BYLAWS OF LOS RANCHITOS PARK SUBDIVISION, PHASE III HOMEOWNERS ASSOCIATION, INC.

Basic Information

Property Owners' Association:	LOS RANCHITOS PARK SUBDIVISION, PHASE III HOMEOWNERS ASSOCIATION, INC., a Texas nonprofit corporation/association established by the certificate of formation filed with the secretary of state of Texas on May 31, 2023, a Texas nonprofit corporation
Principal Office:	5701 W. Expressway 83, Harlingen, Texas 78552. The Property Owners' Association may have other offices.
Declaration:	The Declaration of Restrictive Covenants of the Los Ranchitos Park Subdivision, Phase III, recorded as Clerk's Document Number 21180 in the real property records of Cameron County, Texas .
Definitions:	Capitalized terms used but not defined herein have the meaning set forth in the Declaration.
Voting Members:	Members entitled to vote or their proxies.
Declarant:	LA CUESTA SOL DEVELOPMENT, LTD., a Texas limited partnership, and any successor that acquires all unimproved Lots owned by Declarant for the purpose of development and is named as successor in a recorded document

A. Members

A.1. Membership. Every Owner is a Member of the Property Owners' Association. Membership is appurtenant to and may not be separated from ownership of a Lot. The Property Owners' Association has two classes of voting Members:

A.1.a. Class A. Class A Members are all Owners, other than Declarant. Class A Members have one vote per Lot. When more than one person is an Owner, each is a Class A Member, but only one vote may be cast for a Lot.

A.1.b. Class B. The Class B Member is Declarant and has two votes for each Lot owned. The Class B membership ceases and converts to Class A membership on the earlier of—

i. when the Class A Members' votes exceed the total of Class B Member's votes; or

ii. December 31, 2028.

A.2. Place of Meeting. Members meetings will be held at the Property Owners' Association's Principal Office or at another place designated by the Board.

A.3. Annual Meetings. The first Members meeting will be held within twelve months after the formation of the Property Owners' Association. Subsequent regular annual Members meetings will be held on the first Monday in October or another date as adopted by the Board.

A.4. Special Meetings. The president may call special meetings. The president must call a special meeting if directed by the Board or by a petition signed by 10 percent of the Class A Voting Members.

A.5. Notice of Meetings, Election, and Vote. 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 nor more than sixty days before the meeting. For voting not at a meeting, notice must be given not later than the twentieth day before the latest day on which a ballot may be submitted to be counted. 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.

A.6. 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.

A.7. Quorum. Ten percent of the Voting Members is a quorum. If a Members meeting cannot be held because a quorum is not present, either in person, by proxy, by absentee ballot, or by electronic ballot, a majority of the Voting Members who are present may adjourn the meeting. At the reconvened meeting, five percent of the Voting Members is a quorum. If a quorum is not present, a majority of the Voting Members who are present may adjourn the meeting. At the second reconvened meeting, a majority of the Board is a quorum. Written notice of the place, date, and hour of each reconvened meeting must be given to each Member not more than thirty nor less than five days before the reconvened meeting.

A.8. Majority Vote. Voting by Members may be at a meeting or outside of a meeting. Voting must be as required by law. Votes representing more than 50 percent of the Voting Members present at a meeting at which a quorum is present are a majority vote.

A.9. Voting Methods. Voting Members may, at the option of the Board, vote in person, by proxy, by absentee ballot, by electronic ballot, or by any other process approved by the Board. A Member must be allowed to vote by absentee ballot or proxy, but the Board is not required to provide a Member with more than one voting method.

A.10. 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.

B. Board

B.1. Governing Body; Composition. The affairs of the Property Owners' Association are governed by the Board. Each director has one vote. The initial Board is composed of the directors appointed in the certificate of formation. Each director must be a Member or, in the case of an entity Member, a person designated in writing to the secretary.

B.3. Number of Directors. The Board consists of not less than three nor more than five directors. Within those limits, the Board may change the number of directors. No decrease may shorten the term of a director.

B.4. Term of Office. The terms of directors will be staggered. At least one-third of the Board will be elected each year. The initial Board will determine the initial term, not to exceed three years, of each director. At the expiration of the initial term of a director, each successor will have a term of one year. Directors may serve consecutive terms.

B.5. Election. At the first annual meeting of Members, the Voting Members will elect directors to succeed the initial directors. At subsequent annual Members meetings, successors for each director whose term is expiring will be elected. Cumulative voting is prohibited. The candidate or candidates receiving the most votes will be elected. The directors elected by the Voting Members will hold office until their respective successors have been elected.

B.6. Removal of Directors and Vacancies

B.6.a. Removal by Members. Any director may be removed, with or without cause, by a majority of the Voting Members. Any director whose removal is sought will be given notice of the proposed removal.

B.6.b. Removal by Board. Any director may be removed at a Board meeting if the director—

i. failed to attend three consecutive Board meetings;

ii. failed to attend 40% percent of Board meetings within one year;

B.6.c. Vacancies. A director's position becomes vacant if the director dies, becomes incapacitated, resigns, or is no longer a Member.

B.6.d. 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.

B.7. Compensation. Directors will not receive compensation. A director may be reimbursed for expenses approved by the Board.

B.8. Powers. The Board has all powers necessary to administer the Property Owners' Association's affairs.

B.9. Management. The Board may employ a managing agent. Declarant, or an affiliate of Declarant, may be the managing agent.

B.10. 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:

B.10.a. An income statement reflecting all income and expense activity for the preceding period.

B.10.b. A statement reflecting all cash receipts and disbursements for the preceding period.

B.10.c. A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format.

B.10.d. A balance sheet as of the last day of the preceding period.

B.10.e. A delinquency report listing all Owners who are delinquent by more than sixty days in paying any Assessment and describing the status of any action to collect those delinquent Assessments.

B.11. Borrowing. The Board may borrow money to maintain, repair, or restore the Common Area 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.

B.12. Rights of Association. With respect to the Common Area, and in accordance with the Declaration, the Property Owners' 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. The Property Owners' Association may contract with parties affiliated with the Declarant for services including, but not limited to, property management.

B.13. Enforcement Procedures

B.13.a. Notice. Before the Board may (i) suspend an Owner's right to use a Common Area, (ii) file a suit against an Owner other than a suit to collect any Assessment, (iii) foreclose the Property Owners' Association's lien, (iv) charge an Owner for property damage, or (v) levy a fine for a violation of the Dedicatory Instruments, the Property Owners' Association or its agent must give written notice to the Owner as required or permitted by law. 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 Property Owners' Association from the Owner. The notice must also (i) 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 resident, 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 months; (ii) indicate that the Owner may request a hearing in accordance with Texas Property Code section 209.007 on or before the thirtieth day after the date the notice was

mailed to the Owner; (iii) state that the Owner may have special rights if the Owner is serving on active military duty, and (iv) state the date by which the Owner must cure a curable violation that does not pose a threat to public health and safety.

B.13.b. 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 the Board.

The Property Owners' Association must hold a hearing under this section not later than the thirtieth 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 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 days. Additional postponements may be granted by agreement of the parties. The Owner or the Property Owners' 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 twenty-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.

B.13.c. Changes in Law. The Board may change the enforcement procedures set out in this section to comply with changes in law.

C. Board Meetings

C.1. Meetings. Except as permitted by law, all regular and special meetings of the Board must be open to the Owners. 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 Owners and Board Members have access to the communication at the meeting as required by law.

C.2. Notice. Owners and Board Members 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 law.

C.3. 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.

C.4. 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 five nor more than thirty 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.

C.5. 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 law.

C.6. Proxies. Directors may vote by written proxy.

D. Officers

D.1. Officers. The officers of the Property Owners' Association are a president, vice president, secretary, and treasurer, to 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.

D.2. 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 Voting Members. A vacancy in any office may be filled by the Board for the unexpired portion of the term.

D.3. Removal. The Board may remove any officer whenever, in the Board's judgment, the interests of the Property Owners' Association will be served thereby.

D.4. 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 Property Owners' 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. The board has the ability to levy fines against the members to enforce dedicatory instruments of the subdivision and otherwise advisable, in the Board's discretion, to fulfill its purpose of governing the subdivision.

D.5. 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.

E. Committees

The Board may establish committees by resolution and authorize the committees to

perform the duties described in the resolution.

F. Miscellaneous

F.1. Fiscal Year. The Board may establish the Property Owners' Association's fiscal year by resolution. In the absence of a Board resolution determining otherwise, the Property Owners' Association's fiscal year is a calendar year.

F.2. Rules for Meeting. The Board may adopt rules for the conduct of meetings of Members, Board, and committees.

F.3. Conflict. The Declaration controls over these Bylaws.

F.4. Inspection of Books and Records

F.4.a. Inspection by Member. After a written request to the Property Owners' Association, a Member may examine and copy, in person or by agent, any Property Owners' Association books and records relevant to that purpose. The Board may establish rules concerning the (i) written request; (ii) hours, days of the week, and place; and (iii) payment of costs related to a Member's inspection and copying of books and records.

F.4.b. Inspection by Director. A director has the right, at any reasonable time, and at the Property Owners' Association's expense, to (i) examine and copy the Property Owners' Association's books and records at the Property Owners' Association's Principal Office and (ii) inspect the Property Owners' Association's properties.

F.5. Notices. Any notice required or permitted by the Dedicatory Instruments must be in writing. Notices regarding enforcement actions must be given as required or as permitted by law. All other notices may be given by regular mail. Notice by mail is deemed delivered (whether actually received or not) when properly deposited with the United States Postal Service, addressed to (a) a Member at the Member's last known address according to the Property Owners' Association's records and (b) the Property Owners' Association, the Board, or a managing agent at the Property Owners' Association's Principal Office or another address designated in a notice to the Members. Unless otherwise required by law or the Dedicatory Instruments, actual notice, however delivered, is sufficient.

F.6. Amendment. These Bylaws may be amended at any time by the majority vote of Board, or a majority vote of the Voting Members in the Property Owners' Association present at a membership meeting. This provision will not be construed as limiting the Board's power to amend the enforcement procedures to comply with changes in law.

[SIGNATURE PAGE FOLLOWS]

LOS RANCHITOS PHASE III
HOMEOWNERS ASSOCIATION, INC.

By: _____
Patricia C. Baugh, Director

By: _____
Kevin Campbell, Director

By: _____
Irma Leal, Director

STATE OF TEXAS §
COUNTY OF CAMERON §

This instrument was acknowledged before me on June 19, 2023, by Patricia C. Baugh, as Director of LOS RANCHITOS PARK SUBDIVISION, PHASE III HOMEOWNERS ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of such corporation.

JANELY CAROLINE MARTINEZ
Notary Public, State of Texas
Comm. Expires 03-30-2024
Notary ID 132420780

_____
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF CAMERON §

This instrument was acknowledged before me on June 19, 2023, by Kevin Campbell, as Director of LOS RANCHITOS PARK SUBDIVISION, PHASE III HOMEOWNERS ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of such corporation.

JANELY CAROLINE MARTINEZ
Notary Public, State of Texas
Comm. Expires 03-30-2024
Notary ID 132420780

_____
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF CAMERON §

This instrument was acknowledged before me on June 19, 2023, by Irma Leal, as Director of LOS RANCHITOS PARK SUBDIVISION, PHASE III HOMEOWNERS ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of such corporation.

JANELY CAROLINE MARTINEZ
Notary Public, State of Texas
Comm. Expires 03-30-2024
Notary ID 132420780

Janely Martinez
Notary Public, State of Texas

Cameron County
Sylvia Garza-Perez
Cameron County Clerk

Instrument Number: 2023-21779

eRecording - Real Property

Recorded On: June 20, 2023 02:39 PM

Number of Pages: 10

" Examined and Charged as Follows: "

Total Recording: $68.00

********** THIS PAGE IS PART OF THE INSTRUMENT **********
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

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Station:	cclerk18_14	

STATE OF TEXAS
COUNTY OF CAMERON

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

Sylvia Garza-Perez
Cameron County Clerk
Cameron County, TX