

SUMMERWOOD PROPERTY OWNERS ASSOCIATION, INC.

I.

The SUMMERWOOD PROPERTY OWNERS'S ASSOCIATION, INC., hereinafter referred to as the "Association", is an association of land owners of land located in Comal County.

II.

The purpose of this Association is to unite all members so that they may cooperate with each other, in all activities necessary and useful or expedient to the maintenance of SUMMERWOOD SUBDIVISION, and that they may by their union, have greater strength in compelling the attention and assistance of others to this end.

III.

This Association is not organized for profit, but an assessment against members is necessary to fund operating expenses and retire debt. Any funds collected shall be held by this Association as Trustee only, to be expended for the purpose of benefiting the land owners directly in its use of the facilities.

IV.

This Association shall be governed by the Board of Directors, elected under the provisions of its By-Laws, which shall be approved by this membership, at a meeting called for that purpose.

B Y L A W S

The Association shall have at all times, a current mailing address and this address shall be known as SUMMERWOOD PROPERTY OWNERS' ASSOCIATION, INC., 245 South Seguin Street, New Braunfels, Texas 78130; an approved mail box shall be properly installed and maintained, in a convenient location, by the duly elected officers.

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to SUMMERWOOD PROPERTY OWNERS ASSOCIATION, INC., a Texas non-profit corporation, its successors and assigns.

Section 2. "Common Area" shall mean and refer to that portion of the Subdivision owned or acquired by the Association for the common use and enjoyment of Members of the Association and shall include, but is not limited to, all recreational facilities, tennis courts, community facilities, storage facilities, pumps, trees, landscaping, sprinkler systems, pavement, streets, median, pipes, wires, conduits and other public utility lines situated thereon. It is specifically understood and agreed that future Units will be added to SUMMERWOOD SUBDIVISION and that all such units shall have the use and benefit of the Common Area subject to the same restriction imposed in Articles I, II, III, IV and V contained in the Declaration of Covenants, Conditions and Restrictions of SUMMERWOOD Subdivision, Unit I. SUMMERWOOD DEVELOPMENT CORPORATION shall have sole discretion in adding these units. The Common Area is more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes.

Section 3. "Declarant" shall mean and refer to SUMMERWOOD DEVELOPMENT CORPORATION, its successors and assigns.

Section 4. "Purchaser" shall mean and refer to an individual who purchases a lot.

Section 5. "Lot" shall mean and refer to any of the numbered plots of land shown on the recorded map or plat of the Subdivision.

"Corner Lot" is a lot that abuts on more than one street. A Corner Lot shall be deemed to front on the street designated by the Architectural Control Committee.

Section 6. "Living Unit" shall mean and refer to any improvements on a Lot which are designed and intended for occupancy and use as a residence by one person, by a single family, or by persons living together as a single housekeeping unit.

Section 7. "Occupied Lot" shall mean and refer to any lot on which there is a Living Unit in which one or more persons are residing.

Section 8. "Member" shall mean and refer to every person or entity who holds a membership in the Association.

Section 9. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Subdivision, but excluding those having such interest merely as security for the performance of an obligation.

Section 10. "Subdivision" shall mean and refer to all designated residential property, whether included in this unit or in any future units to be platted, within the perimeter of the legal description of the real property described in Exhibit "B" attached hereto and make a part hereof and shall not include any property lying within the perimeter of Exhibit "B" which may in the future be platted as "Commercial" property.

Section 11. "Assessable Tract" shall mean and refer to any Lot in SUMMERWOOD SUBDIVISION.

Section 12. "Mortgagee" shall mean and refer to a person or entity which has advanced money to an Owner or to Declarant for the purchase or improvement of a lot or other property in the Subdivision.

ARTICLE II

Property Rights

Section 1. Owner's Easement of Access and Enjoyment: Every Owner shall have an easement of access and a right and easement of enjoyment in and to Common Areas and such easement shall be appurtenant to an shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated on the Common Area;
- (b) The right of the association to suspend a Member's voting rights and right to use the recreational and other facilities owned or operated by the Association, for any period during which any assessment against his Lot or any other sum due the Association by him remains unpaid; and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

- (c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members;
- (d) The right of the Association to limit the number of guests of Members; and,
- (e) The right of the Association to encumber and secure debts against the Common Areas or a portion thereof to maintain, improve or construct facilities thereon or to refinance any debt secured by such property.

Section 2. Delegation of Use: Any Owner may delegate in accordance with the By-Laws of the Association, his right of enjoyment to the Common Area and facilities to members of his family, or his tenants, who reside on the Lot owned by him. If a residence is leased, then the lessee shall have the use of the Common Area, and the lessor shall have no rights to the Common Area. The Declarant, for each Lot owned within the Subdivision, hereby covenants, and each Owner of any Lot, by acceptance of a Deed therefore, whether it shall be expressed in the Deed or other evidence of the conveyance, is deemed to covenant that any lease executed on a Lot shall be in writing and contain provisions binding any lessee thereunder to the terms of this Declaration of Covenants, Conditions and restriction and any rules and regulation published by the Association applicable to the Lot and further providing that non-compliance with these terms of the lease shall be a default thereunder. When Owner leases to a tenant, Owner shall be obligated to furnish Declarant a copy of said lease within five (5) days from the date of said lease.

Section 3. Title to Common Area: Subject to the terms and provisions of any deed of trust or other lien instrument against the Common Areas or a portion thereof, the Common Area shall remain undivided and shall at all times be owned by the Association or its successors, it being agreed that provision is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Common Area. Notwithstanding the above, the Declarant reserves the right to grant, convey dedicate or reserve easement over, on or under the Common Area for utility services.

ARTICLE III

Membership and Voting Rights

Section 1. Membership: Every person or entity who is a record owner of a fee or undivided fee interest in a Lot which is a part of the Subdivision, shall hold a membership in the Association. The foregoing is not intended to include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Lot, except as to a lessee. Ownership of a Lot shall be the sole qualification for membership, except as to a Lessee. Any Mortgagee or lienholder who acquires title to any Lot which is a part of the Subdivision, through judicial or non-judicial foreclosure, or by voluntary reconveyance of the property from its debtor shall be a Class B Member of the Association.

Section 2. Voting Rights: There shall be two classes of membership entitled to voting rights in the Association and they shall be as follows:

(a) Class A: All Members in the Association, other than Declarant or Mortgagee, shall be considered Class A Members, and for each Lot owned shall be entitled to one vote on each matter coming before the Members at any meeting or otherwise, unless their voting rights have been suspended by the Board of Directors as hereinabove provided in Article II, Section 1(b). When a particular Lot is owned by more than one individual or entity, all the individuals or entities holding an ownership interest in that Lot shall be considered Class A Members, however, for the particular Lot they shall be entitled to a total of no more than one vote on each matter coming before the Members at any meeting or otherwise. The vote for such lot shall be exercised as they among themselves determine.

(b) Class B: Class B Members shall be those individuals or entities who are herein defined as Declarant or Mortgagee, and for each Lot owned they shall be entitled to fifty votes on each matter coming before the Members at any meeting or otherwise. When a particular Lot is owned by more than one such individual or entity, all such individuals or entities holding an ownership interest in that Lot shall be considered Class B Members, however, for that particular Lot they shall be entitled to a total of no more than fifty votes on each matter coming before the Members at any meeting or otherwise. The fifty votes for such Lot shall be exercised as they among themselves determine. Once a Lot is sold to an individual or individuals who would be classified as Class A Members, the fifty votes attached to that Lot shall be extinguished. All Class B Memberships shall cease and be automatically converted into Class A Memberships on the happening of either of the following events, whichever occurs earlier:

(i) When the total number of votes entitled to be cast by the Class A members at any meeting of the Members or otherwise equals the total number of votes entitled to be cast by the Class B Members; or

(ii) Ten (10) years from the date this Declaration of Covenants, Conditions and Restrictions is filed with the County Clerk of Comal County, Texas, for recordation in the Deed Records of Comal County, Texas.

ARTICLE IV

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation for Assessments: The Declarant, for each Lot within the Subdivision which shall be or thereafter become subject to the assessments hereinafter provided for, thereby covenants, and each Owner of any Lot which shall be or thereafter become assessable, by acceptance of a Deed therefor, whether or not it shall be expressed in the Deed or other evidence of the conveyance, is deemed to covenant and agree to pay the Association for the following:

- (a) Annual or monthly assessments or charges:
- (b) Special Assessments for capital improvements;
and,
- (c) Any other sums to the extent they are specifically provided for elsewhere in the instruments.

Such assessments or charges are to be fixed, established and collected as hereinafter provided. These charges and assessments, together with such interest thereon and cost of collection thereof, as thereinafter provided, shall be a charge on the land and shall be secured by a continuing Vendor's Lien upon the Lot against which such assessments or charges are made. Each such assessment or charge together with such interest, costs, and reasonable attorneys fees shall also be and remain the personal obligation of the individual or individuals who owned the particular Lot at the time the assessment or charge fell due notwithstanding any subsequent transfer of title to such Lot. The personal obligation for delinquent assessments and charges shall not pass to successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments: The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Subdivision. Without limiting the foregoing, the total assessments accumulated by the Association, insofar as the same may be sufficient, shall be applied toward the payment of all taxes, insurance premiums, assessments by SUMMERWOOD Property Owners Association, Inc., and repair maintenance and acquisition expenses incurred by the Association and at the option of the Board of Directors of the Association for any or all of the following purposes: lighting, improving and maintaining streets, alleyways, sidewalks, paths, parks, parkways, and esplanades in the Subdivision; collection and disposing of garbage, ashes, rubbish and materials of a similar nature; payment of legal and all other expenses incurred in connection with the collection, enforcement and administration of all assessments and charges and in connection with enforcement of this Declaration of Covenants, Conditions and Restriction; employing policemen or watchmen and/or a security service; fogging and furnishing other general insecticide services; acquiring and maintaining any amenities or recreational facilities that may be operated in whole or in part for the benefit of the Owners; and doing any other thing necessary or desirable in the opinion of the Board of Directors of the Association to keep and maintain the property in the Subdivision in neat and good order, or which they consider of general benefit to the Owners or occupants of the Subdivision, including the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance, and other charges as specified herein. Such funds may also be used to repair, maintain and restore abandoned or neglected residences and Lots as hereinafter provided. It being understood that the judgement of the Board of Directors of the Association in establishing annual assessments, special assessments and other charges and in the expenditure of said funds shall be final and conclusive so long as said judgement is exercised in good faith. It is also specifically understood and agreed that First National Bank of New Braunfels, Texas, has advanced to SUMMERWOOD Property Owners Association, Inc., the sum of \$40,000.00 for the use and benefit of the Association to construct certain facilities on the common area described as Exhibit "A" attached hereto, and the assessments will be used to repay this indebtedness, and a first lien deed of trust has been executed by the Association against such Common Area to secure the payment of said debt.

Section 3. Basis and Maximum Level of Annual Assessments:

Until January 1 of the year immediately following the conveyance of the first Lot to Owner, the maximum monthly assessment shall be Seven and No/100 (\$7.00) Dollars per Lot. From and after January 1 of the year immediately following the conveyance of the first Lot, the maximum annual assessment may be automatically increased, effective January 1 of each year, by Two and No/100 (\$2.00) Dollars per month or by an amount equal to a ten percent (10%) increase over the prior years annual assessment, whichever is greater, without a vote of the Members of the Association. From and after January 1 of the year immediately following the conveyance of the first Lot, any monthly assessment in excess of Two and No/100 (\$2.00) Dollars per month or ten percent (10%) must be approved by the Owners of two-thirds (2/3) of the Lots in the Subdivision. This increase shall become effective on the date specified in the document evidencing such approval only after such document has been filed with the County Clerk of Comal County, Texas, for recordation in the Deed Records of Comal County, Texas. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the monthly assessment at an amount not in excess of the maximum amount approved by the Owners. Should a duplex be constructed on a Lot in the Units designated in the Subdivision, then upon completion of the duplex and it being occupied the owner of the Lot shall pay Two (2) Assessments. The initial monthly amount of an occupied duplex shall be Fourteen and NO/100 Dollars (\$14.00).

Section 4. Special Assessments for Capital Improvements: In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction or unexpected repair or replacement or a particular capital improvement located upon Common Areas, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the written approval of the Owners of two-thirds (2/3) of the Lots in the Subdivision.

Section 5. Notice of Quorum for Any Action Authorized Under Sections 3 and 4: Written notice of any meeting of the Members of the Association called for purpose of taking any action authorized under Section 3 or 4 of this Article shall be sent to all members and shall be posted at a public place within the Subdivision not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of the Members holding fifty percent (50%) of all membership votes constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice and quorum requirements. In lieu of such a meeting and notice, a door-to-door canvass may be used to get the required written approval of the Owners as hereinafter provided.

Section 6. Rates of Assessment: Both monthly and special assessment shall apply to all Lots, except those owned by the Declarant or Mortgagee and must be fixed at uniform rates.

Section 7. Date of Commencement and Determination of Annual Assessment: The monthly assessment provided for herein shall commence as to all Lots on the first day of the month following the conveyance of a Lot to a Purchaser. The first assessment shall be adjusted according to the number of months remaining in the calendar year. On or before the 30th day of November in each year, the Board of Directors of the Association shall fix the amount of the monthly assessment to be levied against each Lot in the next calendar. Written notice of the figure at which the Board of Directors of the Association has set the monthly assessment shall be sent to every Owner of a Lot on January 1st and July 1st of each year in advance for the six (6) month period, or as directed by the Board of Directors of the Association. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer or the Association setting forth whether the assessment on a specified Lot

has been paid. A properly executed certificate of the Association as to the status of the assessments on a particular Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association: Any assessments or charges which are not paid when due shall be delinquent. If any assessment or charge is not paid within thirty (30) days after the due date, it shall bear interest from the due date at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Lot Owner personally obligated to pay the same, or foreclose the lien herein retained against the Lot. Interest, costs and reasonable attorney's fees incurred in any such action shall be added to the amount of such assessment or charge. Each such Lot Owner by his acceptance of a Deed to a Lot, hereby expressly vests in the Association or its agents, the right and power to bring all actions against such Lot Owner personally for the collection of such assessments and charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien foreclosure on a real property, and such Lot Owner expressly grants to the Association a power of sale and non-judicial foreclosure in connection with said lien. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9.

Subordination of the Lien Mortgages: As hereinabove provided, the title to each Lot shall be subject to the Vendor's Lien securing the payment of all assessments and charges due the Association, but this Vendor's Lien shall be subordinate to any valid purchase money lien or mortgage created for improvements covering a Lot. Sale or transfer of any Lot shall not affect this Vendor's Lien. However, the sale or transfer of any Lot which is subject to any valid purchase money lien or mortgage, pursuant to a judicial or non-judicial foreclosure under such lien or mortgage shall extinguish the Vendor's Lien securing such assessments or charge as to payments which became due prior to such sale or transfer. So long as Mortgagee owns a Lot or Lots acquired through a judicial or non-judicial foreclosure, or by voluntary reconveyance from its debtor no charges or assessments shall accrue with respect thereto; however, upon a sale of such Lot or Lots to an Owner as herein defined, such lots and the new Owner thereof shall be responsible and liable for the payment and any charges or assessments thereafter becoming due in accordance with the terms hereof.

In addition to the automatic subordination provided hereinabove, the Association, in the discretion of its Board of Directors, may subordinate the lien securing any assessment provided for herein to any other mortgage, lien or encumbrance, subject to such limitations, if any, as such Board may determine.

Section 10. Exempt Property: All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments and charges created herein. Notwithstanding the foregoing, no Lot which has been sold shall be exempt from said assessments and charges. All Lot Owners shall pay the assessments and charges regardless, and this provision may not be changed by a vote of the property owners.

**ARTICLE V
Insurance**

The Association, through the Board of Directors, or its duly authorized agent, shall have the authority to obtain the following types of insurance policies:

- (a) Property insurance covering the Common Area and all improvements thereon in an amount equal to the full replacement value of the improvements and facilities located upon the Common Area and owned by the Association (including all building service equipment and the like) with an "agreed amount endorsement" or its equivalent, an "demolition endorsement" or its equivalent, and, if necessary, an "increased cost of construction endorsement" or "contingent liability from operation of building laws endorsement" or the equivalent, affording protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement in Texas, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage and any such other risk as shall customarily be covered with respect to projects similar in construction, location and use.
- (b) A Comprehensive policy of public liability insurance covering all of the Common Area and insuring the Association, within such limits as it may consider acceptable (but with coverage of not less than \$1,000,000 for all claims for personal injury and/or property damage arising out of a single occurrence); such coverage to include protection against water damage liability, for nonowned and hired automobiles, liability for property of others, and any other coverage the Association deems prudent and which is customarily carried with respect to projects similar in construction, location, and use; and,
- (c) A policy of fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association and all others who handle, or are responsible for handling funds of the Association; such fidelity bonds shall be of the kind and in an amount the Association deems necessary for the protection of the Owners.

Premiums for all such insurance policies carried by the Association shall be a common expense payable by the assessments on all Lots. Liability and property insurance for Lots and other contents of residences shall be the responsibility of each individual Owner. All proceeds from policies held by the Association shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by federal governmental agency, with proviso agreed to by said bank or institution that such funds may be withdrawn only by signature of at least two (2) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. In no event shall the insurance company or the bank or other financial institution holding proceeds on a policy issued in the name of the Association be authorized to distribute any proceeds therefrom to the Declarant. Proceeds from such policies shall be used by the Association only for the benefit of its Members and where such proceeds arise out of an occurrence in which a building or improvement owned by the Association is damaged or destroyed, they shall be used to repair, restore and rebuild such building or improvements. In the event, the Board of Directors shall advertise for sealed bids from licensed contractors, and upon acceptance of a bid received thereby, may negotiate with the contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or

rebuilding of such destroyed improvements or buildings. In the event the insurance proceeds are insufficient to pay all costs of repairing and/or rebuilding said improvements to their original condition, the Association shall levy a special assessment for capital improvements against all Owners to make up the deficiency. This shall be done only after compliance with all requirements for imposition of special assessments.

ARTICLE VI

MEETING OF MEMBERS:

An annual meeting of the membership shall be held on a date designated by the Board of Directors.

SPECIAL MEETINGS:

Special meetings of the membership may be called by the President, the Board of Directors, or not less than one-tenth (1/10) of the members having voting rights.

PLACE OF MEETINGS:

The Board of Directors may designate any place within Comal County, Texas for any annual meeting or for special meetings.

NOTICE OF MEETINGS:

Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than fifteen (15) nor more than ninety (90) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the Officers, or persons calling the meeting. In case of a special meeting or when required by statute or by these By-Laws, the purpose of purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States Mail addressed to the member at his designated address it appears on the records of the Association, with postage thereon prepaid.

QUORUM:

A quorum for the transaction of business shall be five percent (5%) of the voting membership, but not less than five (5) members. If a quorum is not present at any meeting of the members, a majority of the members present may adjourn the meeting from time to time without further notice.

PROXIES:

No member shall be entitled to designate and vote by proxy. Each member, unable to attend a property owners meeting, shall upon written request, be mailed a summary of the various proposals on the agenda. Said absent members shall be entitled to a written vote on any issue within fifteen (15) days of said proposals. Said vote shall be counted and the Board of Directors, or designated officer, shall reply to the absentee voter within fifteen (15) days giving the results of the proposals and the effect of his vote.

ARTICLE VII

GENERAL POWERS

BOARD OF DIRECTORS

The affairs of the Association shall be managed by the Board of Directors who shall be members in goods standing in the Association. The number of Directors shall be five (5) with the retiring President as an ex-officio member for one year following his term of office. At the first election of Directors, the five who are elected shall serve until a successor is elected.

REGULAR MEETINGS:

A regular annual meeting of the Board of Directors shall be held without notice other than these By-Laws, immediately after, and at the same place, as the annual meeting of the membership. The Board of Directors may provide by resolution, the time and place for holding additional regular meetings of the Board without other notice than such resolution.

SPECIAL MEETINGS:

Special Meetings of the Board of Directors may be called by or at request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the board called by them.

QUORUM:

A majority of the Board of Directors shall constitute a quorum for the transaction of the business at any meeting of the Board, but if less than a majority of the Directors are present at said meeting, the Directors present may adjourn the meeting from time to time without further notice.

MANNER OF ACTING:

The act of a majority of the Board of Directors present at a meeting, at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these By-Laws.

VACANCIES:

Any vacancy occurring in the Board of Directors and any directorship to be filled by reason or resignation or any other reason, shall be filled by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

COMPENSATION:

No officer or member of the Board of Directors shall received any salary for their services as such to the Association.

ARTICLE VIII

OFFICERS:

The Officers of the association shall be a President, a Vice-President, a Secretary and a Treasurer. The secretary need not be a member of the Board of Directors.

ELECTION AND TERM OF OFFICE:

The officers and the Board of Directors shall be elected at the annual meeting. They shall hold office until their successors are duly installed or as otherwise provided. Any member of this Association in good standing shall be eligible to hold office. Also any person designated by the Declarant may hold office. The duties of the officers and the Board of Directors shall be those usually appertaining to such officers and as further provided in the By-Laws.

REMOVAL:

Any officer or director may be removed by the Board whenever in its judgement the best interest of the Association would be served thereby, but such removal shall be without prejudice to the officer so removed, AND MUST BE UNANIMOUS EXCEPT FOR THE OFFICER BEING CONSIDERED FOR REMOVAL.

VACANCIES:

A vacancy in any officer because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired term of office of the one vacating the office or post.

PRESIDENT:

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. He shall preside at all meetings of the Board and membership. He may sign, with the secretary or any other proper officer of the Association any instruments which the Board of Directors have authorized be executed; and in general he shall perform all duties incident to the office of President.

VICE-PRESIDENT:

In the absence of the President or in the event of his 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 the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to him by the President or the Board of Directors. There may be one or more Vice-Presidents.

SECRETARY:

The Secretary shall keep the minutes of the meeting of the members and the Board of Directors, see that all notices are duly given in connection with the provisions of these By-Laws or as required by law, be custodian of the Association records, keep a register of the post office address of each member, which should be furnished to the Secretary by such member; and in general perform all duties incident to that of the Office of the Secretary, and such other duties as from time to time may be assigned by the President or by the Board of Directors.

TREASURER:

The Treasurer, if required by the Board of Directors, shall furnish a bond for the faithful discharge of his duties and in such sum and with such surety as the Board shall determine, have charge and custody of the and be responsible for all funds and securities of the Association, receive and give receipts for monies, due and payable to the Association and deposit all monies in the name of the Association in such banks, trust companies or other depositories as shall be elected in accordance with the provisions of these By-Laws, and in general perform all duties incident to the Office of the Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

ARTICLE IX

DEPOSIT, FUNDS, AND CONTRACTS:

All funds of the Association shall be deposited in a federal insured bank in the name of the Association and all withdrawals by check, shall require the signature of the President, a Vice-President and/or the Treasurer. The Board of Directors may authorize other officers whenever necessary to enter into a contract or to execute or deliver any instruments in the name of and on behalf of the Association. (See Article VIII, Officers)

ARTICLE X

BOOKS AND RECORDS:

The Association shall keep a correct and complete set of books and records and shall keep minutes of the proceedings of the members, Board of Directors and committees having authority of the Board of Directors and shall keep at the principal office, the name and addresses of all members entitle to vote. The board of Directors has the right not to divulge the list of membership to those not having the right of inspection to the Association books. All books and records of the Association may in inspected by the Association members, in goods standing, for any proper purpose and at any reasonable time.

ARTICLE XI

CERTIFICATES OF MEMBERSHIP:

The Board of Directors may provide for the issuance of cards, evidencing the membership in the Association, the form of which shall be determined by the Board of Directors. Said cards shall be signed by the President and/or Secretary of this Association.

The Board of Directors may upon request, ask to be shown said cards, for admission to any meeting of the said Association. All cards evidencing membership in the Association shall be consecutively numbered and entered in an Association roster, showing date, name and address and number and termination of such membership, if such occurs.

Only those property owners who shall remain members in good standing of this Association shall be entitled to free and unrestricted use of the various common areas, amenities and recreational facilities.

A membership certificate, in good standing, shall be required for entrance to any common areas.

ARTICLE XII

FISCAL YEAR:

The fiscal year of this Association shall begin on the first day of November and end on the last day of October, in each year.

ARTICLE XIII

AMENDMENTS TO BY-LAWS:

These By-Laws may be altered or repealed and new By-Laws may be adopted by a majority of the membership present at any regular meeting or at any special meeting, if at least five (5) days written notice is given of intention to alter, amend or repeal or to adopt new By-Laws at such meeting. In the event such changes are made, and ratified by the Board of Directors, the membership of the Association should receive notice that such changes have been made, thereby allowing said members to keep their own copies of said By-Laws.

ARTICLE XIV

CONDUCT OF BUSINESS:

The conduct of business and the order of business shall, unless in conflict with these By-Laws, be in conformity with ROBERT'S RULES OF ORDER.

Reference is made to all restriction or record pertaining to the subdivision and they are incorporated herein for all purposes.

ADOPTED THIS 28th DAY OF FEB, A.D. 1978.

SUMMERWOOD PROPERTYOWNERS ASSOCIATION,
INC.

BY: Edward Badouh
EDWARD BADOUH, JR.
President