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**NOTICE OF DEDICATORY INSTRUMENTS
FOR
VILLAS AT KINGS HARBOR HOMEOWNERS ASSOCIATION, INC.**

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

The undersigned, being the authorized representative of Villas at Kings Harbor Homeowners Association, Inc., a property owners' association as defined in Section 202.001 of the Texas Property Code (the "**Association**"), hereby certifies as follows:

1. **Property:** The Property to which the Notice applies is described as follows:
All lots within Villas at Kings Harbor, a subdivision in Harris County, Texas according to the map or plat thereof recorded under Film Code No. 610223 of the Map Records of Harris County, Texas.
2. **Restrictive Covenants.** The description of the document(s) imposing restrictive covenants on the Property, and the recording information for such document(s) are as follows:
 - a. Document:
 - i. Declaration of Covenants, Conditions, and Restrictions of Kings Harbor Center, Sections One and Two;
 - ii. Declaration of Covenants, Conditions and Restrictions for Kings Harbor;
 - iii. Declaration of Covenants, Conditions, Restrictions and Easements for the Villas at Kings Harbor Townhomes; and
 - iv. Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for the Villas at Kings Harbor Townhomes.
 - b. Recording Information:
 - i. Harris County Clerk's File No. S850825;
 - ii. Harris County Clerk's File No. Z466373;
 - iii. Harris County Clerk's File No. 20070511311; and
 - iv. Harris County Clerk's File No. 20120201195, respectively.
3. **Dedicatory Instrument(s).** In addition to the Restrictive Covenants identified in paragraph 2, above, the following documents are Dedicatory Instruments governing the Association:
 - Certificate of Formation of Villas at Kings Harbor Homeowners Association, Inc.
 - Bylaws of Villas at Kings Harbor Homeowners Association, Inc.
 - Standby Electric Generator Policy for Villas at Kings Harbor Homeowners Association, Inc.

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This Notice is being recorded in the Official Public Records of Real Property Records of Harris County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Notice is true and correct and that the

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Dedictory Instruments attached to this Notice are either the originals or true and correct copies of the originals.

Executed on this 28th day of December, 2015.

VILLAS AT KINGS HARBOR HOMEOWNERS ASSOCIATION, INC.

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By: *Rick S. Butler*
Rick S. Butler, authorized representative

THE STATE OF TEXAS

COUNTY OF HARRIS

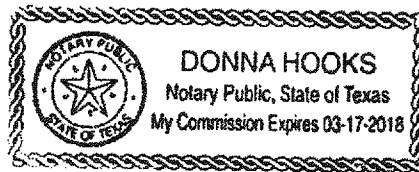
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BEFORE ME, the undersigned notary public, on this day personally appeared Rick S. Butler, authorized representative of Villas at Kings Harbor Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this the 28th day of December, 2015, to certify which witness my hand and official seal.

Donna Hooks

Notary Public in and for the State of Texas



Return to:

Rick S. Butler
Roberts Markel Weinberg Butler Hailey, P.C.
2800 Post Oak Blvd., Suite 5777
Houston, TX 77056

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CERTIFICATE OF FORMATION

OF

Corporations Section

VILLAS AT KINGS HARBOR HOMEOWNERS ASSOCIATION, INC.

I, the undersigned, being of the age of eighteen years or more, acting as incorporator of a corporation do hereby adopt the following Certificate of Formation for such corporation.

Article 1. Name. The name of the corporation is Villas at Kings Harbor Homeowners Association, Inc. (the "Association").

Article 2. Principal Office. The initial principal office of the Association is located at 7676 Woodway, Suite 104, Houston, Texas 77063.

Article 3. Duration. The Association shall have perpetual duration.

Article 4. Applicable Statute. The corporation is organized pursuant to the provisions of Chapters 20 and 22, and the provisions of Title 1 applicable to nonprofit corporations of the *Texas Business Organizations Code*, as it may be amended (the "Act").

Article 5. Defined Terms. Capitalized terms used in this Certificate of Formation and not otherwise defined in this Certificate shall have the meanings set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Villas at Kings Harbor Townhomes executed by Land Development Company, Ltd. and recorded or to be recorded in the Official Public Records of Real Property of Harris County, Texas, as it may be amended (the "Declaration").

Article 6. Purposes and Powers. The Association does not contemplate pecuniary gain or profit, direct or indirect, to its members.

(a) By way of explanation and not limitation, the purposes for which the Association is formed are:

(i) to be and constitute the Association to which reference is made in the Declaration, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the By-Laws of the Association ("By-Laws"), and as provided by law; and

(ii) to provide an entity for the furtherance of the interests of the owners of the property which is subject to the Declaration (the "Properties").

(b) In furtherance of its purposes, the Association shall have the following powers, which, unless indicated otherwise by the Declaration or By-Laws, may be exercised by its board of directors:

(i) all of the powers conferred upon nonprofit corporations by common law and the statutes of the State of Texas in effect from time to time;

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(ii) all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in this Certificate, the By-Laws, or the Declaration, including, without limitation, the following:

(1) to fix and to collect assessments and other charges to be levied pursuant to the Declaration;

(2) to manage, control, operate, maintain, repair, and improve property subject to the Declaration or any other property as to which the Association has a right or duty to provide such services pursuant to the Declaration, By-Laws, or any covenant, easement, contract, or other legal instrument;

(3) to enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration, By-Laws, or other recorded covenant;

(4) to engage in activities which will actively foster, promote, and advance the common interests of all owners of property subject to the Declaration;

(5) to buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association;

(6) to borrow money for any purpose;

(7) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other association, corporation, or other entity or agency, public or private;

(8) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests of such corporations, firms, or individuals;

(9) to adopt, alter, and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the affairs of the Association; provided, however, such By-Laws may not be inconsistent with or contrary to any provisions of the Declaration; and

(10) to provide any and all services to the Properties and adjacent properties as the Board of Directors may determine to be necessary or desirable to supplement the services provided by local government.

(c) The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article 6 are

independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provisions of this Article 6. None of the objects or purposes set out above shall be construed to authorize the Association to do any act in violation of the Act, and all such objects or purposes are subject to the Act.

Article 7. Membership. The Association shall be a membership corporation without certificates or shares of stock. The Declarant, for such period as is specified in the Declaration, and each Person who is the Owner of a Lot within the Properties, shall be a member of the Association and shall be entitled to such voting rights and membership privileges as are set forth in the Declaration and the By-Laws.

Article 8. Board of Directors. The business and affairs of the Association shall be conducted, managed, and controlled by a board of directors (the "Board of Directors" or "Board"). The Board may delegate its operating authority to such corporations, individuals, and committees as it, in its discretion, may determine.

The Board of Directors shall consist of not less than three nor more than five directors, as determined in accordance with the By-Laws. The initial Board of Directors shall consist of three directors. The names and addresses of the members of the initial Board of Directors, who shall hold office until their successors are elected and have qualified, or until their resignation or removal, are as follows:

Tim Harrington	7676 Woodway, Suite 104, Houston, Texas 77063
Wade Bradow	7676 Woodway, Suite 104, Houston, Texas 77063
Chris Turner	7676 Woodway, Suite 104, Houston, Texas 77063

The number, the method of selection, removal, and filling of vacancies on the Board of Directors, and the term of office of members of the Board of Directors, shall be as set forth in the By-Laws.

Article 9. Indemnification of Directors. The Association shall indemnify its officers, directors and committee members as and to the extent required by the By-Laws. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director of the Association for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

Article 10. Dissolution. The Association may be dissolved only upon a resolution duly adopted by its Board of Directors and approved by the affirmative vote of two-thirds (2/3) of the members of the Association who are present in person or by proxy at a meeting of the members called for this purpose. In addition, so long as the Declarant owns any property subject to the Declaration, the written consent of the Declarant shall be required. The Association is authorized, upon its winding up, to distribute its assets in a manner other than as provided by Section 22.304 of the Act, in accordance with a plan of distribution adopted pursuant to Chapter 22 of the Act, which plan may but shall not require distribution of the remaining property of the

Association for tax-exempt purposes to an organization exempt under Section 501(c)(3), Internal Revenue Code, or described by Section 170(c)(1) or (2), Internal Revenue Code.

Article 11. Merger and Consolidation. The Association may merge or consolidate only upon a resolution duly adopted by its Board of Directors and by the affirmative vote of two-thirds (2/3) of the members of the Association who are present in person or by proxy at a meeting of the members called for this purpose. In addition, so long as the Declarant owns any property subject to the Declaration, written consent of the Declarant shall be required.

Article 12. Amendments. This Certificate of Formation may be amended only upon a resolution duly adopted by the Board of Directors and approved by the affirmative vote of members entitled to cast two-thirds (2/3) of the votes of the members of the Association who are present in person or by proxy at a meeting of the members called for this purpose. In addition, so long as the Declarant owns any property subject to the Declaration, the consent of the Declarant shall be required for any amendment of this Certificate of Formation. Written notice containing the proposed amendment or a summary of the changes to be effected by the amendment shall be given to each member entitled to vote on such amendment within the time and in the manner provided in the By-Laws for giving notice of a meeting to the members.


Article 13. Registered Agent and Office. The initial registered office of the Corporation is at 3 Greenway Plaza, Suite 2000, Houston, Texas 77046, and the initial registered agent at such address is Richard L. Rose.

Article 14. Effective Date. This Certificate of Formation shall become effective when filed by the Secretary of State for the State of Texas.

Article 15. Incorporator. The name and address of the incorporator are as follows:

Richard L. Rose
Coats, Rose, Yale, Ryman & Lee, P.C.
3 Greenway Plaza, Suite 2000
Houston, Texas 77046

IN WITNESS WHEREOF, the undersigned signs this document the 13th day of August, 2007 subject to the penalties imposed by law for the submission of materially false or fraudulent instrument.


Richard L. Rose, Incorporator

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**BY-LAWS
OF THE
VILLAS AT KINGS HARBOR HOMEOWNERS ASSOCIATION, INC.**

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BY-LAWS
OF
VILLAS AT KINGS HARBOR HOMEOWNERS ASSOCIATION, INC.

Article I

Name, Principal Office, and Definitions

- A. Name. The name of the Association shall be Villas at Kings Harbor Homeowners Association, Inc. (hereinafter sometimes referred to as the "Association").
- B. Principal Office. The principal office of the Association shall be located in Harris County, Texas.
- C. Definitions. The words used in these By-Laws which are not defined herein shall have the same meanings as set forth in that certain Declaration of Covenants, Conditions, Restrictions and Easements for Villas at Kings Harbor executed by Land Development Company, Ltd., and recorded in the Official Records of Harris County, Texas (said Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration").

Article II

Membership, Meetings, Quorum, Voting, Proxies

- A. Membership. The Association shall initially have two (2) classes of membership, Class "A" and Class "B", as more fully set forth in the Declaration and specifically incorporated herein by reference.
- B. Place of Meetings. Meetings of the Members of the Association shall be held at the principal office of the Association or at such other suitable place as may be designated by the Board of Directors.
- C. Annual Meetings. The first meeting of the Members of the Association, whether a regular or special meeting, shall be held within one (1) year after the date on which the first residence in the Property is conveyed to a home owner. Subsequent regular annual meetings shall be set by the Board.
- D. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Members of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least twenty (20%) of

the total Class "A" votes of the Association or the Declarant. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof.

E. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than sixty (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. Such notice must contain a description of the topics or issues to be discussed.

In the case of a special meeting or when required by statute or these By-Laws, 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 Members at his or her address as it appears on the records of the Association, with postage thereon prepaid.

F. Waiver of Notice. Waiver of notice of a meeting shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member 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.

G. Adjournment of Meetings. If any meeting of the Members cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by alternate, may adjourn the meeting to a time not less than five (5) nor more than sixty (60) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business that 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 the Members in the manner prescribed for regular meetings.

H. Voting and Proxies. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein. Members may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

I. Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other groups as the context may indicate totaling more than fifty (50%) percent of the total eligible number.

J. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence in person or by proxy of Members entitled to cast ten percent (10%) of the votes of each class of the Members shall constitute a quorum at all meetings of the Members. If a quorum is not present at a meeting and the meeting is reconvened to a later date as specified in Section II(G) above, the requirement for a quorum at the reconvened meeting shall be reduced to 50% of the requirement for the meeting at which a quorum was not present.

K. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting and all transactions occurring at the meeting.

L. Action Without a Meeting. Any action required by law to be taken at a meeting of the Association or any action that may be taken at a meeting of the Association, may be taken without a meeting if written consent setting forth the action so taken is signed by all of the Members entitled to vote with respect to the subject matter thereof, and any such consent shall have the same force and effect as a unanimous vote of the Members.

Article III

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 of Directors, each of whom shall have one (1) vote. Directors are not required to be Members.

Section 2. Number of Directors. The number of directors in the Association shall be not less than three (3). The initial Board shall consist of three (3) members as identified in the Certificate of Formation.

Section 3. Appointment and Election of Directors.

(a) During the period prior to the termination of the Class "B" Membership (the "Class B Control Period"), all members of the Board of Directors shall be appointed by the Declarant.

(b) At the first annual meeting of the Members after the expiration of the Class B Control Period, the Members shall elect three (3) directors, one to serve a one-year term and two to serve a two-year term. At each annual meeting thereafter, the Members shall elect the number of directors whose terms are expiring to serve a term of two (2) years.

Section 4. Nomination of Directors. After the expiration of the Class B Control Period, nominations for election to the Board of Directors may be made by a Nominating Committee. If created, the Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the Members to serve a term of one (1) 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 of Directors as it shall in its discretion determine but in no event less than the number of positions to be filled. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 5. Removal of Directors and Vacancies. Any director may be removed, with or without cause, by the Declarant during the Class B Control Period and thereafter by the Members at a meeting called for such purpose. Any director whose removal is sought by vote of the Members after the expiration of the Class B Control Period shall be given notice prior to any meeting called for that purpose. Upon removal of a director during the Class B Control Period, a successor shall be designated by the Declarant. Thereafter, the successor to a removed director shall be designated by the remaining directors. The replacement director shall serve for the remainder of the term of the removed director.

Any director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present.

In the event of the death, disability, removal or resignation of a director during the Class B Control Period, the Declarant shall appoint a successor. In such event thereafter, the remaining members of the Board shall appoint a successor.

Section 6. Right To Disapprove Actions. This Section 6 may not be amended without the express, written consent of the Declarant as long as the Class "B" Membership exists.

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So long as the Class "B" Membership exists, the Declarant 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 Declarant, its successors, and assigns who specifically take this power in a recorded instrument. The right to disapprove shall be as follows:

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

(a) The Declarant 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 the Declarant has registered with the Secretary of the Association, as it may change from time to time; and

(b) The Declarant 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 Declarant, its representative or agents shall make its concerns, thoughts, and suggestions known to the members of the subject committee and/or the Board. The Declarant shall have and is hereby granted a right to disapprove any such action, policy, or program authorized by the Board of Directors 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 Declarant, its representatives, or agents at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof. The Declarant shall not use its right to disapprove to reduce the level of services that the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

B. Meetings.

Section 1. Organizational Meetings. The first meeting of the Board of Directors following each annual meeting of the Members shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

Section 2. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of the time and place of the meeting shall be communicated to the directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

Section 3. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any two (2) directors. The notice shall specify the time and place of the meeting. 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 telegram, charges prepaid. 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 (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

Section 4. Waiver of Notice. The transaction of any meeting of the Board of Directors, however called and noticed or 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 5. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors 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 of Directors. 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 (5) 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 might have been transacted at the meeting originally called may be transacted without further notice.

Section 6. Compensation. No director shall receive any compensation from the Association for acting as such; provided, however, that a director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 7. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings.

Section 8. Open Meetings. Subject to the provisions of Section B(9) of this Article, all meetings of the Board shall be open to all Members, but Members 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 Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in executive session, excluding Members, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

Section 9. Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

Section 1. Powers. The Board of Directors 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.

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

In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors 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) preparing and adopting of annual budgets;
- (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 Common Area, if any;
- (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 Area, if any, 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 that it shall approve, and using the proceeds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;

(f) making and amending rules and regulations;

(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 Area, if any, in accordance with the other provisions of the Declaration and these By-Laws after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations adopted by the Association and bringing any proceedings that may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities and paying the premium cost thereof;

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

(l) keeping books 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, in alphabetical order, the names, property addresses and mailing addresses of all Members;

(n) making available to any prospective purchaser, any Owner, any mortgagee, and the holders, insurers, and guarantors of a mortgage, current copies of the Declaration, the Certificate of Formation, the By-Laws, rules governing the Property and all other books, records, and financial statements of the Association; and

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

Section 2. Management. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these By-Laws to the extent permitted by law.

Section 3. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

(a) Accrual accounting, as defined by generally accepted accounting principles, shall be employed.

(b) Accounting and controls should conform to generally accepted accounting principles.

(c) Cash accounts of the Association shall not be commingled with any other accounts.

(d) No remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association.

(e) Any financial or other interest that the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors.

(f) Commencing at the end of the month in which the first Lot is sold and closed, financial reports shall be prepared for the Association at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(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;

and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments that remain delinquent.

Section 4. Borrowing. The Board of Directors shall have the power to borrow money for any purpose without the approval of the Members of the Association except as may otherwise be specified in the Certificate of Formation or the Declaration.

Section 5. Rights of the Association. With respect to the Common Area, if any, and in accordance with the Certificate of Formation and the Declaration, the Association shall have the right to contract with any person or entity 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 other property owner or resident associations, both within and without the Property. Such agreements shall require the consent of a majority of the total number of directors of the Association.

Section 6. Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner; and to suspend an Owner's right to vote or any person's right to use the Common Area, if any, for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted by the Association; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Lot. In addition, the Association shall be entitled to suspend any services provided by the Association to a Lot in the event that the Owner of such Lot is more than thirty (30) days delinquent in paying any assessment due to the Association. In the event that an occupant, guest or invitee of a Lot violates the Declaration, By-Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these By-Laws, 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) 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, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred.

Article IV

Officers

A. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The President shall be a member of the Board. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

B. Election, Term of Office and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

C. Removal. Any officer may be removed, with or without cause, by a majority vote of the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

D. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration 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 of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

F. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or such other person or persons as may be designated by resolution of the Board of Directors.

Article V

Committees

A. General. The Board of Directors is hereby authorized to establish committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Each committee established by the Board shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee and such rules as are adopted by the Board of Directors.

Article VI

Miscellaneous

A. Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

B. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Texas law, the Certificate of Formation, the Declaration, or these By-Laws.

C. Conflicts. If there are conflicts between the provisions of Texas law, the Certificate of Formation, the Declaration, and/or these By-Laws, then the provisions of Texas law, the Declaration, the Certificate of Formation, and the By-Laws (in that order) shall prevail.

D. Books and Records.

1. Inspection by Members and Mortgagees. The Declaration, By-Laws, and Certificate of Formation, any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any holder, insurer or guarantor of a first mortgage on a Lot, Member of the Association, or by the duly appointed representative of any of the foregoing at any reasonable time during normal business hours at the office of the Association or at such other place as the Board shall prescribe.

2. Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of records;

(ii) hours and days of the week when such an inspection may be made; and

(iii) payment of the cost of reproducing copies of documents requested.

3. Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical property owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association.

E. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first-class postage pre-paid:

(a) if to a Member, at the address that the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

F. Amendment. These By-Laws may be amended at any time by the majority vote of the Board of Directors with the approval, during the Class B Control Period, of the Declarant. No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.

**STANDBY ELECTRIC GENERATOR POLICY
FOR
VILLAS AT KINGS HARBOR HOMEOWNERS ASSOCIATION, INC.**

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, Kath Fasel, Secretary of Villas at Kings Harbor Homeowners Association, Inc. (the "Association"), certify that at a meeting of the Board of Directors of the Association duly called and held on the 19 day of November, 2015, with at least a quorum of the Board members being present and remaining throughout, and being duly authorized to transact business, the following Standby Electric Generator Policy (this "Policy") was approved by not less than a majority of the Board members in attendance.

RECITALS:

1. Section 202.019 of the Texas Property Code was enacted effective June 19, 2015 to address the installation and operation of standby electric generators.
2. The Board of Directors of the Association desires to adopt a policy relating to the installation and operation of standby electric generators on Lots in the Subdivision consistent with Section 202.019 of the Texas Property Code.

WITNESSETH:

The following sets forth the policy of the Association regarding the installation and operation of standby electric generators.

Section 1. Definitions. Capitalized terms used in this Policy have the following meanings:

- 1.01. **Architectural Review Committee or ARC** – The Architectural Review Committee of the Association as established by the Declaration.
- 1.02. **Association** – Villas at Kings Harbor Homeowners Association, Inc., a Texas non-profit corporation.
- 1.03. **Declaration** – That certain instrument entitled "Declaration of Covenants, Conditions, Restrictions and Easements for Villas at Kings Harbor Townhomes" recorded in the Official Public Records of Real Property of Harris County, Texas on August 21, 2007 under Clerk's File No. 20070511311, as amended and supplemented.
- 1.04. **Standby Electric Generator** – A device that converts mechanical energy to electrical energy and is:
 - a. powered by natural gas, liquefied petroleum gas, diesel fuel, biodiesel fuel, or hydrogen;
 - b. fully enclosed in an integral manufacturer-supplied sound attenuating enclosure;
 - c. connected to the main electrical panel of the Unit by a manual or automatic transfer switch; and
 - d. rated for generating capacity of not less than seven (7) kilowatts.

ER 077-59-1090

1.05. Subdivision – The subdivision in Harris County, Texas commonly referred to as Villas at Kings Harbor Townhomes, as more particularly described in the Management Certificate for the Association recorded in the Official Public Records of Real Property of Harris County, Texas under Clerk's File No. 20130612706.

1.06. Unit – A residential unit designed for, limited and restricted to, occupancy by a single family on a Lot.

Other capitalized terms used in this Policy, but not defined in this section have the same meanings as that ascribed to them in the Declaration.

Section 2. ARC Approval, Requirements, and Screening.

2.01. ARC Approval. The Declaration requires an Owner to submit the site plan and the final working plans and specifications for a proposed exterior improvement on the Owner's Lot and obtain the written approval of same from the ARC prior to installation or construction. Accordingly, a Standby Electric Generator may not be installed on a Lot unless an application therefor is first submitted to and approved in writing by the ARC as to compliance with the provisions of this Policy. The submission of plans must include a completed application for ARC review, a site plan showing the proposed location of the Standby Electric Generator, the type of screening to be used (if required as provided in Section 2.03., below), and a copy of the manufacturer's brochures. The ARC may not withhold approval of a Standby Electric Generator if the proposed installation meets or exceeds the provisions set forth in Section 2.02., below, and, if visible as provided in Section 2.03., below, the Standby Electric Generator is screened in the manner required by the ARC.

2.02. Requirements. The installation and operation of a permanent Standby Electric Generator on a Lot is permitted, subject to the prior written approval of the ARC and compliance with the following requirements:

- a. a Standby Electric Generator must be installed and maintained in compliance with the manufacturer's specifications and applicable governmental health, safety, electrical, and building codes;
- b. all electrical, plumbing, and fuel line connections for a Standby Electric Generator must be installed by a licensed contractor;
- c. all electrical connections for a Standby Electric Generator must be installed in accordance with applicable governmental health, safety, electrical, and building codes;
- d. all natural gas, diesel fuel, biodiesel fuel, or hydrogen fuel line connections for a Standby Electric Generator must be installed in accordance with applicable governmental health, safety, electrical, and building codes;
- e. all liquefied petroleum gas fuel line connections for a Standby Electric Generator must be installed in accordance with rules and standards promulgated and adopted by the Railroad Commission of Texas and other applicable governmental health, safety, electrical, and building codes;

- f. a nonintegral Standby Electric Generator fuel tank must be installed and maintained to comply with applicable municipal zoning ordinances and governmental health, safety, electrical, and building codes;
- g. a Standby Electric Generator and all electrical lines and fuel lines relating to the Standby Electric Generator must be maintained in good condition;
- h. a deteriorated or unsafe component of a Standby Electric Generator, including electrical or fuel lines, must be repaired, replaced, or removed;
- i. periodic testing of a Standby Electric Generator shall be in accordance with the manufacturer's recommendations, and shall occur not more than once a month, between the hours of 10:00 a.m. and 4:00 p.m.; and
- j. the preferred location of a Standby Electric General is:
 - ii. at the side or rear plane of the Unit;
 - iii. outside (not within) any easement applicable to the Lot;
 - iv. outside (not within) the side setback lines applicable to the Lot.

However, in the event the preferred location either (i) increases the cost of installing the Standby Electric Generator by more than ten percent (10%) or (ii) increases the cost of installing and connecting the electrical and fuel lines for the Standby Electric Generator by more than twenty percent (20%), the Standby Electric Generator shall be located on the Lot in a position that complies as closely as possible with the preferred location without violating either (i) or (ii) herein.

2.03. Screening. If a Standby Electric Generator is:

- a. visible from the street in front of the Unit on the Lot on which it is located,
- b. located in an unfenced side or rear yard of the Lot and is visible either from an adjoining Lot or from adjoining property owned by the Association, or
- c. located in a side or rear yard of the Lot that is fenced by a wrought iron fence or residential aluminum fence and is visible through the fence either from an adjoining Lot or from adjoining property owned by the Association,

the Owner will be required to screen the Standby Electric Generator by evergreen landscaping or in another reasonable manner, as determined by the ARC.

Section 3. Prohibitions.

3.01. Non-Payment for Utility Service. A Standby Electric Generator shall not be used to generate all or substantially all of the electrical power to a Unit, except when utility-generated electrical power to the Unit is not available or is intermittent due to causes other than non-payment for utility service to the Unit.

3.02. Property Owned by the Association. No Owner may install or place a Standby Electric Generator on property owned or maintained by the Association.

Section 4. Non-Compliance. The installation of a Standby Electric Generator that is not in compliance with the provisions of this Policy will be considered a violation of the dedicatory instruments governing the Subdivision.

Section 5. Property Owned or Maintained by the Association. This Policy does not apply to property that is owned or maintained by the Association.

I hereby certify that this Policy was approved by the Board of Directors of the Association on the date set forth above and now appears in the books and records of the Association. This Policy is effective as of the date of recording in the Official Public Records of Real Property of Harris County, Texas.

Villas at Kings Harbor Homeowners Association, Inc.,
a Texas non-profit corporation

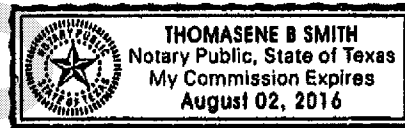
By: *Keith E. Faseler*
Print Name: KEITH E FASELER, Secretary

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned notary public, on this 19th day of November 2015 personally appeared Keith Faseler Secretary of Villas at Kings Harbor Homeowners Association, Inc. known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose and in the capacity therein expressed.

Thomasene B Smith
Notary Public in and for the State of Texas

Return to:
Rick S. Butler
ROBERTS MARKEL WEINBERG BUTLER HAILEY, PC
2800 Post Oak Blvd., Suite 5777
Houston, Texas 77056



ER 077-59-1093

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Pages 27
12/28/2015 02:06 PM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
STAN STANART
COUNTY CLERK
Fees \$116.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

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.
THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas.



Stan Stanart

COUNTY CLERK
HARRIS COUNTY, TEXAS

ER 077-59-1094

COPY UNOFFICIAL