BYLAWS
OF
POND HILL GARDEN VILLAS HOMEOWNERS ASSOCIATION, INC.

1. BASIC INFORMATION.

EFFECTIVE DATE: OCTOBER 20, 2017

NAME: Pond Hill Garden Villas Homeowners Association, Inc., a Texas non-profit corporation, ("Association"), established pursuant to the Declaration and evidenced by the Certificate of Formation, filed with the Secretary of State of Texas on May 11, 2017.

PRINCIPAL OFFICE: 11 Lynn Batts Lane, Suite 100, San Antonio, Bexar County, Texas 78218, or such other location in Bexar County, Texas, designated by the Board of Directors from time to time.

DECLARATION: Pond Hill Garden Villas Declaration of Covenants, Conditions, Easements and Restrictions, recorded in Volume 18814, Page 2284, Real Property Records of Bexar County, Texas, as amended, supplemented, renewed, or extended from time to time.

DEFINITIONS: Capitalized terms used but not defined herein have the meaning set forth in the Declaration.

PROPERTY: The residential Subdivision marketed under the name *Pond Hill Garden Villas* to the extent subject to and described in the Declaration, and any other properties which are subsequently annexed and made subject to the Declaration and to the authority of the Association.

TURNOVER: The effective date of expiration or termination of the Declarant Control Period and/or Declarant Development Period, as applicable in accordance with **Section 13** of the Declaration.

2. MEMBERS.

(a) ***Membership.*** Every Owner is a Member of the Association. Membership is appurtenant to and may not be separated from ownership of a Lot.

(b) ***Place of Meeting.*** Members meetings will be held at the Association's principal office or at another place designated by the Board.

(c) ***Annual Meetings.*** The first Members meeting will be held on such specific date and at such time and place as the Board may determine. Subsequent regular annual Members meetings will be held on the date set by the Board.

(d) ***Special Meetings.*** The president may call special meetings. The president must call a special meeting if directed by resolution of a majority of a quorum of the Board or by a petition signed by twenty-five percent (25%) of the Members.

(e) ***Notice of Meetings.*** Written notice stating the place, day, and hour of each Members meeting, other than a reconvened meeting, must be given to each Member not less than ten (10) nor more than fifty (50) days before the meeting. The special Members meeting notices must also state the meeting's purpose, and no business may be conducted except as stated in the notice. Notice to a Member must state the purpose of an association-wide election or vote and is deemed given when hand delivered or mailed. If mailed, notice is deemed given (whether actually received or not) when deposited with the United States Postal Service, postage prepaid.

(f) ***Waiver of Notice.*** A Member may, in writing, waive notice of a meeting. Attendance at a meeting is a waiver of notice of the meeting, unless the Member objects to lack of notice when the meeting is called to order.

(g) ***Quorum.*** Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or proxy of Owners representing ten percent (10%) of the total eligible votes in the Association shall constitute a quorum at all meetings of the Association. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment. In the event, however, a sufficient number of Members leave less than a quorum at such meeting, business may continue to be conducted. If the required quorum is not present at the initially called meeting, another meeting may be called immediately after the adjournment of the initial meeting or at a time to be determined by the Board of Directors, following the initial meeting. If the subsequent meeting shall take place within forty-eight (48) hours after the initial meeting, verbal notice conveyed to those present at the initial meeting shall be sufficient notice to satisfy all notice provisions in the Bylaws. If the subsequent meeting shall take place more than forty-eight (48) hours after the initial meeting, then the subsequent meeting shall be subject to the notice requirements in the Bylaws. The quorum requirement at the subsequent meeting shall be satisfied by the owners in attendance in person or by proxy.

(h) ***Voting.*** Members shall have one (1) vote per Lot. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot. **NOTWITHSTANDING THE FOREGOING, DURING THE DECLARANT CONTROL PERIOD, DECLARANT AND EACH BUILDER MEMBER SHALL HAVE FIVE (5) VOTES PER LOT OWNED BY THEM.**

(i) ***Majority Vote.*** Votes representing more than fifty percent (50%) of the Members present at a meeting at which a quorum is present are a majority vote.

(j) ***Proxies.*** Members may vote by written proxy.

(k) ***Conduct of Meetings.*** The president will preside over Members meetings. The secretary will keep minutes of the meetings and will record in a minutes book the votes of the Members.

(l) ***Action without Meeting.*** Any action that may be taken at a Members meeting may be taken without a meeting by written consent setting forth the action taken signed by a sufficient number of Members as would be necessary to take that action at a meeting.

3. BOARD OF DIRECTORS.

(a) ***Governing Body; Composition.*** The affairs of the Association are governed by the Board. Each director has one (1) vote. The initial Board is composed of the three (3) directors appointed in the Certificate of Formation. Prior to Turnover, directors need not be Members. After Turnover, each director must be a Member or, in the case of an entity Member, a person designated in writing to the secretary.

(b) ***Number of Directors.*** The Board consists of not less than three (3) nor more than nine (9) directors. Within those limits, the Board may change the number of directors. No decrease may shorten the term of a director.

(c) ***Term of Office.*** The initial directors shall serve until removed or replaced by Declarant or the election of a director at a meeting of Members called for such purpose after Turnover. Upon termination of the Declarant Control Period or such prior time as Declarant may elect in writing, and subject to the terms and conditions set forth in **Section 13** of the Declaration and Applicable Law, Declarant shall remove one of the appointed directors, and the Owners shall at a meeting called for such purpose elect a successor to the removed director. The first elected director shall serve a term of three (3) years. After the first election of a director, Declarant shall continue to have the authority to appoint and remove the remaining directors until such time as Declarant shall sell the last Lot it owns that is subject to the jurisdiction of the Declaration. Within one hundred twenty (120) days after the closing date of the sale of Declarant's last Lot subject to the Declaration there shall be another meeting of the Members called for the purpose of replacing the two (2) remaining directors that had been appointed by Declarant to the Board. The terms of all elected directors other than the second and third elected directors shall be for

three (3) years. The terms of the second and third elected directors shall be set by the three (3) elected Board members so that the terms of all Board members shall thereafter be staggered, such that one-third of the Board will be elected each year. In the event that the Board is not able to assign the terms of the second and third elected initial directors by agreement, those terms shall be determined by chance or random assignment. At the expiration of the terms of the second and third elected directors, their successors shall each have a term of three (3) years. Directors may serve consecutive terms. In the event the number of Directors shall be increased by amendment to the Bylaws, the additional positions created shall likewise be classified to provide for staggering terms approximating one-third of each class.

(d) ***Election.*** At each annual meeting of Members after Turnover, a successor for each director whose term is expiring will be elected. Cumulative voting is prohibited. The directors elected by the Members will hold office until their respective successors have been elected.

After the election of the third elected director, any Board members/directors must be Owners within the Subdivision. Notwithstanding anything to the contrary, until such election of the third elected director has taken place, the management of the Association shall be by Declarant and/or its agents and representatives. **FROM AND AFTER THE TIME OF THE ELECTION OF THE THIRD ELECTED DIRECTOR, THE ASSOCIATION SHALL INDEMNIFY AND HOLD DECLARANT HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS OR DAMAGES OF EVERY KIND ARISING OUT OF THE OPERATIONS OF THE ASSOCIATION AND THE DEVELOPMENT AND OPERATION OF THE COMMON AREAS.**

(e) ***Removal of Directors and Vacancies.***

(i) ***Removal by Members.*** Any director may be removed, with or without cause, by a majority of the Members. Any director whose removal is sought will be given notice of the proposed removal.

(ii) ***Removal by Board.*** Any director may be removed at a Board meeting if the director:

(A) failed to attend two (2) consecutive Board meetings;

(B) failed to attend fifty percent (50%) of Board meetings within one year;

(C) is delinquent in the payment of any Assessment for more than thirty (30) days; or

(D) is the subject of an enforcement action by the Association for violation of the Governing Documents.

(iii) ***Vacancies.*** A director's position becomes vacant if the director dies, becomes incapacitated, resigns, or is no longer a Member.

(iv) ***Successors.*** If a director is removed or a vacancy exists, a successor will be elected by the remaining directors for the remainder of the term.

(f) ***Compensation.*** Directors will not receive compensation. A director may be reimbursed for expenses approved by the Board.

(g) ***Fidelity Bonds.*** The Board may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums for such bonds shall be paid by the Association.

(h) ***Powers.*** The Board has all powers necessary to administer the Association's affairs in accordance with the Governing Documents and Applicable Law.

(i) ***Management.*** The Board may employ a managing agent. Declarant, or an affiliate of Declarant, may be the managing agent, and any expenses incurred in such management shall be reimbursed to Declarant by the Association, including, without limitation, the cost of Declarant or its agents and representatives for the time spent in the management of the Association.

(j) ***Accounts and Reports.*** Accounting and controls must conform to good accounting practices. Accounts will not be commingled with accounts of other persons. The following financial reports will be prepared at least annually:

(i) An income statement reflecting all income and expense activity for the preceding period.

(ii) A statement reflecting all cash receipts and disbursements for the preceding period.

(iii) A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format.

(iv) A balance sheet as of the last day of the preceding period.

(v) A delinquency report listing all Owners who are delinquent by more than thirty (30) days in paying any Assessment and describing the status of any action to collect those delinquent Assessments.

(k) ***Borrowing.*** The Board may borrow money to maintain, repair, or restore the Common Areas without the approval of the Members. If approved in advance by the Members in the same manner as approving a Special Assessment, the Board may borrow money for any other purpose.

(l) ***Rights of Association.*** With respect to the Common Areas, and in accordance with the Declaration, the Association will have the right to contract with any person for the performance of various duties and functions. Such agreements require the approval of the Board.

(m) ***Enforcement Procedures.***

(i) ***Notice.*** Before the Board may (1) suspend an Owner's right to use a Common Area, (2) file a suit against an Owner other than a suit to collect any Assessment, (3) foreclose the Association's lien, (4) charge an Owner for property damage, or (5) levy a fine for a violation of the Governing Documents, the Association or its agent must give written notice to the Owner by certified mail, return receipt requested. The notice must describe the violation or property damage that is the basis for the suspension action, charge, or fine and state any amount due the Association from the Owner. The notice also must (1) inform the Owner that if the violation is curable and does not pose a threat to public health or safety, which means it could not materially affect the health or safety of an ordinary person, the Owner is entitled to a reasonable period to cure the violation and avoid the fine or suspension unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months; (2) indicate that the Owner may request a hearing in accordance with Texas Property Code Section 209.007 on or before the thirtieth (30th) day after the date the notice was mailed to the Owner; (3) state that the Owner may have special rights if the Owner is serving on active military duty; and (4) state that the date by which the Owner must cure a curable violation that does not pose a threat to public health and safety.

(ii) ***Hearing.*** If the Owner is entitled to an opportunity to cure the violation, the Owner has the right to submit a written request for a hearing to discuss and verify facts and resolve the matter in issue before a committee appointed by the Board or before the Board if the Board does not appoint a committee. If a hearing is to be held before a committee, the notice must state that the Owner has the right to appeal the committee's decision to the Board by written notice to the Board.

The Association must hold a hearing under this **Section** not later than the thirtieth (30th) day after the date the Board receives the Owner's request for a hearing and must notify the Owner of the date, time, and

place of the hearing not later than the tenth (10th) day before the date of the hearing. The Board or the Owner may request a postponement, and, if requested, a postponement will be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. The Owner or the Association may make an audio recording of the meeting.

The hearing will be held in executive session affording the alleged violator a reasonable opportunity to be heard. Before any sanction hereunder becomes effective, proof of proper notice will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered the notice. The notice requirement will be satisfied if the alleged violator appears at the meeting. The minutes of the meeting will contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board may, but will not be obligated to, suspend any proposed sanction if the violation is cured within a ten (10) day period. Such suspension will not constitute a waiver of the right to sanction violations of the same or other provisions and rules by any person.

(iii) ***Appeal.*** Following hearing before a committee, if any, the violator will have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the managing agent, if any, president, or secretary within ten (10) days after the hearing date.

(iv) ***Changes in Law.*** The Board may change the enforcement procedures set out in this **Section** to comply with changes in Applicable Law.

4. BOARD MEETINGS.

(a) ***Meetings.*** Except as permitted by Applicable Law, all regular and special meetings of the Board must be open to the Members. Except for a meeting held by electronic or telephonic means, a Board meeting must be held in a county in which all or part of the property in the Subdivision is located or in a county adjacent to that county. A Board meeting may be held by electronic or telephonic means, provided all Members and directors have access to the communication at the meeting as required by Applicable Law.

(b) ***Notice.*** Members and directors must be given notice of the date, hour, place, and general subject of a regular or special Board meeting, including a general description of any matter to be brought up for deliberation in executive session. Notice must be given as required by Applicable Law.

(c) ***Waiver of Notice.*** The actions of the Board at any meeting are valid if (a) a quorum is present and (b) either proper notice of the meeting was given to each director or a written waiver of notice is given by any director who did not receive proper notice of the meeting. Proper notice of a meeting will be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of proper notice.

(d) ***Quorum of Board.*** At all meetings, a majority of the Board will constitute a quorum, and the votes of a majority of the directors present at a meeting at which a quorum is present constitutes the decision of the Board. If the Board cannot act because a quorum is not present, a majority of the directors who are present may adjourn the meeting to a date not less than three (3) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business that may have been transacted at the meeting originally called may be transacted without further notice.

(e) ***Conduct of Meetings.*** The president will preside at Board meetings. The secretary will keep minutes of the meetings and will record in a minute book the votes of the directors. The Board meeting will be conducted as required by Applicable Law.

(f) ***Proxies.*** Directors may vote by written proxy.

(g) ***Action without Meeting.*** Any action that may be taken at a Board meeting may be taken without a meeting by written consent setting forth the action taken signed by a sufficient number of the Board as would be necessary to take that action at a meeting.

5. OFFICERS.

(a) ***Officers.*** The officers of the Association are a president, vice president, secretary, and treasurer. Prior to Turnover, the officers need not be Members. After Turnover, the officers of the Association must be elected from the Members. The Board may appoint other officers having the authority and duties prescribed by the Board. Any two or more offices may be held by the same person, except the offices of president and secretary.

(b) ***Election, Term of Office, and Vacancies.*** Officers will be elected annually by the Board at the first meeting of the Board following each annual meeting of the Members. A vacancy in any office may be filled by the Board for the unexpired portion of the term.

(c) ***Removal.*** The Board may remove any officer whenever, in the Board's judgment, the interests of the Association will be served thereby.

(d) ***Powers and Duties.*** Officers have such powers and duties as are generally associated with their respective offices and as may be specifically conferred by the Board. The president is the chief executive officer of the Association. The treasurer has primary responsibility for the preparation of the budget and financial reports and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

(e) ***Resignation.*** Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Resignation takes effect on the date of the receipt of the notice or at any later time specified in the notice.

6. COMMITTEES. The Board may establish committees by resolution and authorize the committees to perform the duties described in the resolution. Prior to Turnover, Declarant shall appoint the members of the Architectural Review Committee. After Turnover, the Board shall appoint the members of the Architectural Review Committee.

7. INDEMNIFICATION. To the fullest extent permitted by Applicable Law, but without duplication, and subject to any rights or benefits arising under the Certificate of Formation, these Bylaws, the Declaration, or any other Governing Documents, the Association will indemnify any person who was, or is, a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal administrative or investigative, by reason of the fact that he is, or was, a director, officer, committee member, employee, servant or agent of the Association, against expenses, including attorneys' fees, court and other costs reasonably incurred by him in connection with such action, suit or proceeding, if it is found and determined by the Board or a Court that he (1) acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, or (2) with respect to any criminal action or proceeding, has no reasonable cause to believe that his conduct was unlawful. The Board may purchase and maintain, at the expense of the Association, insurance on behalf of any person who is acting as a director, officer, committee member, employee, servant or agent of the Association against any liability asserted against him or incurred by him in any such capacity, or arising out of his status of such, whether or not the Association would have the power to indemnify him against such liability or otherwise.

8. DECLARANT'S RESERVED RIGHTS. Pursuant to **Section 13** of the Declaration, Declarant has reserved certain rights and privileges with respect to the Property. In accordance with **Section 9(c)** herein, in the event of any conflict or inconsistency between the terms of these Bylaws and **Section 13** of the Declaration with respect to Declarant's Reserved Rights, the terms of the Declaration shall govern and control.

9. MISCELLANEOUS.

(a) ***Fiscal Year.*** The Board may establish the Association's fiscal year by resolution. In the absence of a Board resolution determining otherwise, the Association's fiscal year is a calendar year.

(b) ***Rules for Meeting.*** The Board may adopt rules for the conduct of meetings of Members, Board, and committees.

(c) ***Interpretation.*** In the event of any conflict between the terms of the Certificate of Formation and these Bylaws, the terms of the Certificate of Formation shall govern and control. In the event of conflict between the provisions of the Declaration and these Bylaws, the provisions of the Declaration shall govern and control. Accordingly, any amendment to the Certificate of Formation or the Declaration shall be deemed to amend these Bylaws as of the adoption of such amendment to the Certificate of Formation or Declaration, to the extent of any conflict with the terms hereof, but the Board, when it shall become aware of such amendment and conflict, shall promptly adopt such amendment to these Bylaws as may be necessary to conform these Bylaws to the terms of the Certificate of Formation and/or Declaration, as amended.

(d) ***Inspection of Books and Records.***

(i) ***Inspection by Member.*** After a written request to the Association, a Member may examine and copy, in person or by agent, any Association books and records relevant to that purpose. The Board may establish rules concerning the (1) written request; (2) hours, days of the week, and place; and (3) payment of costs related to a Member's inspection and copying of books and records.

(ii) ***Inspection by Director.*** A director has the right, at any reasonable time, and at the Association's expense, to (1) examine and copy the Association's books and records at the Association's Principal Office and (2) inspect the Association's properties.

(e) ***Notices.*** Any notice required or permitted by the Governing Documents must be in writing. Notices regarding enforcement actions must be given by certified mail, return receipt requested. All other notices may be given by regular mail. Notice is deemed delivered (whether actually received or not) when properly deposited with the United States Postal Service, addressed to (1) a Member at the Member's last known address according to the Association's records; and (2) the Association, the Board, or a managing agent at the Association's Principal Office or another address designated in a notice to the Members. Unless otherwise required by Applicable Law or the Governing Documents, actual notice, however delivered, is sufficient.

(f) ***Amendment.*** These Bylaws may be altered, amended, or repealed at any meeting of the Board at which a quorum is present by the affirmative vote of a majority of the Directors present at such meeting, or by the Members, if that power is exclusively reserved to them. The Board may not amend, appeal, or readopt a bylaw to the extent that Applicable Law, the Certificate of Formation, or the Governing Documents expressly provide that the Board may not do so. This provision will not be construed as limiting the Board's power to amend the enforcement procedures to comply with changes in Applicable Law.

(g) ***Non-Profit Organization.*** This Association is not organized for profit. No member, director or person from whom the Association may receive any properties or funds shall receive, or be lawfully entitled to receive, any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board of Directors; provided, however that (a) reasonable compensation may be paid to any member while acting as an agent or employee of the Association for services rendered in affecting one or more of the purposes of the Association, and (b) any director may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

INITIAL DIRECTORS:

EUGENE PATILLO, Director

DAVID RITTENHOUSE, Director

BRENDA ARMSTRONG, Director

File Information

eFILED IN THE OFFICIAL PUBLIC eRECORDS OF BEXAR COUNTY
LUCY ADAME-CLARK, BEXAR COUNTY CLERK

Document Number:	20190252497
Recorded Date:	December 13, 2019
Recorded Time:	8:05 AM
Total Pages:	16
Total Fees:	$82.00

**** THIS PAGE IS PART OF THE DOCUMENT ****

**** Do Not Remove ****

Any provision herein which restricts the sale or use of the described real property because of race is invalid and unenforceable under Federal law

STATE OF TEXAS, COUNTY OF BEXAR

I hereby Certify that this instrument was eFILED in File Number Sequence on this date and at the time stamped hereon by me and was duly eRECORDED in the Official Public Record of Bexar County, Texas on: 12/13/2019 8:05 AM

COUNTY CLERK BEXAR COUNTY, TEXAS

Lucy Adame-Clark
Lucy Adame-Clark
Bexar County Clerk