

**REVISED BYLAWS
OF
CAPISTRANO VILLAS EAST HOMEOWNERS' ASSOCIATION
doing business as
PARK PLACE TOWNHOMES**

(effective _____, 2016)

ARTICLE I Offices

Section 1. The name of the corporation is Capistrano Villas East HomeOwners Association, d/b/a Park Place Townhomes, hereinafter referred to as the "Association."

Section 2. The principal business office of the corporation shall be located at 778 Coolwood Dr., Houston, Texas 77013, but meetings of the Owners and directors may be held at such places within the State of Texas, County of Harris, as may be designated by the Board of Directors.

ARTICLE II Definitions

Section 1. "Association" means Capistrano Villas East HomeOwners Association, d/b/a/ Park Place Townhomes, its successors and assigns.

Section 2. "Declaration" means the certain Amended Declaration of Covenants, Conditions and Restrictions for Capistrano Villas, an Additional in Harris County, Texas, executed concurrently herewith.

Section 3. "Articles of Incorporation" means the Articles of Incorporation of the Association on file with the Texas Secretary of State, together with all amendments thereto.

Section 4. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of an interest in the fee simple title to any Unit, as the terms Owner and Unit are defined in the Declaration. Each Owner shall be a member of the Association.

Section 5. "Board of Directors" means the Board of Directors of the Association.

ARTICLE III Meetings of Owners

Section 1. Annual Meetings. Annual meetings of the Owners shall be held at a time and place designated by the Board of Directors. At the annual meeting, the Owners shall elect Directors to fill positions up for election, and may be called upon to vote on any other matters presented by the Board of Directors.

Section 2. Special Meetings and Place of Meetings. Special meetings of the Owners may be called at any time by the Board of Directors, and shall be called by the Board of Directors upon written request of at least one-fourth (1/4) of all of the votes of the

Owners. The Board of Directors shall designate the place of meeting for any special meeting.

Section 3. Notice of Meetings. Written notice of each meeting of the Owners shall be given by, or at the direction of, the Secretary of the Association, by mailing a copy of such notice, postage prepaid, not less than ten (10) days nor more than fifty (50) days before such meeting to each Owner, addressed to the Owner's address last appearing on the books of the Association, or supplied by such Owner to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose or purposes of the meeting.

Section 4. Quorum. The presence at the meeting of Owners entitled to cast, or of proxies entitled to cast, at least one-tenth (1/10) of the votes of the Owners shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat shall have power to adjourn the meeting from time to time, without further notice other than announcement at the meeting, until a quorum, as aforesaid shall be present or be represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified. If a quorum is present at any meeting of Owners, unless otherwise expressly provided by statute, the Articles of Incorporation, the Declaration or these Bylaws, all questions voted upon shall be decided by a simple majority of the votes cast, including adjournment of the meeting from time to time without further notice.

Section 5. Proxies. At all meetings of Owners, each Owner may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary by no later than the start of such meeting. Every proxy shall be revocable and shall automatically cease upon conveyance of a Unit by the Owner giving the proxy.

Section 6. Voting. Each Owner shall have one vote for each Unit owned by such Owner. If a Unit is owned by more than one person, only one of such persons may cast a vote.

ARTICLE IV Board of Directors

Section 1. Number and Term. As of the effective date of these revised Bylaws, the affairs of this Association shall be managed by a Board of Directors consisting of five (5) persons, each of whom must be an Owner. Each Director shall be elected to a term of two (2) years. If there is not a quorum at any meeting of the Owners called for the purpose of electing Directors, then the Board may appoint a Director for the purpose of filling any Director position which was subject of election at such meeting.

Section 2. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Owners of the Association at an annual meeting or a special meeting called for such purpose.

Section 3. Vacancies. Any vacancy occurring in the Board of Directors, shall be filled for the unexpired term by majority vote of the remaining Directors, or Director, although they may be less than a quorum.

Section 4. Quorum. At all meeting of Directors, the presence of a majority of the Directors shall constitute a quorum, and unless otherwise provided for or required by statute or in these Bylaws, all questions at any meeting at which a quorum is present, shall be determined by a majority of the votes cast. If less than a quorum is present at any meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 5. Regular Meetings. A regular annual meeting of the Board of Directors shall be held without notice, other than the notice hereby given, immediately after and at the same place as the annual meeting of the Owners. The Board of Directors may provide by resolution the time and place of the holding of additional regular meetings of the Board without other notice than such resolution.

Section 6. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or by or at the request of two of the Directors then in office. The person or persons authorized to call such special meeting of the Board may fix the date, time and place for such meetings. Written notices of special meetings shall be given at least five (5) days prior to the date of meeting by personal delivery or by mail or email addressed to the address of each Director as last shown by the records of the Association. If mailed, such notice shall be deemed delivered as of the date when deposited in the U.S. Mail, postage prepaid. Each notice shall briefly set out the purpose of the meeting, and the time, date and place of the meeting. The attendance of a Director at any special meeting shall constitute a waiver of notice of such meeting.

Section 7. Compensation. Directors of such shall not receive nor be entitled to any pay or compensation for their services as Directors, but nothing herein shall be construed to preclude or prevent any Director from being reimbursed for out-of-pocket expenses incurred for the performance of his duties or from serving the Association in any other capacity and receiving compensation therefore.

Section 8. Written Consent. Any action required by law or in these Bylaws to be taken at a meeting of the Board of Directors, or any action which may or could be taken at a meeting of the Directors, regular or special, may be taken without a meeting if the consent in writing, setting for the action so taken shall be signed by all of the Directors and recorded in the records of the Board, whereupon the same shall have the same effect as though taken at a meeting of the Director.

ARTICLE V Nomination of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at any annual meeting at which Directors are to be elected. The nominating committee shall consist of a chairman, who shall be an Owner of the Board of Directors, and two or more Owners of the Association who may, but need not be, Owners of the Board of Directors. The

nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Owners at which Directors are to be elected, to serve from the close of such annual meeting until the close of the next 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 not less than the number of Directors to be elected. Such nominations may be made from among Owners or non-Owners of the Association.

ARTICLE VI Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have power to, either on its own or to the extent allowed by law, through a managing agent:

- a. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Owners and their guests thereon, and establish penalties for the infraction thereof;
- b. Suspend the right to use of the common facilities of an Owner during any period in which such Owner shall be in violation of the Declaration or the Rules and Regulations implemented by the Board of Directors.
- c. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the ownership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- d. Declare the office of an Owner of the Board of Directors to be vacant in the event such Owner shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- e. Employ a manager or managers, an independent contractor or contractors, or such other employees as they deem necessary, and to prescribe their duties..
- f. Do such other things and perform such other acts as the Board may lawfully do under the provisions of the Texas Property Code and Texas Non-Profit Corporation Act and amendments thereto.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- a. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Owners at the annual meeting of the Owners; or at any special meeting when such statement is requested in writing by the number of Owners required to call for such a meeting;
- b. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- c. As more fully provided in the Declaration, to fix the amount of, give notice of, and collect annual and special assessments;

- d. Issue, or to cause an appropriate officer or agent to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board or the Association's managing agent for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment
- e. Procure and maintain general public liability insurance and property damage and fire and extended coverage insurance covering the Common Area and any other property owned by the Association and in amounts and with insurance deemed appropriate by the Board.
- f. Procure and maintain flood insurance covering the Common Area and any other property owned by the Association and in amounts and with insurance deemed appropriate by the Board.
- g. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- h. Cause the Common Area to be maintained, including effecting repairs, replacements and additions thereto, in accordance with the Declaration.
- i. Cause the exterior of the Units to be maintained, repaired and replaced in accordance with the Declaration; and
- j. Cause the payment of all ad valorem and other property taxes levied on the Common Area.
- k. In general, to perform and discharge all duties of the Board of Directors as may be set out in the Declaration, these Bylaws or the Texas Property Code and Texas Non-Profit Corporation Act, as the same may be amended from time to time.
- l. Appoint a managing agent to perform

ARTICLE VII Officers and their Duties

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be Directors; a Secretary and Treasurer, and such other officers as the Board may from time to time by resolution create, who need not be Owners or Directors. The office of Secretary and Treasurer may be held by the same person at the same time.

Section 2. Election of Officers. The election of officers shall take place at each meeting of the Board of Directors following each annual meeting of the Owners.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise 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. Any officer may be removed from office with or without cause by a majority vote of the Board of Directors if it believes the best interests of the Association may be served thereby. Any officer may resign at any time 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 unless otherwise specified therein, 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 a majority vote of the Directors at any meeting of the Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person; otherwise, no person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties.

- a. President. The President shall preside at all meeting of the Owners and of the Board of Directors at which he shall be present; he shall have general charge and supervision of the business of the Association; he may sign and execute in the name of the Association, all authorized deeds, leases, mortgages, bonds, contracts or other instruments, except in cases in which the signing and execution thereof shall have been expressly delegated to some other officer or agent of the Association; and in general he shall perform all duties incident to the office of a President of a corporation, and such other duties as from time to time may be assigned to him by the Board of Directors.
- b. Vice President. The Vice President, at the request of the President or in his absence or during his inability to act, shall perform the duties and exercise the functions of the President and when so acting shall have the powers of the President. The Vice President shall have such other powers and perform such other duties as may be assigned to him by the Board of Directors or the President.
- c. Secretary. The Secretary shall keep the minutes of the meeting of the Owners and of the Board of Directors in books provided for that purpose; he shall keep appropriate current records showing the Owners of the Association and their addresses; he shall see that all notices are duly given in accordance with the provisions of the Bylaws or as required by law; he shall be custodian of the records of the Association; he shall attest and affix the corporate seal to all instruments executed by the Association which are required by law to be attested to by the Secretary and sealed with the corporate seal; and in general he shall perform all

duties incident to the office of a secretary of a corporation, and such other duties as from time to time may be assigned him by the Board of Directors or the President.

- d. Treasurer. The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Association, and shall deposit or cause to be deposited in the name of the Association all monies or other valuable effects in such banks, trust companies or other depositories as shall, from time to time be selected by resolution of the Board of directors; he shall prepare an annual budget and statement of income and expenditures to be presented to the Owners at the annual meetings; and in general he shall perform all of the duties incident to the office of a Treasurer of a corporation, and such other duties as may be assigned to him by the Board of Directors or the President.

ARTICLE VIII

Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Owner. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Owner at the principal office of the Association where copies may be purchased at reasonable cost.

ARTICLE IX

Corporate Seal

The Association may adopt and have a corporate seal which shall be in such form and with such wording as the Board of Directors may determine.

ARTICLE X

Committees

The Board of Directors may appoint an Architectural Control Committee to perform the functions set forth in Article IX of the Declaration and such other duties as may be delegated to it by the Board consistent with the purposes set forth in the Declaration, and a nominating committee, as provided in these Bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE XI

Indemnification of Officers and Directors

The Association may agree to indemnify any and all Directors or officers or former Directors or officers of the Association for expenses and costs (including attorneys' fees) actually and necessary incurred by any such officer or Director in connection with any claim asserted against him, by action in Court or otherwise, by reason of his being or having been such Director or officer, except in relation to matters as to which he shall have been found to be grossly negligent or to have committed fraud, breach of a

fiduciary duty, or similar misconduct in respect of the matter in which indemnity is sought.

ARTICLE XII
Amendments

Section 1. These Bylaws may be amended, at a regular or special meeting of the Owners, by a majority vote of the Board of Directors, as deemed by the Board of Directors to be in the best interest of the Association.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

The foregoing Revised Bylaws of Capistrano Villas East HomeOwners' Association were adopted by the Board of Directors on _____.

Raj Shafaii, President

Rosa Ambriz, Vice President

Norma Shafaii, Secretary

Miguel Garcia, Director

Stanley Sherwood, Treasurer