

ISSUE #1

MARKUP #1 ->

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE

BOARD & COUNSEL REVIEW

ARTICLE I

NAME, MEMBERSHIP, APPLICABILITY, AND DEFINITIONS

Section 1.1 Name. The name of the Association shall be **Key Ranch Estates Property Owners Association** (hereinafter sometimes referred to as the "**Association**").

Section 1.2 Membership. All Persons who hold the record title to any Lot within the Property but excluding in all cases any Person holding an interest merely as security for the performance of an obligation, are Members of the Association. Eligibility for membership in the Association is limited to the Owners of Lots in Section One, Two, and Three of the Subdivision.

Section 1.3 Definitions. Capitalized terms used herein but not defined in these Bylaws shall have the same meaning as set forth in said Declaration, as the same may be amended and supplemented from time to time, unless the context shall indicate otherwise. In addition, the following capitalized terms used herein shall be defined as follows:

- (a) "**Lot**" shall mean a portion of the Property, whether improved or unimproved, which may be independently owned and is intended for development, use and occupancy as a residence for a single family.
- (b) "**Majority**" shall mean those votes, Members, Owners, or other group, as the context may indicate, ~~totaling more than fifty percent (50%) of the total number.~~
- (c) "**Member**" shall refer to a Person subject to membership in the Association.
- (d) "**Member in Good Standing**" shall refer to a Member who is current in the payment of all dues, assessments and related charges to the Association and is not in violation of the Governing Documents. Notwithstanding any other provision herein to the contrary, no Member shall be disqualified from voting in the election of Directors or on any matter concerning the rights or responsibilities of the Member.
- (e) "**Mortgage**" shall refer to a mortgage, a deed of trust, a deed to secure debt, or any other form of security deed.
- (f) "**Mortgagee**" shall refer to a beneficiary or holder of a Mortgage.
- (g) "**Owner**" shall refer to one or more Persons who hold the record title to any Lot but excluding in all cases any party holding an interest merely as security for the performance of an obligation. Contract sellers and Mortgagees who acquire title to a Lot through a deed in lieu of foreclosure or through foreclosure are considered Owners hereunder.
- (h) "**Person**" shall mean a natural person, a corporation, a partnership, a trustee, a limited liability company or any other legal entity.
- (i) "**Property**" or "**Subdivision**" shall mean and refer to the real property described on the Plat of the Key Ranch Estates Subdivision recorded in Plat Records of Henderson County, and all improvements, easements, rights, and appurtenances to the real property.

ARTICLE II

ASSOCIATION MEETINGS, QUORUM, VOTING, PROXIES

Section 2.1 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

Section 2.2 Annual Meetings. The annual meeting of the Association shall be the 3rd Saturday in May at a place and time to be set by the Board.

Section 2.3 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 Association if so directed by resolution of a Majority of a

Sec. 1.3 (p. 6): Covenant suspending owner voting rights for delinquency or covenant violations is void under the Texas Property Code.

Statutory / Legal Reference: Tex. Prop. Code § 209.0059(a) & § 209.00592

Statutory Comparison: Under Texas Property Code § 209.0059(a), a provision in a dedicatory instrument that would disqualify a property owner from voting in a property owners' association election of board members or on any matter concerning the rights or responsibilities of the owner is void.

CURRENT WORDING IN DOCUMENT:

Definitions. Capitalized terms used herein but not defined in these Bylaws shall have the same meaning as set forth in said Declaration, as the same may be amended and supplemented from time to time, unless the context shall indicate otherwise. In addition, the following capitalized terms used herein shall be defined as follows: (a) "Lot" shall mean a portion of the Property, whether improved or unimproved, which may be independently owned and is intended for development, use and occupancy as a residence for a single family. (b) "Majo

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Pursuant to Tex. Prop. Code § 209.0059(a), no Owner may be disqualified from voting in an Association election or on any matter concerning the rights or responsibilities of the Owner for nonpayment of assessments or covenant violations.