

**SUPPLEMENT TO DECLARATION OF COVENANTS,
CONDITIONS & RESTRICTIONS, CANYON GATE AT CINCO RANCH**

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF FORT BEND

§

THAT WHEREAS, LAND TEJAS DEVELOPMENT, L.L.C., a Texas Limited Liability Corporation, as Developer for CANYON GATE AT CINCO RANCH, recorded a Declaration of Covenants, Conditions, and Restrictions of CANYON GATE AT CINCO RANCH on October 6, 1997 under Fort Bend County Clerk's File Number 9764690 in the Real Property Records of Fort Bend County, Texas.

WHEREAS, the original Declaration of Covenants, Conditions, and Restrictions referenced Exhibits which were inadvertently not attached or recorded with the document.

WHEREAS, the Exhibits "A", "B", and "C" attached to this supplement were intended as the original Exhibits to the Declaration of Covenants, Conditions, and Restrictions for CANYON GATE AT CINCO RANCH for the document recorded October 6, 1997 under Fort Bend County Clerk's File Number 9764690.

THEREFORE, the attached Exhibits "A", "B", and "C" are now filed by the Declarant which Exhibits shall be considered a supplement to and part of those Restrictions set out in the Declaration of Covenants, Conditions, and Restrictions for CANYON GATE AT CINCO RANCH recorded October 6, 1997 under Fort Bend County Clerk's File Number 9764690 in the Real Property Records of Fort Bend County, Texas as if they were originally filed attached therewith.

LAND TEJAS DEVELOPMENT, L.L.C.
a Nevada Limited Liability Company

By:

Courtney P. Grover
President

Courtney P. Grover, President

By:

Al Brende
Secretary

Al Brende, Secretary

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared COURTNEY P. GROVER, President of LAND TEJAS DEVELOPMENT, L.L.C., a Nevada Limited Liability Company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 23rd day of October, 1997.



Betty A. Haubois
Notary Public in and for the State of Texas

AS PER ORIGINAL

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared AL BRENDE, Secretary of LAND TEJAS DEVELOPMENT, L.L.C., a Nevada Limited Liability Company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, as the act and deed of said corporation and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 23rd day of October, 1997.



Betty A. Haubois
Notary Public in and for the
State of Texas

Return to:

Jay I. Cohen & Associates, P.C.
10370 Richmond, Suite 850
Houston, Texas 77042

UNRECORDED

LEGAL DESCRIPTION

CANYON GATE AT CINCO RANCH, Section one (1), a subdivision out of the Brookes and Burleson Survey, A-145, and the H-D Brown Survey, A-406, Fort Bend County, Texas, according to the map or plat thereof recorded under Clerk's File Number 9760905, Map Records, Fort Bend County, Texas.

UNRECORDED

UNOFFICIAL COPY

BY-LAWS

OF

**CANYON GATE AT CINCO RANCH
OWNERS ASSOCIATION, INC.**

Fort Bend County, Texas

EXHIBIT

"A"

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FOR BY-LAWS OF

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OWNERS ASSOCIATION, INC.**

(A Texas Non-Profit Corporation)

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BY-LAWS

OF

**CANYON GATE AT CINCO RANCH
OWNERS ASSOCIATION, INC.**

(A Texas Non-Profit Corporation)

ARTICLE I

NAME

1.1 NAME. The name of the organization shall be CANYON GATE AT CINCO RANCH OWNERS ASSOCIATION, INC., hereinafter called "Association".

ARTICLE II

PURPOSE AND OWNER OBLIGATION

2.1 PURPOSE. The purpose for which this non-profit Association is formed is to govern the Subdivision situated in the County of Fort Bend, State of Texas, which Property is described on the attached Exhibit "A", which by this reference is made a part hereof, and which Property has been restricted as part of a Planned Unit Development.

2.2 OWNER OBLIGATION. All present or future owners, tenants, future tenants or any other person who might use the facilities of the Subdivision in any manner, are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the Lots (hereinafter referred to as "Lots") of the Subdivision or the mere act of occupancy of any of said Lots will signify that these By-Laws are accepted, ratified and will be strictly followed.

ARTICLE III

DEFINITION AND TERMS

3.1 MEMBERSHIP. Any person on becoming an Owner of a Lot shall automatically become a Member of this Association and be subject to these By-Laws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Lot. Such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with CANYON GATE AT CINCO RANCH during the period of such ownership and membership in this Association, or impair any rights or remedies which the Board of Directors of the Association or others may have against such former Owner and Member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board of Directors, if it so elects, may issue one (1) Membership Card per Lot to the Owner(s) of a Lot. Such Membership Card shall be surrendered to the Secretary whenever ownership of the Lot designated thereon is terminated.

3.2 VOTING. Lot ownership shall entitle the Owner(s) to cast one (1) vote per Lot in the affairs of the Association. Voting shall not be split among more than one (1) Lot Owner.

3.3 MAJORITY OF LOT OWNERS. As used in these By-Laws the term "majority of Lot Owners" shall mean those Owners with fifty-one (51%) of the votes entitled to be cast.

3.4 QUORUM. Except as otherwise provided in these By-Laws or in the Declarations, the presence in person or by proxy of a "majority of Lot Owners" as defined in Paragraph 3.3 of this Article shall constitute a quorum.

3.5 PROXIES. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary at least forty eight (48) hours before the appointed time of each meeting.

ARTICLE IV

ADMINISTRATION

4.1 DECLARANT CONTROL. Notwithstanding any provision herein to the contrary, and in accordance with the Declaration for CANYON GATE AT CINCO RANCH, the Declarant, LAND TEJAS DEVELOPMENT, LLC shall retain control over management of the affairs of the Association. This retention of control shall be for the benefit of the Lot owners and any First Mortgagees of Record and for the purpose of insuring both a complete and orderly buildout and a timely sellout of the Subdivision Lots, including any annexations. This control shall last no longer than September 1, 2007, or upon sale of seventy-five percent (75%) of the Lots, or when in the sole opinion of the Declarant the Subdivision is viable, self-supporting and operational.

4.2 ASSOCIATION RESPONSIBILITIES. The Owners of the Lots will constitute the Association of Lot Owners, hereinafter referred to as "Association", who will have the responsibility of administering the Subdivision through a Board of Directors.

4.3 PLACE OF MEETINGS. All annual and special meetings of the Association shall be held at the principal office of the Association or at such other suitable and convenience place within Fort Bend or Harris County, Texas as may be permitted by law and from time to time fixed by the Directors and designated in the notices of such meetings.

4.4 ANNUAL MEETINGS. Annual meetings shall be held in May each year, upon not more than thirty (30) days nor less than ten (10) days notice to all record owners of Lots in the Subdivision.

4.5 SPECIAL MEETINGS. It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Board of Directors or upon a petition signed by at least one-third (1/3) of the Owners and presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

4.6 NOTICE OF MEETINGS. The Secretary shall mail notices of annual and special meetings to each Member of the Association, directed to his last known post office address, as shown on the records of the Association, by uncertified mail, postage prepaid. Special meeting notices shall be mailed not less than thirty (30) days nor more than sixty (60) days before the date of such meeting and shall state the date, time and place of the meeting and the purpose or purposes thereof. If requested, any Mortgagee of Record or its designee may be entitled to receive similar notice.

4.7 ADJOURNED MEETING. If any meeting of Owners cannot be organized because a quorum has not attended, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is attained.

4.8 ORDER OF BUSINESS. The order of business at all meetings of the Owners of Lots shall be as follows:

- a. Roll call.

- b. **Proof of notice of meeting or waiver of notice.**
- c. **Reading or waiver of reading of minutes of preceding meeting.**
- d. **Reports of officers.**
- e. **Reports of committees.**
- f. **Election of Directors**
- g. **Unfinished business.**
- h. **New business.**

ARTICLE V

BOARD OF DIRECTORS

5.1 NUMBER AND QUALIFICATION. The affairs of this Association shall be governed by a Board of Directors composed initially of three (3) persons. The following persons shall act in such capacity and shall manage the affairs of the Association until their successors are elected, to-wit:

NAME

ADDRESS

Courtney S. Grover

**2909 Hillcroft, Suite 630
Houston, Texas 77057**

Al Brende

**2909 Hillcroft, Suite 630
Houston, Texas 77057**

Betty Hauboy

**2909 Hillcroft, Suite 630
Houston, Texas 77057**

At any time the Board of Directors may increase the Board to five (5) Directors and once so increased, it may not be decreased unless such decrease is passed by a majority of the Lot owners.

5.2 POWERS AND DUTIES. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a residential Subdivision. The Board of Directors may do all such acts and things that are not by these By-Laws or by the Declaration of CANYON GATE AT CINCO RANCH directed to be exercised and done by the Owners.

5.3 OTHER POWERS AND DUTIES. The Board of Directors shall have the following duties:

a. To administer and enforce the covenants, conditions, restrictions, uses, limitations, obligations and all other provisions set forth in the Declaration.

b. To establish, make and enforce compliance with rules necessary for the orderly operation, use and occupancy of this Project. (A copy of such rules and regulations shall be delivered or mailed to each Member promptly upon the adoption thereof.)

c. To keep in good order, condition and repair all of the General and Limited Common Elements and all items of personal property used in the enjoyment of the entire Premises.

d. To insure and keep insured all of the insurable Common Elements of

the Property in an amount equal to their maximum replacement value, as provided in the Declaration. Further to obtain and maintain comprehensive liability insurance covering the entire Premises in amounts not less than One Million Dollars (\$1,000,000.00) per person, Three Million Dollars (\$3,000,000.00) per accident and One Hundred Thousand Dollars (\$100,000.00) property damages, and at least a Five Hundred Thousand Dollar (\$500,000.00) property damage limit. To insure and keep all the fixtures, equipment and personal property acquired by the Association for the benefit of the Association, the Owners of the Lots and their First Mortgagees.

e. To fix, determine, levy and collect the annual assessments to be paid by each of the Owners; and by majority vote of the Board to adjust, decrease or increase the amount of the annual assessments subject to provisions of the Declaration; to levy and collect special assessments in order to meet increased operating or maintenance expenses or costs, and additional capital expenses. All annual or other assessments shall be in itemized statement form and shall set forth in detail the various expenses for which the assessments are being made.

f. To collect delinquent assessments by non-judicial foreclosure, suit or otherwise and to enjoin or seek damages from an Owner, as provided in the Declaration and these By-Laws.

g. To protect and defend the entire Premises from loss and damage by

suit or otherwise.

h. To borrow funds in order to pay for any required expenditure or outlay; to execute all such instruments evidencing such indebtedness which shall be the several obligations of all of the Owners in the same proportion as their interest in the Common Elements.

i. To enter into contracts within the scope of their duties and power.

j. To establish a bank account for the common treasury for all separate funds which are required or may be deemed advisable by the Board of Directors.

k. To establish and maintain a reserve account for replacement or repair of Common Areas and Association property.

l. To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the Owners and any First Mortgagee of a Lot and to cause a complete audit of the books and accounts by a competent accountant, once each year. The Association shall cause to be prepared annually an audited statement showing all receipts, expenses or disbursements since the last such statement. Such audited financial statements shall be available to any Lot Owner or First Mortgagee of a Lot, on request, within ninety (90) days following the fiscal year end of the Association.

l. To meet at least once each quarter.

m. To designate the personnel necessary for the maintenance and operation of the General and Limited Common Elements.

n. In general, to carry on the administration of this Association and to do all of those things, necessary and reasonable, in order to carry out the communal aspect of Subdivision ownership, and the requirements of the Association as set out in the Declarations.

o. To exercise all powers permitted to be exercised by a Subdivision Board of Directors by the Texas Property Code and in particular Section 204.010 of the Texas Property Code as it may be amended from time to time.

5.4 ELECTION AND TERM OF OFFICE. At the first annual meeting of the Association the term of office of one-third (1/3) of the Directors shall be fixed for one (1) year, the term of office of one-third (1/3) of the Directors shall be fixed at two (2) years, and the term of office of the remaining one-third (1/3) of the Directors shall be fixed at three (3) years. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The persons acting as Directors shall hold office until their successors have been elected and hold their first meeting.

5.5 VACANCIES. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each Director so elected shall serve out the remaining term of his predecessor.

5.6 REMOVAL OF DIRECTORS. At any regular or special meeting duly called, any

one (1) or more of the Directors may be removed with or without cause by a majority of the Owners, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

5.7 ORGANIZATION MEETING. The first meeting of a newly elected Board of Directors shall be held within thirty (30) days of election at such place (within Fort Bend or Harris County, Texas) as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

5.8 REGULAR MEETINGS. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

5.9 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the President or Secretary, or upon the written request of at least two (2) Directors. The President or Secretary will give three (3) days' personal notice to each Director by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting.

5.10 WAIVER OF NOTICE. Before or at any meeting of the Board of Directors, any Director may in writing, waive notice of such meeting and such waiver shall be deemed

equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

5.11 BOARD OF DIRECTOR'S QUORUM. At all meetings of the Board of Directors, a majority of Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting, as originally called, may be transacted without additional notice.

5.12 FIDELITY BONDS. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

ARTICLE VI

OFFICERS

6.1 DESIGNATION. The officers of the Association shall be a President, Vice-President, Secretary and Treasurer, all of whom shall be elected by and from the Board of Directors.

6.2 ELECTION OF OFFICERS. The officers of the Association shall be elected

