

ARTICLE V
MEMBERSHIP AND VOTING RIGHTS

Section 1. Association Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Classes of Voting Membership. The Association shall have two (2) classes of voting membership.

Class A. Class A members shall be all Owners, with the exception of LAND TEJAS DEVELOPMENT, LLC, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot. Holders of future interest not entitled to present possession shall not be considered as Owners for the purposes of voting hereunder.

Class B. The Class B member(s) shall be LAND TEJAS DEVELOPMENT, LLC or its successors or assigns and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (1) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership including duly annexed areas.
- (2) on January 2, 2020.

Section 3. DEVELOPER CONTROL. SECTIONS 1 AND 2 OF ARTICLE V NOTWITHSTANDING, AND FOR THE BENEFIT AND PROTECTION OF THE LOT OWNERS AND ANY FIRST MORTGAGES OF RECORD, FOR THE SOLE PURPOSE OF INSURING A COMPLETE AND ORDERLY BUILDOUT OF CANYON GATE AT CINCO AND ALL ANNEXATIONS THERETO, AS WELL AS A TIMELY SELLOUT OF THE PROJECT, THE DECLARANT WILL RETAIN CONTROL OF AND OVER THE ASSOCIATION FOR A MAXIMUM PERIOD NOT TO EXCEED (A) DECEMBER 31, 2020 OR (2) WHEN, IN THE SOLE OPINION OF THE DECLARANT, CANYON GATE AT CINCO, INCLUDING ALL ANNEXATIONS THERETO, BECOMES VIABLE, SELF-SUPPORTING AND OPERATIONAL. IT IS EXPRESSLY UNDERSTOOD THAT THE DEVELOPER WILL NOT USE SAID CONTROL FOR ANY ADVANTAGE OVER THE OWNERS BY WAY OF RETENTION OF ANY RESIDUAL RIGHTS OR INTEREST IN THE ASSOCIATION OR THROUGH THE CREATION OF ANY MANAGEMENT AGREEMENT WITH A TERM LONGER THAN ONE (1) YEAR WITHOUT MAJORITY ASSOCIATION APPROVAL UPON RELINQUISHMENT OF DEVELOPER CONTROL. AT THE END OF THE DEVELOPER CONTROL PERIOD, THE DEVELOPER, THROUGH THE ASSOCIATION, SHALL CALL THE FIRST ANNUAL MEETING OF THE ASSOCIATION.