

**AFFIDAVIT IN COMPLIANCE WITH SECTION 202.006
OF THE TEXAS PROPERTY CODE**

THE STATE OF TEXAS §
COUNTY OF KENDALL §

BEFORE ME, the undersigned authority, on this day personally appeared Sarah B. Gerdes, who, being by me duly sworn according to law, stated the following under oath:

“My name is Sarah B. Gerdes. I am over twenty-one (21) years of age and fully competent to make this affidavit. I have personal knowledge of all facts stated herein, and they are all true and correct.

I am the attorney for Esperanza Community Association, Inc., a Texas non-profit corporation (the “Association”), and I have been authorized by the Association’s Board of Directors to sign this Affidavit.

The Association is a “property owners’ association” as defined in Section 202.001(2) of the Texas Property Code.

Attached hereto are the originals of, or true and correct copies of, the following dedicatory instruments, including known amendments or supplements thereto, governing the Association, which instruments have not previously been recorded:

- 1.) **Amended and Restated Bylaws of Esperanza Community Association, Inc. Said Amended and Restated Bylaws were approved and adopted by the Declarant on May 9, 2024. The Amended and Restated Bylaws replace and supersede all prior versions of Bylaws recorded for each Section of land in Esperanza (specifically those recorded with the Declarations for each Section referenced below). The Amended and Restated Bylaws, as further amended or supplemented, shall be the only Bylaws which govern the Association.**
- 2.) **Esperanza Community Association, Inc. Resolution of Declarant adopting Landscape Design Standards and Guidelines, attached thereto, which shall apply to all Lots in the Esperanza Subdivision.**
- 3.) **Amended and Restated Rules and Regulations of the Esperanza Community Association, Inc.**
- 4.) **Esperanza Community Association, Inc. Collection Policy for Delinquent Accounts.**

The documents attached hereto are subject to being supplemented, amended or changed by the Association.

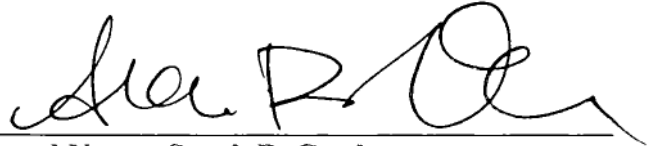
Dedicatory instruments of the Association that have already been filed in the Condominium and/or Official Public Records of Kendall County are as follows:

- 1.) Declaration of Covenants, Conditions, and Restrictions for Regency at Esperanza - Condessa (a part of Esperanza Phase 2G) September 2023, filed as Document No. 383631 on September 26, 2023, in the Official Records of Kendall County, Texas (together with all amendments and supplemental documents amendments thereto, the "Declaration Condessa 2G").

- 2.) Declaration of Covenants, Conditions, and Restrictions for Village of Quintana (a part of Esperanza Phase 2G) September 2023, filed as Document No. 383637 on September 26, 2023, in the Official Records of Kendall County, Texas (together with all amendments and supplemental documents amendments thereto, the "Declaration Quintana").
- 3.) Declaration of Covenants, Conditions, and Restrictions for Regency at Esperanza - Condessa (a part of Esperanza Phase 2F) April 2022, filed as Document No. 369129 on April 14, 2022, in the Official Records of Kendall County, Texas (together with all amendments and supplemental documents amendments thereto, the "Declaration Condessa 2F").
- 4.) Declaration of Covenants, Conditions, and Restrictions for Village of Bravada (a part of Esperanza Phase 2F) Amended and Restated March 2022, filed as Document No. 367926 on March 14, 2022, in the Official Records of Kendall County, Texas (together with all amendments and supplemental documents amendments thereto, the "Declaration Bravada").
- 5.) Declaration of Covenants, Conditions, and Restrictions for Esperanza, Phase 2A, Phase 2B, Phase 2D and Phase 2E Amended and Restated September 2020, filed as Document No. 00346496 Vol. 1793 Pg. 380 on September 18, 2020, in the Official Records of Kendall County, Texas (together with all amendments and supplemental documents amendments thereto, the "Declaration El Prado").
- 6.) Declaration of Covenants, Conditions, and Restrictions for Esperanza, Phase 2C April 2020, filed as Document No. 00341682 Vol. 1759 Pg. 741 on May 11, 2020, in the Official Records of Kendall County, Texas (together with all amendments and supplemental documents amendments thereto, the "Declaration Soledad").
- 7.) Declaration of Covenants, Conditions, and Restrictions for Esperanza, Phase 1C April 2020, filed as Document No. 00341689 Vol. 1759 Pg. 893 on May 11, 2020, in the Official Records of Kendall County, Texas (together with all amendments and supplemental documents amendments thereto, the "Declaration Lomita").
- 8.) Declaration of Covenants, Conditions, and Restrictions for the Esperanza 1.787 Acre Tract Amended and Restated August 2019, filed as Document No. 00334009 Vol. 1710 Pg. 863 on August 27, 2019, in the Official Records of Kendall County, Texas (together with all amendments and supplemental documents amendments thereto, the "Declaration Hagee Tract").
- 9.) Declaration of Covenants, Conditions, and Restrictions for Esperanza, Phase 1 and Phase 1B Amended and Restated August 2019, filed as Document No. 00333439 Vol. 1707 Pg. 148 on August 7, 2019, in the Official Records of Kendall County, Texas (together with all amendments and supplemental documents amendments thereto, the "Declaration Bella Vista/Loma Linda/Ladera/Las Brisas/Encinal").
- 10.) Amendment to Declaration Condessa 2G, Declaration Quintana, Declaration Condessa 2F, Declaration Bravada, Declaration El Prado, Declaration Soledad, Declaration Lomita, Declaration Hagee Tract and Declaration Bella Vista/Loma Linda/Ladera/Las Brisas/Encinal filed as Document No. 2024-386736 on February 14, 2024, in the Official Records of Kendall County, Texas.
- 11.) Esperanza Community Association, Inc. Resolution of Directors Regarding Assessments filed as Document No. 2024-387011 on February 27, 2024, in the Official Records of Kendall County, Texas.
- 12.) Esperanza Community Association, Inc. Resolution of Declarant adopting "The Club at Esperanza and Esperanza Common Areas – Facility User Rules and Guidelines" filed as Document No. 2024-388559 on April 29, 2024, in the Official Records of Kendall County, Texas.

13.) Declaration of Covenants, Conditions, and Restrictions for Village of Glorieta (a part of Esperanza Phase 3A), filed as Document No. 2024-389145 on May 20, 2024, in the Official Records of Kendall County, Texas.

SIGNED on this the 21st day of May 2024.



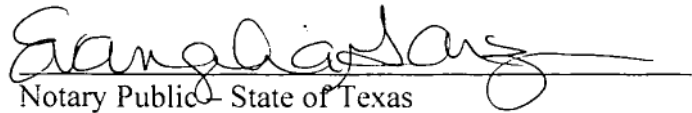
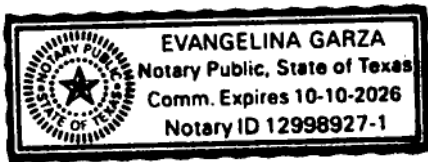
Printed Name: Sarah B. Gerdes
Attorney/ Agent for Esperanza Community Association, Inc.

VERIFICATION

THE STATE OF TEXAS §
COUNTY OF FT BEND §

BEFORE ME, the undersigned authority, on this day personally appeared Sarah B. Gerdes, who, after being duly sworn stated under oath that she has read the above and foregoing Affidavit and that every factual statement contained therein is within her personal knowledge and is true and correct.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public, on this the 21st day of May 2024.


Notary Public - State of Texas

RECORDED BY:



6548 GREATWOOD PKWY.
SUGAR LAND, TX 77479



AMENDED AND RESTATED BYLAWS OF
ESPERANZA COMMUNITY ASSOCIATION, INC.

Article I: NAME AND LOCATION

Section 1. Name. The name of the Association is “Esperanza Community Association, Inc.” hereinafter referred to as the “Association.”

Article II: DEFINITIONS

Section 2. Definitions. The definitions of all terms herein shall be the same as those in the Declaration.

Article III
MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

Section 1. Membership. The Association shall have two classes of membership, Class “A” and Class “B,” as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board either within the Property or as convenient thereto as possible and practical.

Section 3. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one year from the date of incorporation of the Association. Meetings shall be of the Voting Representatives unless specifically required by the Declaration or Bylaws. Subsequent regular annual meetings shall be set by the Board on a date and at a time set by the Board. At the option of the Board, meetings may be held in person, or by email, conference call or other electronic communication, provided that all attendees have the ability to hear (or read) all formal discussions of the meeting and have the opportunity for their input to be heard or received by all participants in the meeting.

Section 4. Special Meetings. The President may call special meetings of the Association. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board or upon a petition signed by a majority of Voting Representatives of the Association. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Association shall be delivered, either personally or by mail, fax, or email to each Voting Representative entitled to vote at such meeting, not less than 10 days nor more than 60 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. Meetings may be held telephonically or over any other electronic media.

In the case of a special meeting or when required by statute or these Bylaws, the purpose, or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Voting Representative at his or her address as it appears on the records of the Association, with postage thereon prepaid. If emailed or faxed, notice shall be deemed delivered when sent to the last known email address or the last fax number of the Voting Representative according to the Association's records.

In the case of a meeting of all Owners, notice shall be delivered in the same manner set out in this Section 5 to all Owners.

Section 6. Waiver of Notice. Waiver of notice of a meeting of the Voting Representatives shall be deemed the equivalent of proper notice. Any Voting Representative may, in writing, waive notice of any meeting of the Voting Representatives, either before or after such meeting. Attendance at a meeting by a Voting Representative shall be deemed waiver by such Voting Representative of notice of the time, date, and place thereof, unless such Voting Representative specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Voting Representatives who are present at such meeting, either in person or by alternate, may adjourn the meeting to a time not less than five nor more than 30 days from the time the original meeting was called. At the reconvened meeting, a quorum will be deemed to be present, and any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Voting Representatives in the manner prescribed for regular meetings.

The Voting Representatives present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Voting Representatives to leave less than quorum, provided that at least 25% of all Voting Representatives remain in attendance, and provided further that any action taken is approved by at least a majority of the Voting Representatives required to constitute a quorum.

Section 8. Voting. The voting rights of the members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 9. Proxies, Absentee Ballots, and Electronic Ballots. Voting Representatives may vote by proxy, absentee ballot, or electronic ballot (e-mail, facsimile, or posting on an internet website). A Voting Representative may only assign his or her proxy to another Voting Representative. Electronic votes are considered written and signed. Absentee ballots must contain each proposed action with an opportunity to vote for or against, ballot mailing or delivery instructions, and a disclaimer that the ballot will not be counted if the proposal is changed at the meeting. The Board may set deadlines for receipt of absentee ballots. The Association must offer voting via proxy or absentee ballot, but is not required to offer both.

Section 10. Majority. As used in these Bylaws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than 50% of the total eligible number.

Section 11. Quorum. Except as otherwise provided in the Bylaws or in the Declaration, the presence in person or by proxy of a majority of Voting Representatives shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary or designated managing agent shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting.

Section 13. Action Without a Meeting. Any action required by law to be taken at a meeting of the Voting Representatives, or any action which may be taken at a meeting of the Voting Representatives, may be taken without a meeting if all Voting Representatives are given notice and reasonable opportunity to vote, and written consent of a majority of all Voting Representatives is obtained. Such consent shall have the same force and effect as a vote at a meeting.

Article IV

BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

A. Composition and Selection.

Section 1. Governing Body: Composition. The affairs of the Association shall be governed by a Board, each of whom shall have one (1) vote. Except with respect to directors appointed by the Class "B" Member, the directors shall be Owners or spouses of such Owners; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of an Owner which is a corporation or partnership, the person designated in writing to the Secretary of the Association as the representative of such corporation or partnership shall be eligible to serve as the director.

Section 2. Directors During Declarant Control Period. Subject to the provision of Section 6 below and except as otherwise required by law, the directors shall be appointed by the Class "B" Member acting in its sole discretion and shall serve at the pleasures of the Class "B" Member until the first to occur of the following:

(a) when 100% of the total number of lots on the Property that Declarant intends to develop have been conveyed to persons other than the Declarant or builders holding title solely for purposes of development and sale. After such time, all Directors shall be elected by vote of the Voting Representatives. Declarant shall provide evidence that he has developed all of the Property intended to be developed by providing written notice to the Board. Only upon such written notice will the Declarant Control Period be considered to have ended; or

(b) when, in its discretion, the Class "B" Member so determines.

Notwithstanding the above, on or before the 120th day after the date 75% of the lots that may be created and made subject to the Declaration are conveyed to Owners other than a Declarant, at least one-third of the Board members must be elected by the Voting Representatives.

Section 3. Right to Disapprove Actions. This Section 3 may not be amended without the express, written consent of the Class "B" Member as long as the Class "B" membership exists.

So long as the Class "B" membership exists, the Class "B" Member shall have a right to disapprove actions of the Board and any committee, as is more fully provided in this Section. This right shall be exercisable only by the Class "B" Member, its successors, and assignees who specifically take this power in a recorded instrument. The right to disapprove shall be as follows:

No action authorized by the Board or any committee shall become effective, nor shall any action, policy, or program be implemented until and unless:

(a) The Class "B" Member shall have been given written notice of all meetings and proposed actions approved at meetings of the Board or any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time, which notice complies with the notice requisites for the Board meetings as outlined by these Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth in reasonable particularity the agenda to be followed at said meeting; and

(b) The Class "B" Member shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program to be implemented by the Board, any committee thereof, or the Association. The Class "B" Member, its representatives or agents shall make its concerns, thoughts, and suggestions known to the members of the subject committee and/or the Board. The Class "B" Member shall have and is hereby granted a right to disapprove any such action, policy, or program authorized by the Board or any committee thereof and to be taken by the Board, such committee, the Association, or any individual member of the Association, if Board, committee, or Association approval is necessary for such action. This right may be exercised by the Class "B" Member, its representatives, or agents at any time within 10 days following the meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to block proposed actions but shall not extend to the requiring of any action or counteraction on behalf of any committee, or the Board or the Association. The Class "B" Member shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 4. Number of Directors. The number of directors in the Association shall be not less than three nor more than five, as provided in Section 6 below. The initial Board shall consist of three members as identified in the Articles.

Section 5. Nomination of Directors. Except with respect to directors selected by the Class "B" Member, nominations for election to the Board shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board, and two or more Voting Representatives. The Nominating committee shall be appointed by the Board not less than 30 days prior to each annual meeting of the Voting Representatives to serve a term of one year or until their successors are appointed, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled. Nominations shall also be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Voting Representatives and to solicit votes.

Section 6. Election and Term of Office. Notwithstanding any other provision contained herein:

(a) Within 120 days after the time Class "A" Members, other than the Declarant or a builder holding title solely for purposes of development and sale, own 75% percent of the Lots on the Property that Declarant intends to develop, as evidenced by a written notice from Declarant to the Board President, the Association shall call a special meeting at which Voting Representatives shall elect one of the directors (or if the Board consists of more than three directors, the Voting Representatives shall elect directors sufficient to constitute 1/3 of the directors). The remaining directors shall be appointees of the Class "B" Member.

The director elected by the Voting Representatives shall be elected for a term of three years or until the happening of the event described in subsection (b) below, whichever is shorter. If such director's terms expire prior to the happening of the event described in subsection (b) below, a successor shall be elected for a like term. Declarant's statement that 75% of Lots intended to be developed have been sold does not

preclude Declarant from adding additional land to the property, but in such case the Class A Member's Voting Representatives may still elect the (or 1/3 of) director(s).

(b) Within 30 days after termination of the Declarant Control Period, the Association shall call a special meeting at which Voting Representatives shall elect the balance of director positions not already elected by the Voting Representatives.

(c) At the first annual meeting of the membership after the termination of the Declarant Control Period, the directors shall be selected as follows: three directors shall be elected by the Voting Representatives. Two directors shall be elected for a term of three years, and one director shall be elected for a term of two years. At the expiration of the initial term of office of each member of the Board and at each annual meeting thereafter, a successor shall be elected to serve for a term of three years. If additional members are added to the Board in accordance with these bylaws, all terms shall be similarly staggered.

The Voting Representatives from a subdivision, by majority vote, will determine how all Class A votes are voted for that subdivision, for election of directors and otherwise. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected. The directors elected by the Voting Representatives shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

Section 7. Removal of Directors and Vacancies. Any director elected by the Voting Representatives may be removed, with or without cause, by the vote of Voting Representatives holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. A director who was elected solely by the votes of Voting Representatives other than the Declarant may be removed from office prior to the expiration of his or her term only by the votes of a majority of Voting Representatives other than the Declarant. Upon removal of a director, a successor shall then and there be elected by the Voting Representatives entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Voting Representatives who has three consecutive unexcused absences from Board meetings, who is delinquent in the payment of any assessment or other charge due the Association for more than 30 days, or who is in violation of the deed restrictions may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and it may appoint a successor. However, any director appointed by the Declarant may only be removed by the Declarant, and any vacancy in a Declarant-appointed Board position may only be filled by the Declarant.

B. Meetings.

Section 1. Organizational Meetings. The initial Board as stated in the Articles shall cause the Association to be incorporated as a nonprofit corporation.

Section 2. Regular Meetings. Regular and special meetings of the Board of Director must be open to members, subject to the right of the Board to adjourn a board meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of individual members, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual members, violating any privilege, or disclosing information that was to

remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session, if any.

The Board meeting may be held by electronic or telephonic means provided that: (i) each Director may hear and be heard by every other Director; and (ii) except for any portion of the meeting conducted in executive session: (a) all owners in attendance at the meeting may hear all Directors; and (b) owners are allowed to listen using any electronic or telephonic communication method used or expected to be used by a Director to participate. The notice of the meeting includes instructions for members to access any communication method required to be accessible under Subsection (b) listed above.

Section 3. Notice to Members. Members shall be given notice of the date, hour, place, and general subject of a regular or special Board of Directors meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be:

(a) mailed to each member not later than the 10th day or earlier than the 60th day before the date of the meeting; or

(b) provided at least 144 hours for regular meetings and 72 hours for special meetings before the start of the meeting by:

1. posting the notice in a conspicuous manner reasonably designed to provide notice to the members: in a place located on the Association's Common Areas; or, with the member's consent, on other conspicuously located privately owned property within the subdivision; or on any internet website maintained by the Association or other Internet media; and

2. sending the notice by e-mail to each member who has registered an e-mail address with the Association for this purpose.

Section 4. Action Taken by the Board of Directors. The Board may take action outside of a meeting, including voting by electronic or telephonic means, without prior notice to owners under this Article, if each Director is given a reasonable opportunity, considered 48 hours, to express the Director's opinion to all other Directors and to vote. Any action taken without notice to owners under this Section must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special board meeting.

The Board of Directors may not, without prior notice to members, consider or vote on:

- (a) fines;
- (b) damage assessments;
- (c) initiation of foreclosure actions;
- (d) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
- (e) increases in assessments;
- (f) levying of special assessments;
- (g) appeals from a denial of architectural control approval; or
- (h) a suspension of a right of a particular Member before the Member has an opportunity to attend a board meeting to present the Member's position, including any defense, on the issue.

- (i) lending or borrowing money;
- (j) the adoption of amendment of a dedicatory instrument;
- (k) the approval of an annual budget or the approval of an amendment of an annual budget that increases the budget by more than 10 percent;
- (l) the sale or purchase of real property;
- (m) the filling of a vacancy on the board;
- (n) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or
- (o) the election of an officer.

Section 5. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President of the Association or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director, or (d) by fax or email. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four days before the time set for the meeting. Notices given by personal delivery, telephone, fax, or email shall be delivered, telephoned, or given by fax or email.

Section 6. Waiver of Notice. Subject to Section 6 above, the transactions of any meeting of the Board, however called and noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if: (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 7. Quorum of Board of Directors. At all meetings of the Board, a majority of the directors then serving shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 8. Compensation. No director shall receive any compensation from the Association for acting as such unless approved by Voting Representatives representing a majority of the total Class "A" vote of the Association at a regular or special meeting of the Association; provided any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 9. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary or designated managing agent shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.

Section 10. Open Meetings. Subject to the provisions of Section 1 and 12 of this Article, all meetings of the Board shall be open to all Voting Representatives, but Voting Representatives other than

directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Voting Representative may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, excluding Voting Representatives, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

Section 11. Meetings during the Declarant Control Period. Texas Property Code §209.0051(i) shall govern meeting notice requirements during the Declarant Control Period. Notice to Voting Representatives or Owners other than notice required by §209.0051 shall not be required.

C. Powers and Duties.

Section 1. Powers. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the Voting Representatives or the membership generally.

The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, in way of explanation, but not limitation:

- (a) preparation and adoption, in accordance with the Declaration, of annual budgets in which there shall be established the contribution of each Owner to the Regular Assessments, Subdivision Assessments and all other Assessments described in the Declaration for the subdivision;
- (b) making Assessments, establishing the means and methods of collecting such Assessments, and establishing the payment schedule for Assessments, if other than annual;
- (c) providing for the operation, care, upkeep, and maintenance of all of the Common Areas;
- (d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of its property and the Common Areas and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to operate the Association; provided, any reserve fund may be deposited, in the directors' best judgment, in depositories other than banks;
- (f) making and amending rules and regulations; however, during the Declarant control period, Declarant has the sole right to amend the rules and may do so as it deems necessary or appropriate;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas in accordance with the other provisions of the Declaration and these Bylaws after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Declaration of the subdivisions, these Bylaws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(k) paying the costs of all services rendered to the Association or its members and not chargeable directly to specific Owners;

(l) keeping books or online records with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(m) maintaining a membership register reflecting the names and property addresses of all members;

(n) making available to any prospective purchaser of a Lot, any Owner of a Lot, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Lot or dwelling, current copies of the Declaration, the Articles, the Bylaws, rules governing the Lot and all other books, records, and financial statements of the Association; and

(o) permitting utility suppliers to use portions of the Common Areas reasonably necessary to the ongoing development or operation of the Property.

Section 2. Management. The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board by these Bylaws. The Declarant, or an affiliate of the Declarant, may be employed as managing agent or manager.

Section 3. Accounts and Reports. An annual report consisting of at least the following shall be distributed to any member upon request within 120 days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year.

Section 4. Borrowing. The Board shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Common Areas or other purposes related to operations of the Association without the approval of the Voting Representatives of the Association.

Section 45. Rights of the Association. With respect to the Common Areas, and in accordance with the Articles and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or neighborhood and other Owners or residents' associations, both within and without the Property. Such agreements shall require the consent of a majority of all directors of the Association.

Section 6. Enforcement

(a) **Suspension of Privileges/Fines.** In the event of a violation of the Declaration, Bylaws, or any rules and regulations of the Association, the Board, acting on behalf of the Association, in addition to any other remedies provided by the Declaration, Bylaws, or rules and regulations and remedies available pursuant to State statute or other law, may (1) suspend or condition the right of an Owner and any tenants, occupants, or guests to use of facilities (including all or part of any Common Areas) owned, operated, or managed by the Association; (2) record a notice of non-compliance encumbering the Lot; (3) levy a damage assessment against a Lot; (4) levy collection or deed restriction enforcement costs against an Owner; and (5) assess a fine against the Lot and Lot Owner for the violation of Owner, his tenants, occupants, or guests in an amount to be determined by the Board.

Before the Association may suspend an Owner's right to use a Common Area, file suit against an Owner (other than a suit to collect regular or special assessments or foreclose under an Association lien), charge an Owner for property damage, or levy a fine for a violation of the restrictions (including Declaration, Bylaws, or rules), the Association must give certified mail, return receipt requested notice to the last known address of the Owner in accordance with Texas Property Code Chapter 209.

Any amounts charged to an Owner under these procedures may be collected in the same manner as assessments under the Declaration, including lien and foreclosure rights to the extent permitted by law.

(b) **Attorney's Fees.** The Association may assess reasonable attorneys' fees to an Owner's account for nonpayment of amounts due or other violations of the Declaration, Bylaws, or rules if the Owner is provided a written notice that attorney's fees and costs will be charged to the Owner if the delinquency or violation continues after a date certain.

(c) **No waiver; amendments to comply with amendments to statute.** The failure of the Association to enforce any provisions of the Declaration, Bylaws, rules, or procedures shall not constitute a waiver of the right to enforce the same thereafter. All remedies in the Declaration, Bylaws, and rules are cumulative and not exclusive.

This enforcement and notice and hearing procedure are intended to mirror the requisites of the Texas Property Code Chapter 209. At any time, the Board, by majority vote, may amend the Bylaws to comply with any changes in Chapter 209 or other state law.

(d) **Additional Enforcement Rights.** Notwithstanding anything to the contrary herein contained, the Association, acting through the Board, may elect to enforce any provision of the Declaration, these Bylaws, or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations and the maintenance, including installation or removal of, landscaping) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, the Owner shall pay all costs, including reasonable attorney's fees actually incurred.

Article V: OFFICERS AND THEIR DUTIES

Section 1. Officers. The Officers of the Association shall be a President, a Secretary, and a Treasurer, all of whom shall at all times be members of the Board.

Section 2. Election. The election of officers shall take place at the first meeting of the Board following each annual meeting of the members.

Section 3. Term. Each officer of the Association shall be elected annually by the Board and each shall hold office for approximately one year until the election of his successor, unless he shall sooner resign, be removed, or otherwise be disqualified to serve.

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

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

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The same person may hold multiple offices with the exception that the offices of President and Secretary may not be held by the same person.

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

(a) **President:** The President shall preside at all meetings of the Board; shall ensure that orders and resolutions of the Board are conducted; and shall sign all leases, mortgages, deeds, and other legal instruments.

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

(c) **Secretary:** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as required by the Board. These duties, with approval of the Board, may be delegated to the Association management company.

(d) **Treasurer:** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit or review by a third-party accountant or bookkeeper of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget for the forthcoming year and a statement of income and expenditures for the previous year, to be presented to the membership at its regular annual meeting. The Treasurer shall also be responsible for supervising billings. These duties, with approval of the Board, may be delegated to the Association management company.

(e) **Temporary Chair:** In the absence of the President and Vice-President, the Board members attending a Board meeting may elect, by majority vote, a temporary chair for that meeting.

(f) Any duties of any director or officer may be delegated to a managing agent of the Association, through management contract terms or otherwise.

Article VI: COMMITTEES

The Association shall appoint any committees required by the Declaration or these Bylaws. In addition, the Board may appoint other committees as deemed appropriate in conducting the purposes of the Association. Committee members shall serve at the pleasure of the Board unless otherwise expressly provided in the Declaration or these Bylaws.

Article VII: BOOKS AND RECORDS

The financial and corporate records of the Association shall be subject to inspection by any member in accordance with the Association's Records Production and Copying Policy.

Article VIII: ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay the Assessments which are secured to the full extent provided by law, by a continuing lien upon the Lot against which the Assessment is made. The collection and enforcement procedures shall be as set forth in the Declaration and associated collection and payment policies.

Article IX: AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the Association, by Voting Representatives holding at least a majority of all Voting Representative votes. However, during the Declarant control period, Declarant has the sole right to amend the Bylaws and may do so as it deems necessary or appropriate. The Board retains the right, without Voting Representative approval, to amend the Bylaws to conform with the Property Code.

Article X: ADDITION OF LAND

As further described in the Declaration and supplemental declaration filings, additional land may be added to the Esperanza community and the Association at any time by Declarant or an assignee of Declarant. Any such addition shall be evidenced by an appropriate filing of a supplemental declaration or other similar instrument.

Article XI: MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 2. Alternate Notice to Members. The Association may adopt a method that may be used to provide a notice from the Association to a property owner. The Association may use an alternative method to provide a notice for which another method is prescribed by law only if the owner to whom the notice is provided has affirmatively opted to allow the Association to use the alternative method of providing notice to provide to the owner notices for which another method is prescribed by law. An owner may not be required to allow the Association to use an alternative method of providing notice.

Section 3. Membership Voting Outside of a Meeting. For any vote of the members, including an election, which is not conducted at a meeting, the Association shall give notice of the vote to all owners entitled to vote on any matter under consideration. The notice shall be given not later than the 20th day before the latest date on which a ballot may be submitted to be counted.

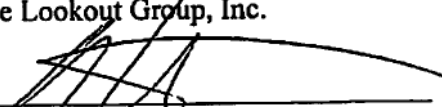
Section 14. Remote Communication Technology. The Board, at its sole discretion, may determine to hold the annual meeting or any special meeting of the Association either solely by remote communications

technology or using a hybrid of meeting in person and with remote communications technology. Notice of any meeting held in whole or in part by remote communications technology shall be provided in accordance with these Bylaws and the Texas Property Code. The Board is authorized to adopt rules and regulations governing the conduct and voting at any meeting held in whole or in part by remote communications technology as the Board shall deem necessary or advisable. At any meeting of the Association held in whole or in part by remote communications technology, where voting by electronic ballot by posting on an Internet website is allowed, voting on any matter before the members may take place during the meeting if authorized by the Board. If electronic voting by posting on an Internet website is not available for a meeting held in whole or in part by remote communications technology or the Board does not authorize electronic voting during the meeting, voting on any matter before the members may only take place prior to the commencement of the meeting, and the Board may establish a date and time prior to the commencement of the meeting after which votes cast by the members will no longer be accepted or considered valid.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed as of the 20th day of May 2024.

DECLARANT:

LOOKOUT DEVELOPMENT GROUP,
L.P., A TEXAS LIMITED PARTNERSHIP
By: The Lookout Group, Inc.

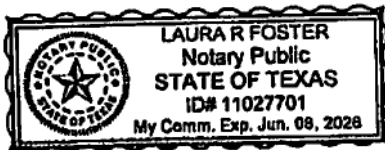
By: 
Michael D. Siefert, President

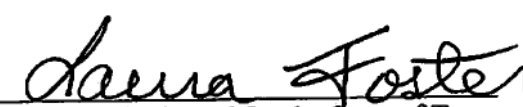
THE STATE OF TEXAS
COUNTY WILLIAMSON

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ACKNOWLEDGMENT

BEFORE ME, the undersigned notary public, on this the 20th day of May 2024, personally appeared Michael D. Siefert President of The Lookout Group, Inc., a Texas corporation. General Partner of Lookout Development Group, L.P., a Texas limited partnership, on behalf of said corporation and said partnership, and acknowledged to me that they executed the same for the purpose and in the capacity therein expressed.




Notary Public in and for the State of Texas

**Kendall County
Denise Maxwell
Kendall County
Clerk**

Instrument Number: 389175

eRecording - Real Property

AFFIDAVIT

Recorded On: May 21, 2024 03:52 PM

Number of Pages: 100

" Examined and Charged as Follows: "

Total Recording: \$417.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

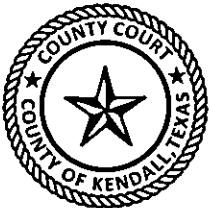
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 389175
Receipt Number: 20240521000034
Recorded Date/Time: May 21, 2024 03:52 PM
User: Paula P
Station: cclerk06

Record and Return To:

Corporation Service Company



**STATE OF TEXAS
COUNTY OF**

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Kendall County, Texas.

Denise Maxwell
Kendall County Clerk
Kendall County, TX

Denise Maxwell