.

## **ARTICLE 7**

### **BOARD OF DIRECTORS**

#### **Number**

7.01. Subsequent to the Control Period of the Declarant, the affairs of this Association shall be managed by a Board of Directors consisting of three (3) persons, all of whom must be Members.

#### **Term**

7.02. At the first meeting of the Association, the Members shall elect the initial Directors who shall hold office until the first annual election of the Directors by the Members. After the first meeting of the Association, Directors shall be elected at the annual meeting of the Members and shall hold office for a term of one (1) year and until their successors are elected and qualified.

## **Removal**

7.03. Directors may be removed from office with or without cause by a majority vote of the Members of the Association.

## **Vacancies**

7.04. In the event of a vacancy on the Board caused by the death, resignation, or removal of a Director, the remaining Directors shall, by majority vote, elect a successor who shall serve for the unexpired term of the predecessor.

Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting of Members or at a special meeting of Members called for that purpose.

## **Compensation**

7.05. With the prior approval of a majority of the voting power of the Association, a Director may receive compensation in a reasonable amount for services rendered to the Association. A Director may be reimbursed by the Board for actual expenses incurred by the Director in the performance of the Director's duties.

## **Powers and Duties**

7.06. The Board shall have the powers and duties, and shall be subject to limitations on such powers and duties, as enumerated in the Governing Instruments of the Project.

# **ARTICLE 8**

## **NOMINATION AND ELECTION OF DIRECTORS**

### **Nomination**

8.01. Nomination for election to the Board of Directors shall be made from the floor at the annual meeting of the Members.

### **Election**

8.02. Directors are elected at the annual meeting of Members of the Association. Members, or their proxies, may cast, in respect to each vacant directorship, as many votes as they are entitled to exercise under the provisions of the Declaration. The nominees receiving the highest number of votes shall be elected.

## ARTICLE 9

### MEETINGS OF DIRECTORS

#### **Regular Meetings**

9.01. Regular meetings of the Board of Directors shall be held monthly at a place within the Project and at a time as may be fixed from time to time by resolution of the Board. Notice of the time and place of regular meetings shall be posted at a prominent place or places within the Common Areas.

#### **Special Meetings**

9.02. Special meetings of the Board of Directors shall be held when called by written notice signed by President of the Association or by two (2) Directors other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of a special meeting must be given to each Director not less than three (3) days or more than fifteen (15) days prior to the date fixed for such meeting by written notice delivered personally, sent by mail, or sent by telegram to each Director at the Director's address as shown in the records of the Association. A copy of the notice shall be posted in a prominent place or places in the Common Elements of the Project not less than three (3) days prior to the date of the meeting.

#### **Quorum**

9.03. A quorum for the transaction of business by the Board of Directors shall be a majority of the number of Directors constituting the Board of Directors as fixed by these Bylaws.

#### **Voting Requirement**

9.04. The act of the majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless any provision of the Declaration, the Articles of Incorporation of this Association or these Bylaws requires the vote of a greater number.

#### **Open Meetings**

9.05. Regular and special meetings of the Board shall be open to all Members of the Association, provided, however, that Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly authorized to do so by the vote of a majority of a quorum of the Board.

#### **Executive Session**

9.06. The Board may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, contract negotiations, enforcement actions, other business of a confidential nature involving a Member, and matters requested by the involved



parties to remain confidential. The nature of any and all business to be considered in executive session shall first be announced in open session.

## ARTICLE 10

### OFFICERS

#### **Enumeration of Officers**

10.01. The Officers of this Association shall be a President, a Secretary and a Treasurer who shall at all times be members of the Board of Directors. The Board of Directors may, by resolution, create such other offices, as it deems necessary or desirable.

#### **Term**

10.02. The Officers of this Association shall be elected annually by the Board of Directors, and each shall hold office for not to exceed one (1) year, unless the Officer shall sooner resign, be removed, or be otherwise disqualified to serve.

#### **Resignation and Removal**

10.03. Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect at the date of receipt of the notice or at any later time specified in the notice. Any Officer may be removed from office by the Board whenever, in the Board's judgment, the best interests of the Association would be served by such removal.

#### **Multiple Offices**

10.04. Any two or more offices may be held by the same person, except the offices of President, Treasurer and Secretary.

#### **Compensation**

10.05. Officers shall receive such compensation for services rendered to the Association as determined by the Board of Directors and approved by a majority of the voting power of the Association.

## ARTICLE 11

### PRESIDENT

#### **Election**

11.01. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one of their Members to act as President.

## **Duties**

11.02. The President shall perform the following duties:

- (a) Preside over all meetings of the Members and of the Board.
- (b) Sign as President all deeds, contracts, and other instruments in writing that have been first approved by the Board, unless the Board, by duly adopted resolution, has authorized the signature of another Officer.
- (c) Call meetings of the Board whenever he or she deems it necessary in accordance with rules and on notice agreed to by the Board. The notice period shall, with the exception of emergencies, in no event be less than three (3) days.
- (d) Have, subject to the advice of the Board, general supervision, direction, and control of the affairs of the Association and discharge such other duties as may be required of him or her by the Board.
- (e) Prepare, execute, certify, and have recorded all amendments to the Declaration required by statute to be recorded by the Association.

## **ARTICLE 12**

### **VICE-PRESIDENT**

## **Election**

12.01. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one of its Members to act as Vice-President.

## **Duties**

12.02. The Vice-President shall perform the following duties:

- (a) Act in the place and in the stead of the President in the event of the President's absence, inability, or refusal to act.
- (b) Exercise and discharge such other duties as may be required of the Vice-President by the Board. In connection with any such additional duties, the Vice-President shall be responsible to the President.

## **ARTICLE 13**

### **SECRETARY**

## **Election**

13.01. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Secretary.

## **Duties**

13.02. The Secretary shall perform the following duties:

- (a) Keep a record of all meetings and proceedings of the Board and of the Members.
- (b) Keep the seal of the Association, if any, and affix it on all papers requiring the seal.
- (c) Serve notices of meetings of the Board and the Members required either by law or by these Bylaws.
- (d) Keep appropriate current records showing the Members of the Association together with their addresses.
- (e) Sign as Secretary all deeds, contracts, and other instruments in writing that have been first approved by the Board if the instruments require a second Association signature, unless the Board has authorized another Officer to sign in the place and stead of the Secretary by duly adopted resolution.
- (f) Prepare, execute, certify, and have recorded all amendments to the Declaration required by statute to be recorded by the Association.

## **ARTICLE 14**

### **TREASURER**

## **Election**

14.01. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Treasurer.

## **Duties**

14.02. The Treasurer shall perform the following duties:

- (a) Receive and deposit in a bank or banks, as the Board may from time to time direct, all of the funds of the Association.
- (b) Be responsible for and supervise the maintenance of books and records to account for the Association's funds and other Association assets.
- (c) Disburse and withdraw funds as the Board may from time to time direct, in accordance with prescribed procedures.
- (d) Prepare and distribute the financial statements for the Association required by the Declaration.



## ARTICLE 15

### BOOKS AND RECORDS

#### Maintenance

15.01. Complete and correct records of account and minutes of proceedings of meetings of Members, Directors, and committees shall be kept at registered office of the Association. A record containing the names and addresses of all Members entitled to vote shall be kept at the registered office or principal place of business of the Association.

#### Inspection

15.02. The Governing Instruments of the Project, the membership register, the books of account, and the minutes of proceedings shall be available for inspection and copying by any Member of the Association or any Director for any proper purpose at any reasonable time.

## ARTICLE 16

### GENERAL PROVISIONS

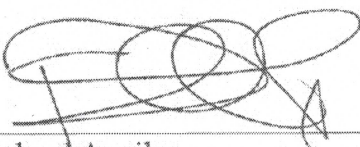
#### Amendment of Bylaws

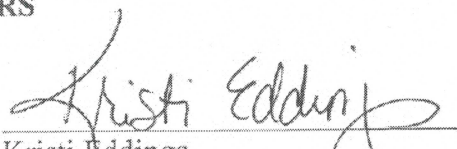
16.01. These Bylaws may be amended, altered, or repealed at a regular or special meeting of the Members of the Association by the affirmative vote in person or by proxy of Members representing a majority of a quorum of the Association. Notwithstanding the above, the percentage of affirmative votes necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

#### Attestation

16.02. Adopted by all of the Members of the Association on \_\_\_\_\_, 2008.

#### MEMBERS

  
Richard Aguilar

  
Kristi Eddings