

**Morgan Creek Property  
Owners Association  
P.O. Box 874  
Burnet, TX 78611**

**BY-LAWS**

**ARTICLE 1: NAME**

The Corporation shall be named MORGAN CREEK VILLAGE PROPERTY OWNER'S ASSOCIATION, Inc., (hereinafter referred to as the "ASSOCIATION").

**ARTICLE II: PURPOSE**

The purpose of the Association is to promote and insure the welfare, health, and safety of owners in MORGAN CREEK VILLAGE through the creation and maintenance of a Property Owner's Association that is charged to keep, maintain, and improve the roads and common areas, including the recreational facilities of MORGAN CREEK VILLAGE. The Association shall—and as may be required in the future—establish or create, maintain, and improve existing and additional recreational facilities, water systems, sanitation systems, and other systems for upgrading and preserving the quality of life available to the owners, residents, and guests at MORGAN CREEK VILLAGE.

It is agreed that the following definitions will be applied with reference to the Association and these bylaws, as well as the Articles of Incorporation of the Corporation.

- (1) "Association" shall mean and refer to Morgan Creek Village Property Owner's Association, Inc., Burnet, Texas, a duly incorporated Texas nonprofit corporation, its successors and assigns. The Association has the power to collect and disburse maintenance assessments and membership dues.
- (2) "Owner" shall mean and refer to the record owner, whether one or more persons or entities of a fee simple title to any residential or other lot which is a part of the properties, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.
- (3) "Properties" shall mean and refer to that certain real property described on plat maps of Block I and Block II of Morgan Creek Village at the Burnet County Courthouse, and such additions thereto as may be hereinafter acquired or brought within the jurisdiction of the Association.
- (4) "Common Area" shall mean all real property, if any, owned by the Association for the common use and enjoyment of the owners and shall include roads, designated recreational areas, oil, gas, and mineral interests under the properties that are deeded to the Association, land between the low water mark and the 1020 foot

median (so called high water mark). The common areas will be deeded to the Association, free and clear of encumbrances.

### ARTICLE III: MEMBERSHIP AND VOTING RIGHTS

Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be signified by payment of current annual dues. Each member shall be entitled to one vote. When more than one person owns an interest in any lot, all such persons shall be members based on payment of one assessment of dues. The vote of each lot shall be exercised as the owners among themselves determine: but in no event shall more than one vote be cast. The foregoing does not include those persons or entities who hold an interest merely as security for the performance of an obligation.

### ARTICLE IV: MEETINGS

Section 1. Annual Meeting. There shall be an annual meeting of the membership at a time and place on the properties to be determined by the Executive Board and Board of Trustees.

Section 2. Quorum. At any meeting of the membership of the Association, 25% of the membership shall be required to constitute a quorum for the transaction of business.

Section 3. Special Meetings. Special meetings of the membership may be called by the President or a majority of the Board of Trustees or by the President upon written request of 10% of the members.

### ARTICLE V: EXECUTIVE BOARD DUTIES AND OBLIGATIONS

Section 1. Personnel. The elected officers of the Association shall be a President, Vice President, Treasurer, and a Secretary. This group, along with the Immediate Past President will make up the Executive Board.

#### Section 2. Duties

A. The President shall preside at all meetings. The President shall, at the annual meeting, give a report to the membership, either in oral or written form, on the activities of the Association. The President shall be the principal executive officer of the Association and shall, in general, supervise and control all of the business and affairs of the Association. The President may sign, with the Secretary, or any other proper officer of the Association authorized by the Board of Trustees any deeds, mortgages, bonds, contracts, or other instruments, which the Executive Board authorized to be executed, except in case when the signing and execution thereof shall be expressly delegated by the Executive Board or by these by-laws or by statute to some other officer or agent of the Association. In general, the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Executive Board from time to time.

B. Vice President. In the absence of the President, or in the event of the President's inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all of the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or the Executive Board.

C. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association, receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the directions of the Executive Board; and, in general, perform all of the duties incident to the office of Treasurer and such other duties as may be assigned to the Treasurer by the Executive Board. Any disbursement over \$100.00 shall be approved by the Executive Board. If required by the Executive Board, the Treasurer shall give a bond for faithful discharge of his duties. The Treasurer shall keep complete and correct books and records on all assessments, dues, donations, and expenditures of the Association. A complete written report shall be submitted to the Board of Trustees and to the membership as a whole at the Annual Meeting. A written report shall be submitted to the Executive Board and shall become a permanent part of the records on the occasion of each of the meetings held by the Executive Board.

D. Secretary. The Secretary shall keep the minutes of the meetings of the Executive Board, be custodian of the Association Records, and of the seal of the Association, and shall affix the seal of the Association to all documents, the execution of which is on behalf of the Association. This under its seal as duly authorized in accordance with the provisions of these by-laws, keep a register of the post office address of each of the Trustees, and, in general, perform all duties incident to the Secretary and such other duties as from time to time may be assigned to the Secretary by the Executive Board. The Secretary shall receive and file a record of the proceedings of the Board of Trustees meetings and of the meetings of any committee having any of the authority conveyed to it by the Executive Board or the Board of Trustees. The Secretary will send a written report of all meetings and minutes of meetings regularly to the Trustees. An annual report will also be forwarded to them at the time of the Annual Meeting.

Section 3. Election. Officers shall be elected by the membership from a slate presented by the nominating committee at each annual meeting of the membership and shall serve for a term of one year commencing on the first Monday in August or until a successor shall be elected. Nominations will be accepted from the floor provided the nominee has consented to having his name placed in nomination. The nominating committee will be selected by the Board of Trustees at least 6 weeks prior to the Annual Meeting, and shall consist of at least three (3) people.

Section 4. Vacancies. Any vacancy occurring in any office of the Association may be filled by the Executive Board for the unexpired term. This is subject to confirmation of the Board of Trustees.

## ARTICLE VI: BOARD OF TRUSTEES

Section 1. Number and Term. There shall be a Board of Trustees consisting of five (5) people. They will initially be appointed, but will subsequently be elected. The first board will draw lots in order to determine how many years their terms will last—either one, two, three, four, or five years. They will subsequently be elected for five year terms. The nominating committee will present a name at the Annual Meeting for consideration of the membership. Nominations from the floor will also be accepted. This Board will choose its own chairperson and will notify the Executive Board of their choice.

Section 2. Duties. The property, affairs, and business of the Association shall be monitored and examined by the Board of Trustees. The Board will receive and approve or disapprove of the annual reports given to them by the members of the Executive Board.

Section 3. Quorum. A majority of the Board of Trustees shall constitute a quorum.

Section 4. Meetings. Regular meetings of the Board may be held at such time and place as the Board may determine. The Trustees shall make every effort to attend the Annual Meeting of the membership.

Section 5. Vacancies. Any vacancy occurring in the Board of Trustees (other than a vacancy resulting from the annual expiration of a term of office) may be filled by affirmative vote of a majority of the then members of the Board. Any Trustee elected to fill a vacancy shall be elected for the unexpired term of the Trustee's predecessor in office. Any Trustee may resign by submitting a written notice of resignation to the Secretary. Any Trustee may be removed from office at any time with or without cause by the affirmative vote of two-thirds of the Trustees in office.

## ARTICLE VII: EXECUTIVE BOARD

Section 1. The Executive Board shall be composed of the President, Vice-President, Treasurer, Secretary, and immediate past President.

Section 2. Duties. The duties of the Executive Board shall be to govern the property, affairs, and business of the Association. They shall keep the Board of Trustees aware of their actions on a regular basis and with annual reports at the regular Annual Meeting. They shall have the power to authorize the seal of the Association to be fixed to all papers that may require it. The Board shall draw up an annual budget under the direction of the Treasurer, which shall be presented to the Board of Trustees. The budget will be a working paper with annual projected income and an estimated annual expenditure including the purpose of the expenditures. As a part of the budget process the Executive Board will set the amount of the annual dues payable by the members to the Association.

Section 3. Meetings. The Executive Board will meet at the call of the President, or in the President's absence, at the call of the Vice-President. Special meetings may be called as specified in Article IV, Section 3.

Section 4. Quorum. A majority of the Executive Board shall constitute a quorum for the transaction of business.

Section 5. The Executive Board shall insure that every owner has a right to and an easement of enjoyment in and to the common areas that shall be appurtenant to and pass with the title to every lot when such owner has currently paid all assessments against the owner of his property and such owner is not in violation of the covenants and restrictions pertaining to all properties within Morgan Creek Village. The Board will also handle questions presented when an owner delegates his right of enjoyment to the common area and facilities to the members of his family, tenants, or contract purchasers who reside on the properties and shall also handle questions concerning the assessment against each lot. The Board shall develop and publish rules and pursue remedies of the Association for non-payment of the Association assessments.

Section 6. The Board shall appoint committees, either Standing or Temporary, as they deem necessary.

ARTICLE IX: AMENDMENT

The Executive Board and the Board of Trustees shall adopt these By-Laws. The By-Laws may be amended by majority vote of both Boards provided that proposed changes shall have been submitted in writing to each person on both Boards at least twenty-eight (28) days prior to the meeting at which such action is proposed to take place. The membership shall have these By-Laws available to their perusal whenever they so request.

Date June 2, 2013

Accepted and Duly Signed by:

Executive Board members

Lancey Mohan Hawkins  
Tim Mohan  
Roy Smith  
Wt E. D.  
JO Beasley

Board of Trustees members

George C. Hehr  
Arthur D. Dora  
Tim W. Co.  
Konig. Daughertry  
[Signature]