

**DECLARATION OF COVENANTS, CONDITIONS, BY-LAWS AND RESTRICTIONS  
FOR THE  
LAKEWAY ESTATES SUBDIVISION**

**AND THE  
LAKEWAY ESTATES PROPERTY OWNERS ASSOCIATION, INC.**

**of  
Henderson County, Texas**

**December 29, 2020**

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# **PART 1 INTRODUCTION, RECITALS, DEFINITIONS, AND GENERAL PROVISIONS**

## **ARTICLE I INTRODUCTION**

### **Section 1. Governing Documents**

This document (the “Declaration”) is one of several documents that govern the rights and responsibilities of the owners of real property within the Lakeway Estates Subdivision (the “Subdivision”) of the City of Tool, County of Henderson, State of Texas. These Governing Documents are listed here in their order of precedence:

- (1) Texas State Laws (the Texas Property Code, also referred to herein as the “Act”)
- (2) Laws and Ordinances of Henderson County, Texas
- (3) Laws and Ordinances of the City of Tool, Henderson County, Texas
- (4) This Declaration
- (5) The Certificate of Formation of the Lakeway Estates Property Owners Association, Inc.

## **ARTICLE II RECITALS**

Certain Deed Restrictions applicable to real property in the Lakeway Estates Subdivision of the City of Tool, County of Henderson, Texas were recorded in the Henderson County Real Estate Records Vol 605, Page 146 (the “Original Restrictions”) for the land located in Tool, Henderson County, Texas, and more fully described in the recorded Plat of the Subdivision in the Henderson County Real Property Records.

The Lakeway Estates Property Owners Association, Inc. (the “Association”) amended those Original Restrictions pursuant to certain adopted Amended Restrictions Applicable to Lakeway Estates Subdivision recorded in Volume 2234, Page 876 of the Henderson County Real Estate Records (the “Amended Restrictions”, and together with the Original Restrictions, collectively, the “Existing Restrictions”).

Certain By-Laws (the “Original By-Laws”) of the Lakeway Estates Property Owners Association have been adopted by the Membership of the Association and were recorded in the Henderson County Real Estate Records.

The Association has from time-to-time amended those Original By-Laws pursuant to adopted Amended By-Laws applicable to the Lakeway Estates Property Owners Association (the “Amended By-Laws”, and together with the Original By-Laws, collectively, the “Existing By-Laws”) recorded in the Henderson County Real Estate Records.

Pursuant to an affirmative vote of at least 67% of Lakeway Estates Property Owners Association Members to amend and replace the Existing Restrictions and the Existing By-Laws (in accordance with the pertinent portions of the “Act” – the Texas Property Code), the Lakeway Estates Property Owners Association, on behalf of the Members, hereby

- (1) creates and publishes this Declaration of Covenants, Conditions, By-Laws and Restrictions for the Lakeway Estates Subdivision and the Lakeway Estates Property Owners Association, Inc. of Henderson County, Texas, which Declaration:
  - (a) replaces and supersedes the Existing Restrictions, and
  - (b) replaces and supersedes the Existing By-Laws.
- (2) declares that the terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, limitations and obligations set forth in this Declaration
  - (a) are for the purpose of enhancing and protecting the Property’s value and attractiveness,

- (b) are established and will run with the land and the Property, and will be binding on all parties having or acquiring any right, title, or interest in all, or and portion, of the Property,
  - (c) will ensure to the benefit of each Owner, and
  - (d) will be a burden and benefit to the Lakeway Estates Property Owners Association, the Members, and their respective heirs, successors, and assigns.
- (3) declares that the Lakeway Estates Property Owners Association, Inc. and its Members desire and intend that this Declaration does replace, supersede, amend, and restate the entirety of the Existing Restrictions and the existing By-Laws.

NOW THEREFORE, the Lakeway Estates Property Owners Association, Inc. hereby publishes and declares that the following terms, provisions, covenants, conditions, easements, restrictions, reservations, uses, By-Laws, limitations and obligations contained in this document are established and will run with the land and the Property and will be a burden and benefit to the Lakeway Estates Property Owners Association, the Owners of properties within the Lakeway Estates Subdivision, and their respective heirs, legal representatives, successors and assigns.

### **ARTICLE III      DEFINITIONS**

"Act." Texas State Laws, especially the Texas Property Code, applicable to real property, property owners, and Property Owners Associations, as amended from time to time.

"Architectural Advisory Committee." (Also referred to as the AAC) A particular committee established in accordance with the By-Laws within this document.

"Architectural Guidelines." Any procedural or substantive rules, guidelines, criteria, standards and procedures that may be adopted by the Board, from time to time, regarding the design, standards, development, planning and construction of Improvements and the use or occupancy of the Lots, as the same may be amended from time to time.

"Assessment Policy." That certain policy adopted by the Members and filed in the Real Property Records which establishes guidelines in accordance with the Act for payment of delinquent assessments and other amounts owed to the Association, as amended from time to time.

"Assessments." Regular Assessments, Special Assessments and Individual Assessments owing to the Association by an Owner or levied against any Lot by the Association.

"Association." The Lakeway Estates Property Owners Association, Inc. a Texas nonprofit corporation, and its successors and assigns, organized under the TNCL, and created for the purposes and possessing the rights, powers, authority and obligations set forth in the Governing Documents.

"Board." The administrative body of the Association, comprised of Officers and Directors, and responsible for carrying out the policies, and the instructions, of the Members of the Association, in accordance with the Governing Documents.

"Budget." An annual budget approved and adopted by the Members that sets forth the anticipated Common Expenses and incoming funds for the ensuing fiscal year.

"Builder." An Owner who is in the business of constructing residences for resale to third parties and intends to construct a residence on such Lot for resale to a third party.

"By-Laws." The By-Laws adopted by the Members of the Association, as may be amended from time to time.

"Certificate of Formation." The Certificate of Formation for the Association filed with the Secretary of the State of Texas, as may be amended from time to time.

"Charges." Any costs, expenses, dues, interest, fees, late fees, fines, collection costs, attorneys' fees and any other sums arising under the Governing Documents owing to the Association or an Owner other than Common Expenses.

"Claim." Any and all demands, actions, causes of action, losses, costs, expenses (including reasonable attorneys' fees applicable thereto), damages or liability of any kind or nature.

"Common Areas." The portions of the Property and Improvements thereon (a) owned by the Association (other than any Lot acquired by the Association through a foreclosure pursuant to Section 6.4 of this Declaration); (b) or leased by or assigned to the Association through a lease, contract or otherwise; (c) or constituting an Easement Area, naming the Association as grantee; and (d) or for which the Association has maintenance responsibility pursuant to this Declaration or under any written agreement with any Governmental Authority.

"Common Area Damage." Has the meaning assigned to such term in Section 3.2 of this Declaration.

"Common Expenses." Expenditures made or liabilities incurred by or on behalf of the Association, together with any and all applicable reserves, including: (a) expenses of administration, management, maintenance, care or operation of any Common Area and the Association; (b) expenses due and payable in accordance with this Declaration; (c) expenses designated as Common Expenses by the Governing Documents or by the Board; (d) such reasonable reserves, as may be established by the Association.

"County." Henderson County, Texas.

"Declaration." This Amended and Restated Declaration of Covenants, Conditions and Restrictions for Lakeway Estates Subdivision, as amended and supplemented by the members from time to time.

"Designee." A Person acting at the request of another Person, including builders, contractors, subcontractors, employees, agents, representatives and licensees.

"Dispute." Any Claim, grievance or other dispute arising out of or relating to: (a) the failure of any Owner to comply with requirements set forth in the Governing Documents; (b) any prohibited use within the Subdivision; (c) the interpretation, application or enforcement of the Governing Documents; (d) any conflict or dispute arising between or among Owners, the Association, the Board, or any Association Committees; (e) the proper party to bear a maintenance cost or expense; (f) any other rights, obligations and duties of any Owner under the Governing Documents; (g) the authority of the Association, its Board, or any Association Committee to: (1) require any Owner to take any action or not to take any action involving such Owner's Lot or; (2) alter, subtract from or add to the Common Areas of the Subdivision; or (h) the failure of the Association, in accordance with all Legal Requirements and the Governing Documents to: (1) properly conduct elections; (2) give adequate notice of meetings or actions; (iii) properly conduct meetings; or (iv) allow inspection of books or records.

The following will not be considered "Disputes" unless all parties otherwise agree to submit the matter to arbitration pursuant to the provisions of this document: (1) any suit by the Association to obtain a temporary restraining order and such ancillary relief as the court may deem necessary to maintain the status quo and preserve the Association's ability to enforce the provisions of the Governing Documents; (2) any disagreement that primarily involves title to any Lot; or (6) any suit in which the applicable statute of limitations would expire within 180 days of the giving of notice as provided in this Declaration unless the Persons against who are involved in a Dispute agree to toll the statute of limitations for a period of time necessary to comply with the arbitration provisions of this Declaration.

"Drainage Facilities." The detention ponds, drainage channels, discharge structures, and grading, connector, and outfall pipes, and all other items and structures, whether located in Common Areas or on Lots, whether public or private, necessary for the proper drainage of surface storm water runoff within the Property.

"Dwelling." A detached single-family unit exceeding 1000 square feet.

"Easement Area." Any portion of the Property burdened by an Easement.

"Easements." Collectively, those easements described in various provisions of this document.

"Environmental Laws." Any federal, state, or local law, statute, ordinance, or regulation, whether now or hereafter in effect, pertaining to health, industrial hygiene, or the environmental conditions on, under, or about the Property or the Improvements.

"Governing Documents." Those documents listed in PART 1, ARTICLE I, Section 1 of this Declaration, as they may be amended by the Members from time to time.

"Governmental Approvals." All permits, licenses, certificates, consents and any other approvals necessary or required pursuant to any law, ordinance, resolution, order, rule or regulation of any Governmental Authority.

"Governmental Authority." Any and all applicable courts, Boards, agencies, commissions, offices or authorities of any nature whatsoever for any governmental entity (federal, State, County, district, municipal or otherwise) whether now or hereafter in existence. Notwithstanding any other provisions of this document or other Governing Documents, the Association is not, and shall not be construed to be, a Government Entity.

"Governmental Impositions." All real property and personal property taxes, assessments, standby fees, excises and levies, and any interest, costs or penalties with respect thereto, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which at any time prior to or after the execution of this Declaration, may be assessed, levied or imposed upon the Property or any Lot therein by any Governmental Authority.

"Hazardous Substances." Any substance, product, waste, or other material which is or becomes listed, regulated, or addressed as being a toxic, hazardous, polluting, or similarly harmful substance under any Environmental Law.

"Improvements." Any and all physical structures, facilities, alterations or changes of any type or nature made to or on any portion of the Property, Common Areas and Lots including any buildings, residences, parking lots, parking structures, roadways, driveways, ramps, loading areas, mechanical equipment, utilities, fencing, antennae, walls, screens, landscaping, streetscapes, grading changes, park areas, walkways, bridges, recreational facilities, exterior lighting facilities, drainage structures, curbs, retaining walls and grates existing or in the future placed on any portion of the Property, including all cable television, cellular phone, internet and other utility or communication installations or equipment.

"Individual Assessments." Assessments established, imposed and levied from time to time on individual property owners by the Association pursuant to the By-Laws of the Association.

"Insurance Trustee." The Association, acting in the capacity of a trustee in accordance with the provisions of this Declaration to negotiate losses under any property insurance policies required to be obtained by the Association, as applicable, in this Declaration.

"Legal Requirements." Any restrictive covenants and any other matters of record and any and all then-current judicial decisions, statutes, rulings, rules, regulations, permits, certificates or ordinances of any Governmental Authority in any way applicable to any Owner's use and enjoyment of any portion of the Property or any Lot, including Environmental Laws, zoning ordinances, subdivision and building codes, flood disaster laws and applicable architectural barrier and health laws and regulations.

"Lot." Any plot or tract of land in the Property that is a platted lot as shown on a plat, as may be amended from time to time, approved by the City of Tool, whichever is applicable, and recorded in the Real Property Records other than Common Areas.



"Maintenance Standard." Good repair and condition for the Property necessary to maintain the Common Areas and Lots, as applicable, in a condition reasonably suitable for their intended purpose.

"Manager." Any person, professional manager or management company that is engaged by the Association to perform any of the duties, powers or functions of Board of the Association.

"Members." Owners of Lots within the Subdivision other than the Association itself.

"Membership." (1) The Members of the Association, collectively, and (2) the rights and obligations associated with being a Member of the Association.

"Mortgagee." Any Person that is the holder, insurer or guarantor of any mortgage or deed of trust securing indebtedness on the Property or on a Lot.

"Occupant." Any Person from time to time entitled to the use and occupancy of any portion of Property and Lot and Improvements thereon pursuant to an ownership right or any permitted lease, permitted license, or other similar agreement.

"Owner." Any Person, including Builders, owning fee title to a Lot, but excluding any Person having an interest in a Lot solely as security for an obligation.

"Past Due Rate." The maximum lawful rate of interest allowed under Texas law or, if no maximum lawful rate exists, the rate of 18% per annum.

"Past Due Payment Plan." Has the meaning assigned to such term in the By-Laws of this Declaration.

"Person." Any individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, joint venture, estate, trust, incorporated property owners association, and any other legal entity, including any Governmental Authority.

"Plans." The plans and specifications for the development, construction or modification of Improvements with respect to any Lot or lots, prepared by or on behalf of an Owner, and which include all applicable documents or other items set forth in the By-Laws of the Association pertaining to obtaining Association approval of the proposed development, construction or modification of those Improvements.

"Property." That certain real property located entirely within the Subdivision, in the City of Tool, Henderson County, Texas.

"Property Roads." Roads, bridges or drives now or hereinafter existing in the Property.

"Real Property Records." The records of the office of the county clerk of the County where instruments concerning real property are recorded.

"Records Policy." The policy adopted by the Association, as defined in the By-Laws within this Declaration, which establishes guidelines in accordance with the Act for the retention, inspection, production, copying and costs associated therewith for the books and records of the Association.

"Regular Assessment." Assessments established, imposed and levied by the Association pursuant to the By-Laws of the Association.

"Residence." A place where a person lives treating it as a home.

"Right of Board Regarding Rules and Regulations." In furtherance of the purposes of this Declaration, the Board from time to time may propose to the Membership of the Association, the creation, adoption, amendment or repeal

of Rules and Regulations concerning and governing aspects of the Association and the Property (including common areas as well as Member-owned Lots) including the establishment and enforcement of penalties for non-compliance with the requirements of this Declaration.

"Rules and Regulations." Any rules or regulations that have been duly approved, adopted and/or amended by the Members, pursuant to this Declaration.

"Signage." Any signage, lettering, decorations, banners, advertising or marketing media, awnings, canopies, window covering, or any other similar type of expression on a Lot, the Improvement thereon or in the interior of the Improvement if the same is visible from the exterior.

"Special Assessments." Assessments established, imposed and levied from time to time by the Association pursuant to the By-Laws of the Association.

"State." The State of Texas.

"Subdivision." The Lakeway Estates Subdivision within the City of Tool, Henderson County, Texas.

"Systems." All fixtures, utilities, equipment, pipes, lines, wires, computer cables, conduits, circuits, junction boxes, hangers, pull boxes, terminal points, electronic devices, air compressors, air handlers, chillers, cisterns, sprinkler devices and other systems used in the production, heating, cooling and/or transmission of air, water, gas, electricity, communications, waste water, sewage, audio and video signals, and other utility services including the main switch gear conduits, plumbing chases and mechanical shafts on the Property that are designed to serve the Common Areas or one or more Lots.

"TNCL." The Texas Nonprofit Corporation Law, as amended from time to time.

"Voting Member" Each property owner, whether a single individual, a family, a partnership, etc., which is entitled to one (1) vote in Association elections, regardless of number of lots owned.

## **ARTICLE IV      GENERAL PROVISIONS**

### **Section 1.      Severability**

Each of the provisions of this Declaration will be deemed independent and severable. If any provision of this Declaration or the application thereof to any Person or circumstances is held legally invalid, unenforceable or not in compliance with the Legal Requirements, such invalidity, unenforceability or non-compliance of that provision will not affect other provisions in or applications of this Declaration.

### **Section 2.      Exemption from Newly Established Requirements**

Any property, or any improvements on property, within the Subdivision, that were in compliance with prior-existing Association By-Laws, Association requirements, and/or Deed Restrictions applicable to property within the Subdivision, as of the date immediately prior to the date when this Declaration is officially filed in the Henderson County Records, shall not be subject to any new requirements (requirements that were not in existence prior to this Declaration) set forth in this Declaration. No property owner shall be required to make changes or improvements, nor to be responsible for the costs of any changes or improvements (to property or to improvements on property) in order to bring the property, or its improvements, into compliance with any new requirement set forth in this Declaration. That is, any property, conditions of property, or improvements to property that met Association Requirements prior to this Declaration shall be considered in compliance with the provisions of this Declaration.

## **PART 2 BY-LAWS OF THE ASSOCIATION**

### **ARTICLE I INTRODUCTION**

#### **Section 1. Applicability**

These By-Laws are applicable to the Lakeway Estates Property Owners Association, Inc. (the "Association"), a non-profit corporation chartered under the State of Texas.

#### **Section 2. Revision of Earlier Version**

These By-Laws replace and supersede any and all earlier versions of those By-Laws adopted by the Association in their entirety. These By-Laws shall be effective and binding upon the Owners of real property within the Lakeway Estates Subdivision, of the City of Tool, of Henderson County, Texas immediately upon (1) being approved and adopted by at least sixty-seven percent (67%) of the property owners of that subdivision, and (2) being properly recorded in the Real Property Records of Henderson County, Texas.

#### **Section 3. Definition of Quorum**

For the purposes of these By-Laws as relates to Membership meetings of the Association, a Quorum is defined as thirty percent (30%) or more of the active Members of the Association. A Quorum Majority is defined as a majority (more than fifty percent) of the Members actually in attendance at a meeting of the Membership in which a quorum is present.

#### **Section 4. Definition of Meeting**

For the purposes of these By-Laws, a Membership meeting, or a meeting of the Membership, is defined as a formal meeting in which all Members of the Association (active and inactive Members) are notified and invited or encouraged to attend.

#### **Section 5. Provision for Change, Amendment, Revision, or Termination**

These By-Laws may be changed, amended, revised, or terminated only by the active Members of the Association. Any change, amendment, revision or termination of these By-Laws must, in order to be effective and binding upon the Owners of Lakeway Estates Subdivision property, be approved and adopted by at least sixty-seven percent (67%) of the property owners of the Subdivision at a duly held meeting of the Association Membership, and must be properly recorded in the Real Property Records of Henderson County, Texas.

#### **Section 6. Enforcement of These By-Laws**

The preferred method of enforcement of these By-Laws is communication, negotiation, and amicable cooperation among the Members of the Association, and between Members and the Board or any Association committees. The Board, and any Association committees, shall endeavor to enforce these By-Laws by communicating with, and seeking the cooperation of, any Association Member who is not in compliance. The Board, and any involved committee, shall keep detailed written records of all communications related to enforcement of these By-Laws with any non-compliant Member.

The Association is authorized to take certain legal actions to enforce these By-Laws, especially those provisions related to assessments and collection of funds owing to the Association. Any specific or particular legal enforcement action (e.g., filing of liens, filing of suit, etc.) by, or on behalf of, the Association must have the prior approval of the Membership of the Association at a duly held meeting of the Association Membership. In instances where such legal actions are deemed necessary, the Board shall so notify the Membership and shall call an official meeting of the Membership to consider and approve the proposed action.

### **ARTICLE II GENERAL INFORMATION**

#### **Section 1. Name**

The name of this organization shall be the Lakeway Estates Property Owners Association, Inc.. This Association is a Texas non-profit organization organized under the Act.

## Section 2. Mailing Address

The principal mailing address of the Association is:

Lakeway Estates Property Owners Association, Inc.  
P. O. Box 43264  
Seven Points, Texas 75143

## Section 3. Location of Offices

The Association may have offices at such places as the Board of Officers and Directors (hereafter referred to as the Board) may from time to time appoint or the business require.

## Section 4. Designated Agent

The designated agent of the Association is Mr. Gary Sestito, whose mailing address is 408 Lakeway Blvd, Tool, Texas 75143, and whose phone number is (903) 432-9838 and/or (214) 770-0947, and whose email address is garysestito@gmail.com.

## Section 5. Fiscal Year

The fiscal year of the Association shall begin on January 1 and shall end on the following December 31.

# ARTICLE III PURPOSE

The purpose of the Lakeway Estates Property Owners' Association is to:

- (a) organize the owners of real property located within the Lakeway Estates Subdivision, City of Tool, County of Henderson, State of Texas.
- (b) provide a unified medium for Lakeway Estates property owners whereby their interests may be safeguarded and advanced.
- (c) further the interest of home and other property ownership.
- (d) foster friendly and amicable relations among property owners within the Subdivision.
- (e) promote better understanding and cooperation among the property owners and between the property owners and the Association's Board.
- (f) inform and educate the property owners so that all can equally obtain the benefits and privileges of the Association.

# ARTICLE IV MEMBERSHIP

## Section 1. Requirement to be Members and to Pay Annual Membership Dues

All Owners of real property within the Lakeway Estates Subdivision of the City of Tool, County of Henderson, Texas (other than the Association itself) are required to be Members of the Association. A Member (property owner) may be an individual, a group of individuals (such as man and wife, siblings, parents and children, friends, business partners, etc.), or a legal entity (such as a corporation or other type of organization). Members are required to pay annual membership dues as established and approved by a majority of the Members of the Association. Refer to ARTICLE VII of these By-Laws for more information about dues.

## Section 2. Active and Non-Active Members

(a) Active Members (also referred to as Members-in-good-standing) are those property owners whose annual dues payments and other funds owed to the Association are paid up-to-date, and who are not in known violation of Association's By-Laws or any other provisions of the Declaration. Active Members are entitled to all the rights and privileges of membership as defined in ARTICLE V of these By-Laws.

(b) Non-active Members (Members-not-in-good-standing) are those property owners who are in arrears of their annual membership dues, or other funds owed to the Association, or who are in known violation of any other provisions of these By-Laws or of the Declaration.

Non-active Members are not eligible to hold office within the Association, to vote at Association meetings, to serve on Association committees, or to use the Association boat ramp. (Non-payment of funds owing to the Association also subjects the Member to the Association's right to take legal action against the Member, such as filing a lien against the Member's property for the said Association arrearage of dues and penalties, in order to obtain payment of the annual membership dues in arrears.)

## **ARTICLE V      RIGHTS AND RESPONSIBILITIES OF MEMBERS**

The rights and responsibilities of Members are as follows:

- (a) Active Members are entitled to attend any meetings of the Association (e.g., Membership meetings, Board meetings, committee meetings, etc.), to fully participate (by speaking, voting, etc.) in Membership meetings, to vote in Association elections or decision-making votes, to hold elective office of the Association, to serve on committees of the Association, to use the Association boat ramp, and to have reasonable access to all official documents and records of the Association.
- (b) Each Active Member is entitled to one (and only one) vote in any elections or issue-deciding votes of the Membership of the Association, regardless of the number of lots, or partial lots, owned by that Member. If, in instances where a Member is multiple individuals and/or legal entities, there is not unanimous agreement among those individuals or entities during an Association election or decision-making vote, then that Member shall be ineligible to vote in that specific election or decision-making vote.
- (c) All Members are required to pay all assessments and dues on or before the due and payable date.

NOTE: If any real property within the Lakeway Estates Subdivision is being sold, or is having a change or transference of ownership, or is being refinanced, any arrearages of annual membership dues or any other sums owed to the Association by the selling, changing, transferring, or refinancing owner of the property, shall be paid in full to the Association before the sale, change of ownership, transferal or refinancing is completed.

Arrearages of dues are the sum of all unpaid annual membership dues and any other funds, fees, or dues owed to the Association by the Member dating back to the fiscal year which began September 1, 1996.

- (d) All Members are required to uphold and safeguard the reputation and integrity of the Association.
- (e) All Members are required to keep the Association informed of their correct mailing address
- (f) All Members are required to abide by and, if necessary, help enforce the provisions of the Association's governing documents.

## **ARTICLE VI      MEETINGS**

### **Section 1.      Governance**

Robert's Rules of Order, latest edition, shall be the authority governing the conduct of Association Membership Meetings, and all Board and committee meetings, wherein its provisions do not conflict with these By-Laws.

### **Section 2.      Written Notice of Meetings**

Written notice of Annual Association Membership meetings and any other Association Membership Meetings must be provided to all Members by the President and Secretary of the Board. Written notices shall be delivered by mail, in person, or by other reliable and appropriate means, to every Member. Notice may also be provided by electronic communication methods such as e-mail, placement on an Association Website, placement on an Association Facebook page, etc. This does not, however, relieve the Board of responsibility for providing written notification

by regular mail or by in-person delivery. The timing of meeting notices shall be as specified in the following sections.

Section 3. Annual Association Membership Meeting:

- (a) The Annual Association Membership meeting shall be held each year on a date between 120 days and 30 days prior to the end of the fiscal year. The meeting date, time, and location shall be designated by the Board. The Board shall notify all Members, in writing, of the date, time, and location of the meeting no later than 30 days prior to the proposed meeting date. This notification shall also include a proposed agenda for the meeting.
- (b) In order for the Annual Association Membership Meeting, and any decisions taken at the meeting, to be considered official and binding upon the Members of the Association, a quorum must be present (in person) at the meeting.
- (c) As a minimum, the purpose of the Annual Association Membership meeting shall be to (1) read and accept minutes of the last Association Membership meeting, (2) hear the report of the Nominating Committee and take nominations for officers and directors from the floor, (3) elect officers and directors for the upcoming fiscal year, (4) hear and accept reports of the Treasurer and of the Financial Oversight Committee, (5) hear and consider reports and/or recommendations of other active committees, (6) consider and reach agreement on the budget for the upcoming fiscal year, and (7) establish annual membership dues assessment, and define the due-and-payable date for the assessment, for the upcoming year.

Section 4. Other Association Membership Meetings:

- (a) Other (special) Association Membership Meetings may be held as deemed necessary by the Board, or by 30 % or more of the Active Members of the Association. The meeting date, time, and location shall be designated by the Board, or by a group comprised of 30% or more of the Active Members. The Board shall notify the Association Members, in writing, of the date, time, and location, purpose, and agenda of any such meeting no later than 14 days prior to the proposed meeting date.
- (b) In order for an Association Membership Meeting, or any decisions taken at the meeting, to be considered official and binding upon the Members of the Association, a quorum must be present.

Section 5. Voting Protocol During Membership Meetings:

- (a) The protocol and procedures for taking votes during Membership Meetings (Annual meeting or special meetings) shall be as decided by the Membership during the meetings. Normally, votes may be taken by voice vote, by show-of-hands vote, and/or by written ballot (open or secret) vote. In every vote, the presiding officer or secretary shall announce the outcome of the vote as quickly as practical after the vote is taken. In case there are objections or reasonable questions or doubts about the outcome of a voice vote or show of hands vote, the vote must be retaken by written ballot vote. All votes shall be collected and counted by at least three Members designated by the presiding officer prior to taking votes.
- (b) In instances where a Member **cannot** attend a Membership meeting, and that member wishes to vote on one or more issues to be decided during the meeting, that Member may vote in absentia by one of two methods.

**METHOD 1.** The first method is by absentee ballot. In this method, the Member must deliver (in person or by mail) an absentee ballot to the Board (to the President or the Secretary) prior to the meeting. (See Appendix C) The ballot must clearly identify the Member, state the expected date of the upcoming Membership meeting for which the ballot applies, state the reason the Member cannot attend the meeting, clearly state the specific issues being voted on, and clearly state the desired vote of the Member on each of those issues. The ballot must be signed and dated by the Member. If a submitted ballot does not meet all of these requirements, it shall not be counted at the meeting.

During the Membership meeting, the President and/or Secretary shall announce the absentee ballots and make them available for inspection by attending Members.

A Member who has delivered an absentee ballot, can change, cancel, or override his/her ballot vote by appearing in person at the meeting and declaring the absentee ballot invalid. In this instance, the Member may then vote in person during the meeting.

**METHOD 2.** The second method is by Proxy Vote. In this method, the Member issues a written proxy statement to another Member (a person trusted by the issuing Member), granting that person specific authority to cast vote(s) on his/her behalf during the meeting. (See Appendix D) The proxy statement must clearly (1) identify the Member making the proxy statement, (2) identify the Member to whom the proxy is issued, (3) identify the time period during which the proxy statement is in effect, (4) identify the issue(s) for which the proxy statement is effective, and (5) be signed and dated by the Member making the statement. The proxy statement must be delivered to the Board (the Secretary or President) before the Membership meeting to which it applies. It may be delivered to the board in person, or by mail, by the Member issuing the statement, or the Member to whom the proxy is issued may bring the proxy statement to the meeting and present it to the presiding officer or secretary before the applicable issue(s) are voted upon. Although authorized to do so by the proxy statement, the Member to whom the proxy is issued is not obligated or required to cast any votes.

A Member who has issued a proxy statement can retract or revoke the statement by appearing in person at the meeting and declaring the statement invalid. In this instance, the Member to whom the proxy statement was issued shall not vote on behalf of the Member who had issued the statement. The Member who issued and retracted the proxy statement may vote in person during the meeting.

#### Section 6. Board Meetings:

- (a) The Board shall meet at least four times (quarterly) each fiscal year. For any Board meeting to be deemed official, or for binding decisions to be made at the meeting, a quorum (no less than one-half of the members of the Board) shall be in attendance throughout the meeting.
- (b) The President of the Board shall designate the time and place of meetings. The President or Secretary of the Board shall notify the members of the Board, and the Members of the Association, of the date, time, and location of every meeting of the Board, in writing, no later than 14 days prior to the proposed date of the meeting. The written notification shall also include a planned agenda for the meeting.
- (c) Association Members have the right to attend all Board meetings, in accordance with the Texas Open Meetings Act. Association Members have the right to participate (by speaking or asking questions, but not by voting) during Board meetings. However, in the interest of time and courtesy, the Board may, at any Board meeting, vote to limit the amount of time Association Members may speak during that meeting.
- (d) Although Board meetings are normally called by the President of the Board, a meeting may be called by agreement of at least one-half of the members of the Board. When notified that one-half, or more, of the members of the Board deem that a meeting is necessary, the President, or Secretary of the Board must call for the meeting to be held within 21 days of the notification and must notify the Members of the Association of the date, time, location, and agenda of the meeting, in writing, no later than 14 days prior to the planned date of the meeting.
- (e) A meeting of the Board may be called by a group of fifteen (15) or more Members of the Association. To call a meeting, the Members desiring the meeting must submit a written (signed by at least 15 active Members) request for the meeting to the President and/or Secretary of the Board. The written request must include an explanation of the reason(s) for the meeting and a proposed agenda for the meeting. Upon receiving the written request, the President and/or Secretary of the Board shall, within 7 days, designate the date, time, and location for the meeting (to be held within 21 days of receipt of the written request). At the same time, the President or Secretary shall also notify the Members of the Association of the date, time, location, reason, and agenda for the meeting.
- (f) Written minutes shall be kept of every meeting of the Board. The minutes must include, as a minimum, (1) the date, time, and location of the meeting, (2) a list of all Board members in attendance, (3) a list of any other Association Members or other persons present, (4) a list of all issues formally discussed, actions taken, and decisions made by vote, and (5) the specific votes cast by Board members on each issue. All Members of the Association have the right to full access, under Texas law, to Board meeting minutes at a location designated by the

Board (location must be within 10 miles of the Lakeway Estates Subdivision). Access to the minutes must be granted to any requesting Member during normal weekday business hours.

(g) Minutes of previous Board meetings shall be read and approved at each Board meeting.

## **ARTICLE VII BUDGETS, DUES, FEES AND FINANCIAL RECORDS**

### **Section 1. Annual Budget**

Each year the Board shall develop a recommended/proposed budget for the upcoming fiscal year and shall present that budget to the Members of the Association for their approval at a meeting (usually the Annual Membership Meeting of the Association) to be scheduled no later than 30 days prior to the start of the new fiscal year. The Board shall provide copies of the proposed budget to all Members of the Association no later than 14 days prior to the meeting.

The proposed budget shall be based upon reasonable, normal and repetitive expenses incurred during recent fiscal years, and any anticipated special (non-normal and non-repetitive) expenses for the upcoming year.

The purpose of the budget is to provide reasonable and realistic financial planning for the upcoming fiscal year. The goal is to realistically anticipate expenses, and to provide for adequate funds to cover those expenses. The goal of the Association shall never be to accumulate, or to build up, funds exceeding the anticipated real needs of the Association for the upcoming year. The budget shall include a proposed/recommended amount of Annual Membership dues for the upcoming fiscal year.

### **Section 2. Regular Annual Membership Dues**

All Members shall be assessed regular Annual Membership dues by the Association.

(a) The amount and structure (due and payable dates, etc.) of the regular annual membership dues shall be developed and proposed by the Board as part of the proposed budget for the upcoming fiscal year, and must be formally approved by majority vote of Members present at the annual Association meeting, or at a subsequent meeting of Association Members. The Membership vote for approval of the budget and annual dues assessment can be taken only at a meeting in which a quorum is present.

(b) Approved dues are due and payable on the date specified by vote of the Members during their approval vote. Dues are to be considered delinquent if not paid on or before the due and payable date. Once delinquent, a \$25 charge shall be added to the dues for each year delinquent.

### **Section 3. Special assessments**

(a) Special Assessments are one-time assessments upon Members of the Association in order to provide funds for unusual or unanticipated costs or expenditures.

(b) Special assessments may be proposed and recommended by the Board. In order to be effective and binding upon Members of the Association, special assessments must be approved by a majority vote of Active Members in attendance at an Association Membership meeting in which a quorum is present.

(c) Notice of the date, time, and location of any such proposed meeting will be sent to all Active Members at least 14 days prior to the Special Assessment Meeting. This notice shall state the purpose of the meeting, the reason(s) the funds are needed, the amount of the proposed special assessment, and the agenda for the meeting.

(d) Special assessments are due and payable on the date specified by vote of the Members during their approval vote. The assessments are to be considered delinquent if not paid on or before the due and payable date. Once delinquent, a \$25 charge shall be added to the assessment.

### **Section 4. Collection of Dues**

As previously noted, annual dues and special assessments are due-and-payable on a date specified by the Members at the time the dues and/or assessments were determined.



It is the responsibility of the Board to collect the dues and assessments. The Treasurer shall provide notifications to Members of annual dues, special or individual assessments, due dates, etc. The procedures for such notifications and collection processes are specified PART 4, APPENDIX A of this Declaration.

#### Section 5. Deposits

- (a) All monies (other than a small amount of currency, not to exceed \$100.00, to be used as petty cash) received by the Association for any purpose shall be deposited to a checking account at a local bank selected by the Board and approved by majority vote of the Members of the Association.
- (b) No moneys or funds of the Association shall be invested, nor placed into any account or institution without prior approval of the majority of Association Members.
- (c) The Association shall neither borrow nor lend money, funds, property, or services to or from any individual, group of individuals, or any organization of any kind. The Association shall not incur any financial obligations of any kind in excess of the amount of cash-on-hand in the Association's bank checking account, minus any known upcoming expenditures, without prior approval by majority vote of the Members of the Association.

#### Section 6. Expenditures

- (a) The Board shall administer the finances of the Association, as directed by the Members of the Association.
- (b) The Board is responsible for directing all expenditures.
- (c) The Board is authorized to direct expenditures up to a maximum of \$2000. Any expenditure of more than \$2000 requires prior approval of the Members of the Association.
- (d) The Board shall approve a person or persons to be authorized to make payments (sign checks drawing funds from the Association account). All disbursements of funds are to be approved by at least two members (other than the Treasurer of the Association) the Board.
- (e) The Board shall conduct a detailed periodic review of all receipts and expenditures of the Association. This review shall normally require a detailed report of receipts/expenditures by the Treasurer of the Association and shall normally be conducted during regular quarterly meetings of the Board, but may be conducted more frequently.

#### Section 7. Financial records

The financial records of the Association shall be maintained in good and current condition at all times and shall be made available for inspection to any Member of the Association upon request. Access to the financial records shall be at a reasonable location and at any reasonable time during normal business hours.

#### Section 8. Inquiries

Inquiries about arrearages of dues, and other financial information of the Association shall be made to the Association Treasurer.

### **ARTICLE VIII BOARD OF OFFICERS AND DIRECTORS**

#### Section 1. General Information

- (a) The administrative body of the Association is the Board of Officers and Directors (the Board) and shall consist of the elected Officers and Directors. The Board shall have the responsibility and authority to conduct normal day-to-day affairs of the Association on behalf of the Members of the Association. When facing significant controversial or unusual or expensive issues, the Board should immediately make the Members of the Association aware of the situation and ask the Members to resolve the issue(s), or to provide specific instructions and guidance to the Board, at a special Association Membership meeting. When facing legal issues, or issues that might lead to litigation, the Board shall call a special Association Membership meeting to deal with the issue.

- (b) Only active Members of the Association are eligible to be elected or to serve as Officers or Directors of the Association.
- (c) Convicted felons are not eligible to be elected or to serve as Officers or Directors of the Association.
- (d) No person can serve in two or more roles (positions) on the Board, except as stated in section 2 below.
- (e) To be deemed official and binding upon the Association and its Members, decisions of the Board shall be made by recorded vote of Board members in attendance at formal Board meetings in which a quorum is present.
- (f) The Board shall not delegate its responsibilities to any other person, organization, or legal entity. The Board shall not hire, or obtain the services of, a person, group of persons, organization, or legal entity to manage, or provide management services to, the Association.
- (g) The Board shall not hire, nor to obtain (for compensation) the services of, a person, group of persons, organization, or legal entity to provide legal or accounting services to the Association without the prior approval of the Association Membership. If the Board deems it necessary to engage, or hire, an attorney or accountant, the Board shall make a recommendation to the Association Membership at an Association Membership meeting and obtain specific written authorization to do so from the Association Members.

## Section 2. Officers:

- (a) The elected officers of the Association are a President, a First Vice President, a Second Vice President, a Secretary and a Treasurer. The Secretary and Treasurer may (only under unusual circumstances and for only for a short time) be the same person. Each officer shall be elected for a one-year term at the annual Association Membership meeting.
- (b) The immediate past President may serve as unelected Director-at-large for one (1) year after their term of office expires or may be elected as a regular Director to begin serving immediately after their term of office as President expires.

## Section 3. Duties of Officers

The duties of the officers shall be such as their titles, by general usage, would indicate and such as may be assigned to them by the Association.

- (a) The President shall (1) oversee the functioning of the Board, (2) preside over meetings of the Association Membership and of the Board, (3) determine the best date, time, and place for meetings of the Association Membership and the Board, (4) call for meetings of the Association Membership and of the Board and provide (or cause to be provided) proper and ample notice of meetings to the members of the Board and to the Members of the Association, (5) (with concurrence of the members of the Board) appoint standing and special-purpose committees as necessary, (6) serve as an ex officio member of all such committees, (7) (together with the Board Secretary) file the required Association governing documents and reports at the real property records of Henderson County, Texas, (8) ensure that an Association agent is appointed and that the agent's information is properly filed at the real property records of Henderson County, Texas, and (9) file, or cause to be filed, any legal documents developed and/or approved by the Membership of the Association.
- (b) The First Vice President and/or the Second Vice President shall assume the duties, with full authority, of the President when the President is absent.
- (c) The Secretary shall be responsible for (1) taking and keeping minutes of all meetings of the Association Membership and meetings of the Board, (2) carrying on all official correspondence of the Association, (3) collecting and storing minutes of all Association committee meetings from the chairperson or secretary of each committee, (4) keeping all Association documents and records in a secure and safe location (location approved by the Board), (5) maintaining a current list of all Association Members with their addresses, contact information, and specific properties owned within Lakeway Estates, (6) keeping an up-to-date inventory of the Association's documents and records, (7) cooperating and participating with the president in filing required documents at the real property records of Henderson County, Texas, and (8) assisting the president in preparation and filing of required reports and legal documents for the Association.

(d) The Treasurer shall be responsible for (1) collecting dues other funds owed to the Association, (2) depositing Association funds into the Association's bank account, (3) writing checks for approved expenditures from the Association's bank account, (4) maintaining a current and accurate accounting of all receipts, deposits, and expenditures of the Association, (5) maintaining financial records of the Association, (6) presenting detailed financial records at all meetings of the Board and at meetings of the Association Membership, and (7) maintaining an up-to-date report of delinquent dues by members.

#### Section 4. Directors

- (a) There shall be a minimum of three (3) and a maximum of five (5) directors on the Board. Three regular directors shall be elected to serve terms of three (3) years. Their terms shall be staggered so that only one regular director's term expires, and one regular director is elected, each year. In addition to the three regular directors, one or two other directors (known as directors-at-large) may be elected and serve for a one-year period.
- (b) The duties of directors are to (1) attend meetings of the Board, (2) participate in investigations, studies, and discussions of issues being considered by the Board, (3) vote on issues at Board meetings, (4) assist the Officers of the Board as needed and/or as requested in conducting the business of the Association, and (5) serve on committees of the Association as requested and appointed by the President of the Board.

#### Section 5. Filling of vacancies on the Board

- (a) If the office of the President of the Board becomes vacant (for any reason) the First Vice President shall assume the role of President for the remainder of the fiscal year.
- (b) If there is a vacancy among the other Officers of the Board (for any reason) the Board may appoint an active Member of the Association to serve the remainder of the absent officer's term in office.
- (c) If there is a vacancy among the regular directors, the Board may appoint an Active Member of the Association to fill the vacancy for the remainder of the fiscal year, or until the next Association Membership meeting. At the next Association Membership meeting, the Members shall elect a person (who has been nominated by the Board of Directors, or from the floor of the meeting) to fill the vacancy for the remainder of the absent directors term of office.

#### Section 6. Election of Officers and Directors

- (a) The members of the Board shall be elected by vote of Active Members of the Association at an Association Membership meeting. Normally, this election shall take place during the Annual Association Membership meeting.
- (b) Any Active Member may be elected to any position on the Board multiple times. However, no person shall be eligible to be elected to, or serve in, any one position more than three consecutive years. No person shall serve in more than one Board position at a time.
- (c) At least thirty (30) days before the annual Association Membership meeting a Nominating Committee of three (3) Active Members (at least two of which are not currently serving as Board members) shall be appointed by the President with the approval of the Board. The committee shall identify and select qualified and willing candidates for nomination to each place to be filled on the Board. The report of the nominating committee shall be completed and submitted to the Board no later than ten (10) days prior to the annual Association Membership meeting and can be reviewed by any Member by contacting the President of the Board.
  - (1) The nominating committee report shall be presented at the annual Association Membership meeting.
  - (2) The nominating committee may nominate a person to be elected Director-at-Large for a one (1) year term.
  - (3) Additional candidates for Board positions to be filled may be placed in nomination by Active Members from the floor during the Association Membership meeting.

(4) Any Active Member previously appointed to serve an unexpired term, resulting from a vacancy on the Board, shall be eligible for election to that position.

(d) The election of Board members shall be by majority vote of Members in attendance at an Association Membership meeting (normally the annual Association Membership meeting). The specific manner of taking the vote (by written ballot, voice vote, vote by standing or raising hands, etc.) shall be as agreed upon (by at least 67% of the Members present at the meeting) prior to the beginning of the voting process

#### Section 7. Removal of Officers and Directors

- (a) Any officer or director may be removed from office for (1) conduct detrimental to the Association, (2) failure to perform their duties on the Board, (3) prolonged absence without informing the Board of the reason for the absence and having the absence approved by the Board, (4) making false statements during the process of being nominated, elected, or appointed to office, (5) having been convicted of a felony, (6) committing illegal acts while performing duties of the Board, (7) making false statements to the Board, committees of the Association, or the Association Membership.
- (b) Any officer or director can be removed from office by a two-thirds (2/3) majority vote of the other members of the Board of Directors. If the officer/director so removed disagrees with the removal, he/she can appeal to the Members of the Association. In that case, the Board shall call a special meeting of the Association Members as soon as practical. The Association Members shall be notified of the date, time, place, reason for, and agenda for the meeting as described in ARTICLE VI. The Members present at the meeting shall decide on the proposed removal by a majority vote.
- (c) Any officer or director can be removed from office (with or without concurrence by the Board) by a two-thirds (2/3) majority vote of the Active Members of the Association at a meeting of the Association Members. If fifteen (15) or more Active Members of the Association deem it necessary to remove any member(s) of the Board, those Active Members shall deliver a written proposal to remove the Board member, and a request for a special meeting of the Association Members to consider the proposal, to the Board. This proposal/request must be signed by a minimum of fifteen Active Members of the Association. Upon receipt of this written proposal/request, the Board shall establish the date, time, and location of the proposed meeting and provide notification to all Association Members of the meeting. The notification shall include the date, time, place, reason for, and agenda for the meeting as described in ARTICLE VI. At the meeting, a quorum is required, and the removal of the subject Board member(s) from office must be approved by a 2/3 majority vote.

#### Section 8. Compensation or remuneration of Board and committee members

- (a) Board members and committee members shall serve without compensation.
- (b) Board members may be reimbursed for reasonable expenses they incur during performance of their duties as Board members. Any such reimbursement must be approved by the Board. In order to receive such reimbursement, the Board member must provide written receipts for the expenses incurred.
- (c) Board members may be financially compensated for services they perform for, or products they provide to, the Association that are outside the usual responsibilities of Board members. Such compensation shall be made only if the Board has clearly defined and authorized the service to be performed, or the product to be provided, and the amount of the compensation, beforehand. Any and all such compensations shall be reported, in detail -- including (1) the name(s) of the person(s) receiving the compensation, (2) the specific service or product provided, and (3) the exact amount of the compensation -- to the Membership of the Association at the Annual Membership meeting.

## **ARTICLE IX RECORDS POLICY, MAINTENANCE AND AVAILABILITY OF DOCUMENTS AND RECORDS**

#### Section 1. Retention and Maintenance Requirements

Original copies of Association Documents and Records shall be kept and maintained in their original paper (hard copy) format in a safe place and shall be protected from any type of damage or degradation and from any type of

alteration (intentional or unintentional). The Association will, at a minimum, retain the following Association Records, in the manner and for the length of time as follows:

Governing Documents – the Governing Documents of the Association shall be kept permanently and may be kept in electronic format, in the Minute Book and in any other suitable manner as recommended by the Board and approved by the Association Members.

Financial Books and Records – financial books and records of the Association shall be retained for at least seven years and may be kept in electronic format, in the Minute Book and in any other suitable manner as recommended by the Board and approved by the Association Members.

Owner Account Records – records of accounts of Owners shall be maintained by the Association for at least five years and may be kept in electronic format and in any other suitable manner as recommended by the Board and approved by the Association Members.

Lists – current lists of the names and addresses of Members, Board members, officers and Architectural Advisory Committee or other committee members of the Association shall be maintained at all times by the Association and may be kept in electronic format, in the Minute Book and in any other suitable manner as recommended by the Board and approved by the Association Members.

Contracts - contracts with a term of one year or more shall be retained for at least four years after the expiration of the contract term and may be kept in electronic format and in any other suitable manner as recommended by the Board and approved by the Association Members.

Member and Board Meeting Minutes – the meeting minutes of all Member and Board meetings shall be kept permanently and shall always be placed in the Minute Book. The Association may also keep meeting minutes in electronic format or in any other suitable manner as recommended by the Board and approved by the Association Members.

Tax Returns – annual tax returns filed for the Association shall be retained for at least seven years and may be kept in electronic format, in the Minute Book and in any other suitable manner as recommended by the Board and approved by the Association Members.

Architectural Advisory Committee – applications, approvals, variances and other related documentation issued by the Architectural Advisory Committee shall be retained for at least five years and may be kept in electronic format and in any other suitable manner as recommended by the Board and approved by the Association Members.

Other Records -- certain other documents and records as required by the TNCL, or any Governmental Agency, and any other records or documents of the Association as recommended by the Board and approved by the Association Members. Such documents shall be kept and protected in the appropriate manner established by the Governmental Agency or the Association Members.

## Section 2. Access

Active Members shall have a right of reasonable access to all records and documents of the Association for the purpose of reading, researching or studying the records or documents.

## Section 3. Requests

Members needing access to Association records and documents should make a request (preferably in writing) to the Association Secretary, Treasurer, or President. Access shall be granted as quickly as possible at a time and place mutually agreeable to the Member and the Board. If a Member requests copies of documents, the copies shall be provided to the Member to the Member as soon as practical, for a reasonable fee to offset the cost of copying and delivering the documents.

## Section 4. Privacy

Except as otherwise provided by the Act, the Association shall not release or allow inspection of any Association Records that: 1) identify the violation history of an Owner; 2) include an Owner's personal financial information, including any nonpayment of Assessments; or 3) provide information related to an employee of the Association, including personnel files. Information released in accordance with this Records Policy may be provided in an

aggregate or summary manner in order to protect the privacy of an Owner and requested Association Records may be redacted to protect confidential, privileged, personal or protected information that is not required to be disclosed by the Act. The Association, the Board, nor any of the Association's officers, directors, employees, agents or representatives shall not be liable for damages to an Owner, or to any other party, as the result of identity theft or other breach of privacy because of the failure to withhold or redact an Owner's information unless the failure to withhold or redact the information was intentional, willful, or grossly negligent.

#### Section 5. Limitations on Use

The Association Records provided to anyone pursuant to this Records Policy may not be sold, used for any commercial purposes or any other purpose not directly related to an Owner's interest as a Member of the Association and as a property owner. The Association may bring an action against any person who violates this Article IX, Section 4 for injunctive relief and for actual damages to the Association caused by such violations and may recover reasonable costs and expenses, including reasonable attorney's fees, in a successful action to enforce its rights hereunder.

## ARTICLE X COMMITTEES

#### Section 1. General

Committees shall include Standing and Special Committees. Special Committees may be appointed by the President at the direction of, or with the approval of, the Board as the need for such Committees are deemed necessary.

#### Section 2. Organization

All committees shall be of such size and organization, and shall have such duties, function and powers as are assigned to them by the President or Board except as otherwise provided in these By-laws.

#### Section 3. Board President

The President shall be an ex-officio member of all committees and shall be notified in advance of their meetings.

#### Section 4. Architectural Advisory Standing Committee (the AAC)

(a) Nature and Composition: To assure that improvements (structures) within the Lakeway Estates Subdivision conform to established and recorded ordinances, standards and restrictions as specified in the Association's governing documents, an Architectural Advisory Committee (AAC) is hereby established. The committee shall consist of at least three (3), and no more than five (5), Active Members of the Association who are appointed by the Board of the Association. At least two (2) of the committee members must also be members of the Board at the time of their appointment. A decision rendered by a majority of the AAC members shall be the decision of the Committee. The AAC, and its individual members, serve at the pleasure of the Board, takes their instructions and guidance from the Board, and report to the Board on their work, actions, and decisions. The committee does not operate independently of the Board, and all final decisions relating to structural compliance within the Lakeway Estates Subdivision shall be made by the Board. The AAC shall meet at times and places convenient to its members whenever the Board refers matters to it for consideration or action.

(b) Duties: The duties of the AAC and its members are:

- (1) To be familiar with, and knowledgeable of, the governing documents of the Association as they apply to structures constructed within the Lakeway Estates Subdivision.
- (2) To serve as a guide and/or advisor to interested parties as to the building, modification, and maintenance of structures within the Subdivision.
- (3) To respond to requests from the Board for an opinion relative to compliance with the provisions of the Association's governing documents of any planned new construction, additions to, or modification of, existing structures, and of continuing compliance with maintenance requirements for structures as specified in the governing documents.

- (4) To recommend to the Board, and to the Membership of the Association, such new measures in relation to construction and maintenance of structures within the Subdivision which the AAC feels would be beneficial to the Association and its Members.
- (5) To serve an informational and interpretive function in responding to questions from Lakeway Estates property owners regarding building and maintenance matters of a straightforward and noncontroversial nature. For more complex issues, the committee shall refer the matter to the Board, which may then involve the committee in formulating a response.
- (6) To participate in the procedure for approval of construction or modification of structures within the Subdivision as specified in ARTICLE XI

#### Section 5. Financial Oversight Committee

No later than thirty (30) days before the Annual Association Membership meeting, the Board shall appoint a committee of three (3) property owners (no more than one of which can be a member of the Board) to be the Financial Oversight Committee. That committee will examine the documents and records of the Treasurer and perform whatever procedures they deem necessary and appropriate to determine, in their collective judgement, that the financial accounts of the Association have been kept and reported properly, and that the income statements, disbursements statements, and the cash positions of the Association have been reported accurately. The report of the committee shall be presented to the to the Membership of the Association at the annual Membership meeting.

#### Section 6. Nominating Committee

A nominating committee, responsible for selection and nomination of candidates for election to the Board shall be appointed, and shall serve, as specified in ARTICLE VIII of these By-Laws.

- (a) Nature and Composition:  
Refer to ARTICLE VIII of these By-Laws.
- (b) Duties: The duties of the Nominating Committee and its members are to:
  - (1) determine specifically what Board positions (officers and directors) are subject to elections at the upcoming Annual Membership meeting,
  - (2) canvass the Active Membership of the Association to determine which Members are eligible to be elected and to serve on the Board,
  - (3) from the eligible Members, determine which would be willing to be elected and to serve on the Board, and
  - (4) select a candidate Member for nomination to each individual position to be elected at the upcoming Annual Membership meeting.
  - (5) at the Annual Membership meeting, present the list of nominated candidates.

#### Section 7. New Neighbor Committee

A new neighbor committee, responsible for welcoming and assisting new property owners within the subdivision shall be appointed, and shall serve, as specified by the Board.

- (a) Nature and Composition: The committee shall be comprised of two or more Members in good standing of the Association, appointed by the Board.
- (b) Duties: The duties of the New Neighbor Committee and its members are:
  - (1) Observe real estate activities within the subdivision and be in contact with Realtors or real estate agents in order to ascertain the names and contact information of new property owners.
  - (2) As soon as practical after a new person (or persons) has taken ownership of a property within the subdivision, contact that person to (a) welcome them the neighborhood, (b) give them information about the Association, and (c) offer them help and support on behalf of the Association.

- (3) As soon as practical after contacting the new property owner(s), notify the Board (the Secretary) of their names and contact information.

#### Section 8. Website/News Committee

A Website/News committee, responsible for maintaining the Association's website and/or Facebook page (if a website or Facebook page is required by the Membership of the Association), and for publishing the Association's newsletter (if required by the Membership of the Association), shall be appointed, and shall serve, as specified by the Board.

(a) Nature and Composition: The committee shall be comprised of two or more Members in good standing of the Association, appointed by the Board.

(b) Duties: Depending upon whether a Website/Facebook Page is required by the majority of the Membership of the Association, the duties of the Website/News Committee and its members may include:

- (1) Maintain the Association website.
- (2) Frequently visit the website to ensure that the information presented there is correct and up-to-date. Up-date the information as necessary.
- (3) Add new information to the website as directed/requested by the Board.
- (4) Use signs, written documents, presentations at meetings, etc. to publicize the website and encourage Association Members to use it.
- (5) Be available at meetings to answer questions/concerns about the website
- (6) As directed/requested by the Board, create and distribute a printed newsletter that can be mailed and or hand-delivered to property owners within the subdivision.

#### Section 9. Presiding Officer of Committees

Committee meetings shall be presided over by the chairperson of the committee. Meetings shall be held at times and locations convenient to the members of the committees. One member of the committee shall take and distribute meeting minutes. The minutes shall be distributed to the committee members and to the Board.

### **ARTICLE XI NON-LIABILITY OF THE ASSOCIATION, OFFICERS, DIRECTORS AND COMMITTEE MEMBERS**

#### Section 1. General non-liability.

No Officer, Director, or committee member of the Association shall be personally held legally or financially liable for the decisions and actions of the Association, its Board, or any Association committee commensurate with the provisions of this Declaration.

#### Section 2. Plan Review

When reviewing plans, specifications, information, etc. for any proposed improvement, or modification of any improvement on a Member's property, for the purpose of determining the compliance with the proposed improvement with Association requirements, any Officer, Director, or committee member of the Association participating in the review shall be responsible only to assure, or to determine, that the documents and proposed improvements meet Association requirements. No Officer, Director, or committee member of the Association shall be responsible to assure, to comment on, or to determine, the structural integrity, safety, soundness, workmanship, materials, usefulness, feasibility, economic value, absence of defects (design or construction), or quality of proposed improvements depicted in the submitted documents, or that the documents and the improvements they depict, are in compliance with state, county, or city laws; national, state, county, or city codes; requirements of industry standards, or compliance with any legal requirements. Thus, no officer, director, or committee member participating in any such review shall be legally or financial liable for any injuries, damages, or costs of any type resulting from the implementation of the improvements depicted in the approved documents.



### Section 3. Absence of Guarantee or Warranty

In considering, and/or granting, approval of any proposed improvements, or modifications to improvements, to any property within the Subdivision, neither the Association, nor any Association Officer, Director, or committee member, makes any guaranty or warranty whatsoever related to any improvements, or modification to improvements resulting from the review and/or approval of documents submitted to the Association for its approval.

## **ARTICLE XII INDEMNIFICATION OF THE ASSOCIATION, OFFICERS, DIRECTORS, AND COMMITTEE MEMBERS**

### Section 1. Purpose

The purpose of indemnification is to assure that the Association, its officers, directors, and committee members can fulfill their functions without being unnecessarily susceptible to legal or financial liability or expenses.

### Section 2. Indemnification

Each Member of the Association agrees to indemnify, defend, and hold harmless the Association, Officers and Directors of the Association, and Committee members of the association, from any legal claims or actions that arise as the result of, or that are caused by, the Member's non-compliance, or the non-compliance of any occupant of the Member's property, with any of the provisions of this Declaration, or any act or omission of the Member, or any occupant of such Member's property within the Subdivision.

## **ARTICLE XIII AMENDMENT OF THESE BY-LAWS**

### Section 1. Requirements

These By-Laws may normally be amended only by approval of a 67-percent, or greater, majority of the Active Members attending an Association Membership meeting in which there is a quorum. (A 67-% majority vote shall not be necessary to change the identity and/or contact information for the Designated Agent of the Association. That change may be made upon approval – by a simple majority of the membership – of a new agent.) The reasons for, and the substance of, any such proposed amendment or amendments shall be plainly stated in the notice of the meeting. Association Members shall be notified of the meeting as specified in ARTICLE VI.

### Section 2. Compliance with Laws

These By-Laws shall not be amended insofar as such amendments would be inconsistent with the higher priority governing documents of the Association on record at the real property records of Henderson County, Texas or with any applicable ordinances and laws of the city of Tool, the county of Henderson, the state of Texas, or the United States federal government.

## **ARTICLE XIV DISTRIBUTION OF ASSETS UPON DISSOLUTION**

Upon the dissolution or ending of the affairs of the Association, the Board, after providing for the payment of all obligations of the Association, shall apply any remaining assets within its discretion to improvements for the betterment of all members of the Association, or distribute the assets directly to the Members of the Association.

# **PART 3 REQUIREMENTS AND DEED RESTRICTIONS APPLICABLE TO THE LAKEWAY ESTATES SUBDIVISION AND TO THE LAKEWAY ESTATES PROPERTY OWNERS ASSOCIATION, INC.**

## **ARTICLE I INTRODUCTION AND GENERAL INFORMATION**

### **Section 1. Applicability**

These requirements and deed restrictions apply to all real property located within the Lakeway Estates Subdivision of the City of Tool, Henderson County, Texas

The Subdivision, as shown by Plat of said Subdivision recorded Plat Records of Henderson County, Texas, is a residential subdivision intended to be an attractive visually open community with minimal encroachment upon the natural beauty and tranquility of the area. In pursuit of this goal, certain provisions, requirements and restrictions are herein stated and presented.

### **Section 2. Severability**

In instances where any provisions, requirements, or restrictions stated in these requirements and deed restrictions are inconsistent with Texas State Laws, Henderson County Laws, or City of Tool Ordinances, the provisions, requirements, or restrictions stated herein may be considered null and void. Each of the provisions, requirements, or restrictions herein will be deemed independent and severable. If any provision, requirement, or restriction herein is held legally invalid, unenforceable, or not in compliance with the laws, such invalidity, unenforceability, or non-compliance of that provision will not affect any other provisions, requirements, or restrictions herein.

### **Section 3. Enforcement of These Restrictions and Requirements**

The preferred method of enforcement of these requirements and restrictions is communication, negotiation, and amicable cooperation among the Members of the Association, and between Members and the Board or any Association committees. The Board, and any Association committees, shall endeavor to enforce these restrictions and requirements by communicating with, and seeking the cooperation of, any property owner who is not in compliance with these restrictions and requirements. The Board (and any involved committee) shall keep detailed written records of all communications related to enforcement of these restrictions and requirements with any non-compliant property owner.

The Association, in cooperation with, and subordinate to, the City of Tool and other Government Authorities, is authorized to take certain legal actions to enforce these restrictions and requirements. Any specific or particular legal enforcement action (e.g., filing of liens, filing of suit, etc.) by, or on behalf of, the Association must have the prior approval of the Membership of the Association. In instances where such legal actions are deemed necessary, the Board shall so notify the Membership and shall call an official meeting of the Membership to consider and approve the proposed action. The Members of the Association shall consider and vote upon the course of action to be followed in such instances, and shall provide the Board specific instructions, guidance, and limitations to follow in implementing that course of action. The Board is required to follow the instructions, guidance, and limitations of the Members of the Association.

## **ARTICLE II GENERAL PROVISIONS**

### **Section 1. Utility Easements**

Within the Subdivision, utility easements are reserved along and within five (5) feet of the rear line, front line, and side lines of lots to allow and permit access for the construction and maintenance of utility conduits, poles, wires and fixtures for electric lines, telephones lines, water mains, sanitary and storm sewers, road drains and other public or quasi-public utilities. Such easements also allow and permit access necessary to trim trees which may interfere with, or are likely to interfere with, the functioning or maintenance of such lines, with right of ingress and egress from and across those easements to employees or agents of said utilities. These easements also extend along any owner's side and rear property lines in case of ownership of multiple and/or fractional lots.

## Section 2. Cables/Wires from Utility Poles

It is not a violation of the provisions of the easements if wires or cables carried by utility poles pass over some portion of lots not within the 5 foot wide easement strip, provided such lines do not hinder the construction of buildings on any lots within the Subdivision.

## Section 3. Right of Access to Boat Launch

All property owners and members of their immediate families have the right to access and use the boat launching area for its usual intended purposes. However, they do so at their own risk and liability, subject only to the property owner's responsibility to pay the annual dues of the Association.

# ARTICLE III REQUIREMENTS

## Section 1. Requirement to Comply with Government Authority Codes and Ordinances

All buildings, other structures, or systems (water collection system, drainage system, sprinkler system, etc.) constructed, erected, or placed on lots within the Subdivision must conform to all laws, codes, and ordinances published by applicable Governmental Authorities, especially by and for the City of Tool, Texas, and the Tarrant County Water District (TPWD). Additional requirements and/or restrictions upon property owners within the Subdivision may be, and are, imposed by the Association as specified in this document.

## Section 2. Requirement to Obtain Governmental Permits

Before the beginning of construction, erection, or placement of any structure (e.g., dwelling, building, gazebo, deck, shed, garage, fence, etc.) or system (water collection system, drainage system, sprinkler system, etc.), on any lot within the Subdivision, or the beginning of any major additions or modifications to any existing structure or system on any lot within the Subdivision, a written application for a permit must be filed with the City of Tool, Texas by the property owner or his/her agent(s) and must be accompanied by documents, drawings, and plans as required and specified by the City of Tool. The issuance of a building permit by the City of Tool does not relieve the property owner of his/her/their obligation to obtain Association approval/permission prior to commencement of work.

The construction, erection, placement, or modification of any structure or system in, on, above, or within close proximity to the waters of the Cedar Creek Reservoir, are subject to the pertinent requirements, rules, regulations, etc. of the Tarrant County Water District. Before the beginning of construction, erection, or placement of any such structure or system at any location within the Subdivision, or the beginning of any major additions or modifications to any such existing structure, a written application for a permit must be filed with the Tarrant County Water District by the property owner or his/her agent(s) and must be accompanied by documents, drawings, and plans as required and specified by the Tarrant County Water District.

## Section 3. Requirement to Obtain Association Permission

Regardless of whether or not the City of Tool and or the Tarrant County Water District issues a permit to the property owner, the Association has the right to prohibit (to deny permission to begin) construction, erection, or placement of any structure upon any lot within the Subdivision, if such structure would be non-compliant with the provisions or restrictions specified in this document. The Association also has the right to regulate the installation and placement of any system on any lot within the Subdivision. At the time an application for a permit is submitted to the City of Tool and/or the Tarrant County Water District, the property owner must also submit an Association architectural advisory committee request form (sample shown in Appendix B), along with a copy of the documents and plans submitted to the city of Tarrant County Water District, to the Board or to the Architectural Advisory Committee (the "AAC"). (The property owner should contact a member of the AAC or the Board to obtain the current version of the approval request form.) For some minor modifications or changes to structures with the Subdivision, sketches or written descriptions may be adequate for the Association to render its decision (approval or rejection of the request). However, the Association (through its Board or its AAC) may require the additional reasonable information appropriate to the circumstances. The Association, its Board, and the AAC shall follow the processes defined in the By-Laws of the Association and shall complete its assessment and render its decision (report) to the property owner as expeditiously as possible, but under no circumstances shall this process take more than thirty (30) days from the time of receipt of the necessary information. If no report has been transmitted to the

property owner by the end of that time, it may be assumed that the project has been approved and construction may proceed.

## **ARTICLE IV      RESTRICTIONS**

### **Section 1.      Restrictions on Structures within the Subdivision**

- (a) All structures constructed or placed on property within the Subdivision shall be compliant with Texas State Laws, Henderson County Law, and the Laws and Ordinances of the City of Tool.
- (b) Only single-family dwellings are permitted on lots within the Subdivision. Multi-family dwellings (e.g., duplexes, multiplexes, apartment buildings, condominiums, etc.) are prohibited within the Subdivision.
- (c) No more than one dwelling shall be constructed, erected, or placed upon any lot within the Subdivision.
- (d) Any dwelling exceeding two stories in height or having a floor area less than one thousand (1000) square feet (excluding porches, stoops, and attached open or closed carports or garages) is prohibited within the Subdivision.
- (e) No old or used existing buildings or structures of any kind, and no part of any old or used existing building or structure, shall be moved onto or permitted to remain on any lot within the Subdivision.
- (f) All dwellings within the Subdivision must be built on-site using new material.
- (g) Flat-top or corrugated metal roofs on dwellings are prohibited within the Subdivision.
- (h) Mobile homes, single- and multiple-unit modular homes, and single- and multiple-unit manufactured homes are prohibited within the Subdivision and shall not be placed on or attached to any lot within the Subdivision.
- (i) Each residential unit (lot or multiple adjacent lots upon which a dwelling is located) may have no more than one unconnected (freestanding) storage or work building and no more than one garage or carport. Any unconnected structure (storage/work building, garage, etc.) shall not exceed six hundred (600) square feet of ground surface area. Storage/work buildings shall not be higher than one story or fifteen (15) feet above the surrounding ground level. All unconnected structures (car ports, garages, and storage/work buildings) shall be placed on, and permanently attached to, permanent foundations.
- (j) Premanufactured storage/work buildings, garages, or carports may not be installed or placed on any lot within the Subdivision without prior written approval of the Association. The property owner is required to submit adequate plans, drawings, descriptions, brochures, maps, etc. to the Board along with his request for Association approval. The Association has the right to consider the type, architecture, size, color, material, and placement of any such structure in making its decision to approve or disapprove the structure.
- (k) All premanufactured buildings must be in full compliance with the City of Tool Ordinances in effect at the time the buildings are placed within the Subdivision. It should be noted, however, that the Association limits the height of such buildings to one (1) story or no more than fifteen (15) feet above the surrounding ground level. It should also be noted that Tool, Texas limits the total amount of square footage of all buildings on a lot to no more than thirty (30) percent of the lot's "buildable area" -- the square footage of the lot remaining after the lot line setbacks have been deducted.
- (l) In keeping with the goal of maintaining a visually open residential area with minimal intrusion upon the natural beauty of the region, fencing of any kind is discouraged. No opaque screening fences are permitted in the front yard, and no fence, wall or barrier hedge of any kind in the front yard is to exceed thirty (30) inches in height (Sec 17-11). The front yard is that specific area between the dwelling and the street, regardless of how the dwelling is situated on the lot. No opaque screening fences are permitted elsewhere except for the purpose of screening small esthetically objectionable areas such as garbage collection areas, outdoor storage or work areas in association with standing buildings to which they are associated. Such opaque screening fences should be a

maximum of six (6) feet in height, and constructed of new materials appropriate for fencing and esthetically consistent with buildings and other fences of the area

- (m) Fencing of larger areas such as dog runs, enclosed children's playgrounds, locked enclosures for large valuable items such as boats or trailers, etc. must be non-opaque (chain link or equivalent).

## Section 2. Restrictions on Usage of Property within the Subdivision

- (a) All lots in the Subdivision are considered residential lots and, except for incidental professional use, shall not be used for commercial, industrial, or professional purposes.
- (b) The parking of heavy (greater than one ton carrying capacity) trucks, tractor-trailers, or heavy machinery on lots within the Subdivision except during times of construction is prohibited.
- (c) Property owners within the Subdivision have the right to rent or lease their property, or to allow other persons to occupy their property, provided they (both the property owners and occupants of their property) comply with all applicable laws and ordinances, and provisions of this Declaration. However, the Association has the right to regulate the rental and/or leasing of property within the Subdivision. See the Restrictions on Leasing Section below.
- (d) No lot (as shown on the original plat map of the Lakeway Estates Subdivision) shall be divided and resold as two or more lots. However, a lot may be divided, and each part sold/transferred to the adjacent lot owner(s). Such sale, transfer, and/or combination of lots must result in larger lots which may be later divided, provided that any such division shall not result in, or create, more lots than were originally platted or any lot(s) that are smaller than the lots originally platted.

## Section 3. Restrictions on Leasing

- (a) Renters, lessors, or occupants of property within the Subdivision are subject to, and bound by, the same provisions, requirements, and restrictions as are property owners.
- (b) Rentals in any subsidized housing is prohibited.
- (c) Property owners must provide each renter, lessor, or occupant a current copy of the pertinent portions of this Declaration before the occupation of the property begins.
- (d) Property owners must inform renters, lessors, or occupants of these requirements prior to the execution of any agreement or contract of rental or leasing of any property within the Subdivision.
- (e) Rental/leasing contracts or agreements shall be for a period of no less than six (6) months, except as specified below for short term rentals (STR's).

## Section 4. Short Term Rentals

- (a) Only property owners who are Members-in-good-standing with the Association can operate STR's.
- (b) The renting property owner must be available for contact by the Board at all times during each rental period. The Property owner's contact information (phone number, email or message address, physical location, etc.) must be made available to the Board (the President, Secretary, and/or Treasurer in particular) before and throughout each rental period.
- (c) Renting property owners are not allowed to list or advertise rental property as a "Party House."
- (d) The renting property owner is specifically responsible for informing renters and guests of pertinent Association policies, pertinent City of Tool ordinances, and pertinent rules/regulations of the Tarrant County Water Board (TPWD).

- (e) The Association will notify the renting property owner of any documented complaints during each rental period, and of any known violations of these restrictions.
- (f) The Association may, if and as specifically approved by the Membership of the Association, assess fines against a renting property owner (to be paid to the Association within 30 days) for documented and substantiated complaints pertaining to guest's behavior, or for violations of any of these restrictions.
- (g) The renting property owner may request the Association Board to adjudicate any complaint at a regularly scheduled, or specially called, Board meeting.

## **PART 4 APPENDICES**

### **APPENDIX A. PROCEDURE FOR COLLECTION OF DUES**

It is the responsibility of the Board to collect dues, assessments, and any other funds owing to the Association. To this end, the following standard procedures are set forth to assure a fair and equitable process is followed for each Member who is in arrears for funds owing to the Association.

#### **Section 1. Normal Notifications**

When annual dues and due-and-payable dates have been established by the Association Members, or the amounts and due-and-payable dates for any special or individual assessments have been established by the Association Members, the Treasurer shall provide written notification to all Members of the amounts and the due-and-payable dates. These notifications shall be sent to the Members (by hand delivery, or by regular mail) within 14 days after the meeting of the Members in which the amount and due-and-payable dates were set. This notification should include specific instructions as to how the payment can be made (e.g., by check, by direct deposit into the Association's bank account, etc.). Also included in the written notification should be any instructions that a Member should follow if that Member cannot make the payment in full by the due-and-payable date.

Approximately one week (plus or minus 2 days) before the due-and-payable date for any dues or assessments, the Treasurer shall notify (by phone, in person, or by mail) any Members who have not yet made the payment that the due-and-payable date is soon and that the payment must be received by the Association on or before that date, or the Member will be considered in arrears for the payment. The notification shall also include information about any penalties or fees that will be incurred if the payment is not received on time. It should also include information and/or instructions for the Member to follow if that Member cannot make the payment in full by the due-and-payable date.

#### **Section 2. Late Notifications, Communications, and Actions**

No later than one week after the due-and-payable dates for any dues or assessments, the Treasurer shall notify the Board of any Association Members who failed to make the payment(s) on time. The Board shall then take immediate steps to (1) notify the Member(s) that they are now considered in arrears on the payment, (2) notify the Member(s) of any late fees that will be added to the amounts due, (3) notify the Member(s) of any additional penalties or legal actions that might be taken, (4) notify the Member(s) that the Board is authorized to negotiate a late payment plan with each Member that is acceptable to both the Board and the Member-in-arrears, and (5) encourage the Member(s) to contact the Board as soon as possible to discuss the issue. The Board President, the Treasurer, and at least one additional Board member shall attempt to establish communication with each Member-in-arrears to attempt an amicable settlement of the overdue debt.

The Board is authorized to negotiate with a Member-in-arrears to work out a fair late payment plan and schedule. The specific terms of any such plan and schedule shall be at the discretion of the Board, provided that the plan and schedule specify that the amount due (including any late fees) shall be paid in full within one year.

If the Board has not been able to establish communication with a Member-in-arrears, or has not received an acceptable response from the Member-in-arrears within one month after the due-and-payable date, or has not been able to make satisfactory progress toward negotiating an acceptable late-payment plan within that period, then the Board may begin to consider taking legal actions (filing of liens, filing of suit, etc.). The Board shall also, at this time, notify the Member-in-arrears that such actions are under consideration and that in order to avoid such actions the Member-in-arrears should make the payment in full immediately. If and when the Board deems that any such legal action is necessary and advisable, the Board shall notify the Association Members and shall call a special meeting of the Members to consider the options and to decide on what, if any, action the Board should be authorized to take.

Throughout the process outlined above, the Board, the Treasurer, and any Board Members directly involved in the process shall keep complete and detailed written records of all communications, communication attempts, or other actions taken in regard to the late-payment issue. These records must be retained and maintained under the provisions of ARTICLE IX of the By-Laws.

### Section 3. Further Actions to Collect Funds-In-Arrears

At the conclusion of the process defined in Section 2 above, Members of the Association shall vote to decide upon any further actions to be taken, and shall provide specific instructions, guidance, authorization, and limitations to the Board to implement those actions. The Board shall follow the instructions, guidance, authorization, and limitations of the Association Members.



## **APPENDIX B. ARCHITECTURAL ADVISORY COMMITTEE REQUEST FORM**

The copy of the Architectural Advisory Committee Request form, on the following two pages, is a sample provided for information purposes only in order to show the type of information the AAC will need at the time a request is submitted.



LAKEWAY ESTATES  
PROPERTY OWNERS ASSOCIATION

## Architectural Advisory Committee Request Form and Instructions

Request Date: \_\_\_\_\_

### CONTACT INFO:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

APPROVAL REQUESTED (One request per project - submit separate request for each project)

☐ Fence

☐ Deck, Patio / Walkway

☐ Roof Replacement

☐ New Construction

☐ Solar Panels

☐ Other (Specify) \_\_\_\_\_

☐ Driveway

☐ Addition/Conversion \_\_\_\_\_

DESCRIPTION OF PROJECT (Additional pages and attachments as needed)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Anticipated completion date: \_\_\_\_\_

SUBMIT REQUESTS & SUPPORTING DOCUMENTS TO:

Mail:

Lakeway Estates Property Owners Association  
Architectural Advisory Committee  
P.O. Box 43264  
Seven Points, TX 75413

Email: [advisory@lakewayestates.com](mailto:advisory@lakewayestates.com)

Lakeway Estates Property Owners Association • P.O. Box 43264 • Seven Points Texas, 75413



LAKEWAY ESTATES  
PROPERTY OWNERS ASSOCIATION

## Architectural Advisory Committee Request Form and Instructions

## **APPENDIX C. Absentee Ballot**

The form on the following page must be used by Members of the Lakeway Estates POA, who **cannot** attend a Membership meeting in person, to cast an absentee ballot on specified issues/votes to be taken at such meeting(s).

Instructions for using the absentee ballot:

1. The ballot must be completed in ink. The writing on the ballot must be clear and legible so that there is no ambiguity or doubt as to the intentions of the Member submitting the ballot. Illegible or unclear ballots will not be counted.
2. To be counted, the ballot must be delivered to the Association Board (preferably the Secretary or President) no later than the day before the planned meeting. The ballot may be mailed to the POA mailing address, or to the home address of the Secretary or President. If mailed, the ballot must arrive at the Association mailing address, or to the home address of the Secretary or President, on or before the day before the planned date of the meeting. For more specific information, contact the Secretary or President by phone. The POA mailing address is:

Lakeway Estates Property Owners Association, Inc.  
P. O. Box 43264  
Seven Points, Texas 75143

3. For the purpose of verifying the validity and integrity of the ballot, the submitting member should remain readily available by phone or email from the date of submission through the date of the meeting to which the ballot applies.

# ABSENTEE BALLOT

Date: \_\_\_\_\_

This absentee ballot is made and submitted by (printed names) \_\_\_\_\_,  
who is/are Active Member(s) in good standing of the Lakeway Estates Property Owners' Association, Inc.

I/we cannot attend the meeting of the Membership of the Lakeway Estates Property Owners' Association planned  
for the date of \_\_\_\_\_, because \_\_\_\_\_.

I/we hereby submit this absentee ballot, by which I/we cast my/our one vote pertaining to specific issues  
(identified below) expected to be discussed and voted upon during that Membership meeting.

(To be counted, this ballot must arrive at the Lakeway Estates POA Board -- Secretary or President -- no later than  
the day before the planned date of the meeting.)

This absentee ballot is to be in effect from the date signed until \_\_\_\_\_, unless revoked  
or overridden by me/us prior to that time.

For the purposes of verifying of the validity and integrity of this ballot, I/we can be reached by phone  
at \_\_\_\_\_ or by email at \_\_\_\_\_

I/we cast my/our one vote as indicated below solely for the specific issue(s)/question(s) described below.

Signature(s) of Member(s) Submitting Ballot

Date signed

\*\*\*\*\*

ISSUE/QUESTION 1: (describe/name the issue/question) \_\_\_\_\_

For this specific issue/question, my/our vote is \_\_\_\_\_:  
(describe your vote) (valid examples: yes, no, in favor, not in favor, etc. ) (be as clear and concise as possible)

\*\*\*\*\*

ISSUE/QUESTION 2: (describe/name the issue/question) \_\_\_\_\_

For this specific issue/question, my/our vote is \_\_\_\_\_:  
(describe your vote) (valid examples: yes, no, in favor, not in favor, etc. ) (be as clear and concise as possible)

\*\*\*\*\*

ISSUE/QUESTION 3: (describe/name the issue/question) \_\_\_\_\_

For this specific issue/question, my/our vote is \_\_\_\_\_:  
(describe your vote) (valid examples: yes, no, in favor, not in favor, etc. ) (be as clear and concise as possible)

\*\*\*\*\*

ISSUE/QUESTION 4: (describe/name the issue/question) \_\_\_\_\_

For this specific issue/question, my/our vote is \_\_\_\_\_:  
(describe your vote) (valid examples: yes, no, in favor, not in favor, etc. ) (be as clear and concise as possible)

## **Proxy Statement Form**

The form on the following page is to be used by Members to issue proxy statements to other Members for voting during Membership meetings of the Association.

# PROXY STATEMENT

DATE: \_\_\_\_\_

This proxy statement is made and issued by (printed names) \_\_\_\_\_,  
who is/are Active Member(s) in good standing of the Lakeway Estates Property Owners' Association, Inc.

This proxy statement and its authority is to be in effect from this date until \_\_\_\_\_,  
unless revoked or overridden by me/us prior to that time.

For the purposes of verifying the validity of this proxy statement, I/we can be reached by phone  
at \_\_\_\_\_ or by email at \_\_\_\_\_.

I/we hereby issue this proxy statement, by which I/we hereby grant specific authority to

(printed name of grantee) \_\_\_\_\_

to represent me/us and to cast, on my/our behalf, one vote pertaining to issues to be discussed and voted upon  
during a Membership meeting of the Lakeway Estates Property Owners' Association, which meeting is  
planned/scheduled to take place on/about \_\_\_\_\_.

I/we understand that the grantee named above is authorized to cast my/our vote, but is **not** obligated or required to  
do so.

The granted authority **is strictly limited** to the following specified questions/issues:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\*\*\*\*\*

\_\_\_\_\_  
(printed name)

\_\_\_\_\_  
(printed name)

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(date signed)

\_\_\_\_\_  
(date signed)

\*\*\*\*\*

\_\_\_\_\_  
(printed name)

\_\_\_\_\_  
(printed name)

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(date signed)

\_\_\_\_\_  
(date signed)

## **APPENDIX D. To be determined**

We, the undersigned, being duly elected Officers and/or Directors of the Lakeway Estates Property Owners Association, Inc., do hereby state, confirm, and agree that this document was accepted, approved, and adopted by the Membership of the Association, by a majority vote greater than sixty-seven percent (67%) of the eligible voters, at or in conjunction with an official Association Membership Meeting conducted on OCT 24, 2020.

IN WITNESS WHEREOF, we subscribe and swear that the Lakeway Estates Property Owners Association, Inc. has duly executed this document on this the 28TH day of December, 2020.

By: HARRELL L DOTSON  
Name: Harrell L Dotson  
Title: ACTING PRESIDENT

By: [Signature]  
Name: David Moses  
Title: Director At Large

By: Glenda Rushing  
Name: Glenda Rushing  
Title: Treasurer

By: JACQUEL MOSES  
Name: Jacqueline Moses  
Title: Secretary

By: NONE  
Name: NONE  
Title: NONE

By: NONE  
Name: NONE  
Title: NONE

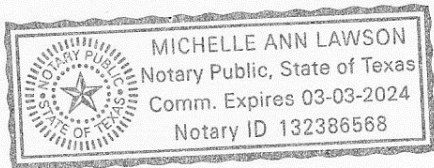
By: NONE  
Name: NONE  
Title: NONE

By: NONE  
Name: NONE  
Title: NONE

\*\*\*\*\*

THE STATE OF TEXAS §  
COUNTY OF Henderson §

This instrument was acknowledged before me on the 28th day of December, 2020 by the above identified persons, Officers or Directors of the Board of Directors of LAKEWAY ESTATES PROPERTY OWNERS, INC., a Texas nonprofit corporation, on behalf of said corporation.



Michelle Ann Lawson  
Notary Public - State of Texas

(SEAL)

My Commission Expires

03/03/2024



Henderson County  
Mary Margaret Wright  
County Clerk  
Athens, TX 75751

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Instrument Number: 2020-00020800

As

Recorded On: 12/29/2020 10:25 AM Recordings - Land

Parties: LAKEWAY ESTATES PROPERTY OWNERS ASSOCIATION INC

To: PUBLIC

Number of Pages: 41 Pages

Comment:

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(Parties listed above are for Clerks reference only)

**\*\*Examined and Charged as Follows:\*\***

Total Recording: 182.00

**File Information:**

Document Number: 2020-00020800

Receipt Number: 2020-21422

Recorded Date/Time: 12/29/2020 10:25 AM

Recorded By: Janice Hankins

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\*\*\*\*\*DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT\*\*\*\*\*

Any provision herein which restricts the Sale, Rental, or use of the described REAL PROPERTY  
because of color or race is invalid and unenforceable under federal law.

I hereby certify that this instrument was filed and duly recorded  
in the Official Records of Henderson County, Texas



A handwritten signature in cursive script, appearing to read "Mary Margaret Wright", is written over the printed name.

County Clerk  
Henderson County, Texas

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**Record and Return To:**

LAKEWAY ESTATES PROPERTY OWNERS  
PO BOX 43264

SEVEN POINTS, TX 75143

