

Bylaws of Newport Village at Trinity Homeowners Association, Inc.

Basic Information

- Association:** Newport Village at Trinity Homeowners Association, Inc., a Texas nonprofit corporation, established by the Certificate of Formation (“HOA”).
- Principal Office:** 550 S. Watters Rd., Allen, TX 75013
- Declaration:** The Declaration [as defined by the Texas Property Code Sec. 209.002(3)], as amended from time to time, of Newport Village at Trinity, pursuant to which the Newport Village at Trinity Residential Subdivision [as defined by the Texas Property Code Sec. 209.002(9)] was created.

Definitions

“Act” means chapter 209 of the Texas Property Code, as amended, and any successor law, known as the Texas Residential Property Owners Protection Act (“Act”).

“Assessment” shall have the meaning set forth in Sec. 209.002(1) of the Act.

“Board” shall have the meaning set forth in Sec. 209.002(2) of the Act .

“Bylaws” means the Bylaws of the Association adopted by the Board.

“Certificate of Formation” means the Association’s certificate of formation filed with the Secretary of State of Texas on June 4, 2021, under file number 804096793.

“Common Elements” means all portions of the Residential Subdivision other than the Residences.

“Common Expenses” means expenditures made by or financial liabilities of the Association, together with any allocations to reserves.

“Covenants” means the covenants, conditions, and restrictions contained in the Declaration.

“Dedictory Instruments” shall have the meaning set forth in Sec. 209.002(4) of the Act .

“Delinquent” means having failed to pay any Assessment for more than twenty-nine (29) days after its due date.

“Member” means an Owner.

“Owner” shall have the meaning set forth in Sec. 209.002(6) of the Act.

“Plat/Platted” means the plat and any plans for the Residential Subdivision recorded in

Tarrant County, Texas with the Declaration and any replat of or amendment to the Plat made in accordance with the Declaration.

“Residential Purposes” means recreational or dwelling purposes or both.

“Rules” means any Rules related to the Residential Subdivision adopted by the Board that do not conflict with law or the Dedicatory Instruments.

“Single Family” means a group of individuals related by blood, adoption, or marriage. or unrelated roommates not exceeding the number of bedrooms in a Unit.

“Residence” means a physical portion of a building in the Residential Subdivision designated and Platted for separate ownership, the boundaries of which are described by the Declaration.

Each capitalized term not otherwise defined in these Bylaws has the meaning specified in the Act.

A. Members

To the extent not in conflict with any applicable provision of the Act, the following provisions shall apply to the Members and to meetings of the Members.

A.1. Membership. Every Owner is a Member of the HOA. Membership is appurtenant to and may not be separated from ownership of a Residence.

A.2. Place of Meeting. Members meetings will be held at the place designated by the Board.

A.3. Annual Meetings. The first Members meeting will be held on _____ . Subsequent regular annual Members meetings will be held on _____ .

A.4. Special Meetings. The president, a majority of the Board, or Members having at least 20 percent of the votes of the Association may call special meetings.

A.5. Notice of Meetings. Notice of any meeting or any continuance of a meeting, if required by the Act, shall be made in conformity/compliance with the Act.

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. Members holding 30% of the Residences in the HOA, in person or by proxy, are a quorum. If a Members’ meeting cannot be held because a quorum is not present, a majority of the Members present may adjourn the meeting.

A.8. *Majority Vote.* Votes representing more than 50 percent of the votes at a meeting at which a quorum is present are a majority vote.

A.9. *Proxies.* Members may vote by written proxy.

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 minute book the votes of the Members.

B. Board

To the extent not in conflict with any applicable provision of the Act, the following provisions shall apply to the Board.

B.1. *Governing Body; Composition.* The affairs of the HOA 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.2. *Number of Directors.* The Board consists of not less than 3 nor more than 5 directors. Within those limits, the Board may change the number of directors. No decrease may shorten the term of a director.

B.3. *Term of Office.* The initial directors serve until the first annual meeting of Members at which time an election for all directors shall be held. Subject to the provisions herein and those in the Act, the initial Board will determine the initial term, not to exceed three years, of each director. The terms of directors will be staggered. At least one-third of the Board will be elected each year. At the expiration of the initial term of a director, each successor will have a term of three years. Directors may serve consecutive terms.

B.4. *Election.* At the first annual meeting, directors for all seats on the Board shall be elected by separate ballots starting with the seat(s) for which the longest initial term is specified and continuing for seat(s) with the next longest term until all seats have been filled. Unsuccessful candidates on one ballot may appear on any subsequent ballot. After the first annual meeting, the Members by single ballot shall elect not less than 1/3 of the Board members at all subsequent annual meetings and successors for each director whose term is expiring will be elected. Cumulative voting is prohibited. Depending on the number of seats for which terms are expiring, the candidate or candidates receiving the most votes will be elected. The directors elected by the Members will hold office until their respective successors have been elected.

B.5. Removal of Directors and Vacancies

B.5.a. *Removal by Members.* Any director may be removed, with or without cause, by a majority of the Members. Any director whose removal is sought will be given notice of the proposed removal.

B.5.b. Removal by Board. Any director may be removed at a Board meeting by majority vote of the remaining directors if the director—

- i. failed to attend 3 consecutive Board meetings;
- ii. failed to attend 75% percent of Board meetings within one year;
- iii. is delinquent in the payment of any Assessment for more than 60 days; or
- iv. is the subject of an enforcement action by the Association for violation of the Dedicatory Instruments.

B.5.c. Vacancies. A director's position becomes vacant if the director dies, becomes incapacitated, resigns, or is no longer a Member.

B.5.d. Successors. If a director is removed or a vacancy exists, a successor will be elected by majority vote of the remaining directors for the remainder of the current term for the vacant seat.

B.6. Compensation. Directors will not receive compensation. A director may be reimbursed for reasonable expenses approved by the Board.

B.7. Powers. The Board has all powers necessary to administer the Association's affairs.

B.8. Management. The Board may employ a managing agent and delegate specified powers of the Board to the managing agent.

B.9. Accounts and Reports. Accounting must conform to good accounting practices. The Association shall obtain an annual audit of its records in accordance with the Act. Accounts will not be commingled with accounts of other persons. The following financial reports will be prepared at least annually:

- a. An income statement reflecting all income and expense activity for the preceding period.
- b. A statement reflecting all cash receipts and disbursements for the preceding period.
- c. A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format.
- d. A balance sheet as of the last day of the preceding period.
- e. A delinquency report listing all Owners who are delinquent by more than 60 days in paying any Assessment and describing the status of any action to collect those delinquent Assessments.

B.10. Borrowing. The Board may borrow money to maintain, repair, or restore the Common Elements 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.11. Rights of Association. With respect to the Common Elements, and in accordance with the Declaration, the Association will have the right to contract with any person for the performance of various duties and functions. Such agreements require the approval of the Board.

B.12. President and Secretary. At its first meeting following each annual meeting of the Members, the Board shall elect a President and Secretary by majority vote. The duties and powers of these offices shall be as set forth in the Act and, to the extent not in conflict with the Act, these bylaws. The persons so elected shall hold office until their successors are elected by the Board in accordance with the Act and these bylaws.

C. Board Meetings

All meetings of the Board shall be noticed and conducted in conformity with the Act. To the extent not in conflict with the Act, the following provisions shall apply:

C.1. Regular Meetings. Regular meetings of the Board will be held at such time and place as determined by the Board, but at least 3 such meetings will be held during each fiscal year. Notice of the time and place of the meetings will be given to directors not less than 10 days and not more than 30 days before the meetings.

C.2. Special Meetings. Special meetings will be held when called by written notice signed by the president or by any 2 directors. The notice will specify the time and place of the meeting and the matters to be covered at the meeting.

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 10 nor more than 30 days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business that may have been transacted at the meeting originally called may be transacted without further notice.

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.

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

C.7. *Action without Meeting.* Any action that may be taken at a Board meeting may be taken without a meeting by written consent setting forth the action taken signed by a sufficient number of the Board as would be necessary to take that action at a meeting.

D. Officers

D.1. *Officers.* The officers of the Association are a president, secretary, and treasurer, to be elected from the members of the Board. The Board may appoint other officers having the authority and duties prescribed by the Board who may or may not be members of 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 Members. A vacancy in any office may be filled by the Board for the unexpired portion of the term.

D.3. *Removal.* All officers serve at the pleasure of the Board. The Board may remove any officer whenever, in the Board's judgment, the interests of the HOA 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 Association. The secretary will be responsible for creating and maintaining the minutes of all meetings of the Board and Members. 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.

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 HOA's fiscal year by resolution. In the absence of a Board resolution determining otherwise, the HOA'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. Inspection of Books and Records

F.3.a. Inspection by Member. The rights and procedures by which a Member may review, audit, copy or otherwise examine the books and records of the HOA shall be governed by the provisions of the Act. To the extent the Act is silent on an issue relating to this paragraph, the Board may adopt policies and procedures regarding the production of books and records so long as such policies and procedures are not in conflict with the Act.

F.3.b. Inspection by a Board Member. Unless otherwise provided for in the Act, a board member has the right, at any reasonable time and at the HOA's expense, to examine and copy the HOA's books and records at the HOA's Principal Office and to inspect the HOA's properties.

F.4. Notices. Any notice required or permitted must be made in compliance with the Act. Unless otherwise required by the Act, other applicable law or the Dedicatory Instruments, actual notice, however delivered, is sufficient.

F.5. Amendment. These Bylaws may be amended only by the vote of more than 50% of the Members in the Association.

The undersigned, being the secretary of the Association, certifies the foregoing are the Bylaws of Newport Village Trinity, is, Inc., adopted as of _____, 2021

Secretary