

003-52-2210

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DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF BAY MEADOWS TOWNHOMES

THIS DECLARATION, made on the date hereinafter set forth by, the property owners set forth below, hereinafter collectively referred to as "Declarant."

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain property in the City of Galveston, Galveston County, Texas, more particularly described in Exhibit "A" attached hereto.

The Mortgagees above named are owners and holders of a mortgage indebtedness secured by a Deed of Trust on the property indicated and join herein for the purpose of evidencing their consent to this Declaration.

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. Such restrictions, covenants and conditions are in addition to the Restrictions and Covenants of Campeche Cove Subdivision Unit No. 1 recorded in Volume 2520, page 851, in the office of the County Clerk of Galveston County, Texas, amended by instruments recorded in Volume 2694, page 669 and in Volume 3088, page 76, in the office of the County Clerk of Galveston County, Texas, and under Film Code No. _____ in the Official Public Records of Real Property of Galveston County, Texas.

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ARTICLE I.

Definitions

"Association" means Bay Meadows Townhome Owners Association, Inc., a Texas nonprofit corporation, the Bylaws of which shall govern the management of the properties, common area and restricted common area.

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

"Properties" shall mean and refer to that certain real property hereinafter described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

"Common Area" shall mean all real property owned by the Campeche Cove Homeowner's Association for the common use and enjoyment of the owners of lots in Campeche Cove Subdivision Unit 2, Campeche Cove Townhomes, Campeche Cove Townhomes Addition No. 1, Replat. "Restricted common area" shall mean all property owned by the Bay Meadows Townhome Owners Association, Inc. for the common use and enjoyment of the owners of Lots 52-71, Block 3, in Campeche Cove Subdivision Unit 2, Lots 1-16 in Campeche Cove Townhomes, and Lots 17-50 in Campeche Cove Townhomes Addition No. 1, Replat.

"Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the common area.

"Declarant" shall mean and refer to the Declarants below named and their successors and assigns.

"Manager" shall mean and refer to the party or parties under contract in compliance with the provisions of Article X of this instrument.

ARTICLE II.

Property Rights

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the common area and restricted common area which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admissions and other fees for the use of any recreational facility situated upon the common area.

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed sixty (60) days from 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. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members and all holders of first mortgages on individual lots agreeing to such dedication or transfer has been recorded.

(d) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the common area, restricted common area and facilities and in aid thereof to mortgage said properties and the rights of such mortgages in such properties shall be subordinate to the rights of the homeowners hereunder.

(e) The right of the Association, through its Board of Directors, to determine the time and manner of the use of the recreation facilities by the members.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the common area, restricted common area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III.

Membership and Voting Rights

Section 1. 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. The Association shall have two classes of voting membership:

Class A. Class A members shall be all owners with the exception of Guaranty Federal Savings and Loan Association and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

Class B. The Class B member shall be Guaranty Federal Savings and Loan Association 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 event, whichever occurs first:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) five years from the date hereof.

ARTICLE IV.

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal

Obligations of Assessments. The Declarant, for each lot owned within the properties, hereby covenants, and each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them, but shall constitute a lien against and on the property.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the properties; for the improvement, maintenance and management of the common area, including swimming pool, restricted common area and of the homes situated upon the properties; and for the improvement, maintenance and management of the common area and restricted common area, maintenance of the lawns of the homes situated upon the properties; and for the payment of insurance premiums as provided for herein. The assessment shall include all

charges for taxes (except real property taxes and other such taxes assessed separately on each lot or the personal property or any other interest of the owner), assessments, insurance (including fire and other casualty and liability insurance) on the restricted common area, yard, janitorial, and other similar services, wages, accounting and legal fees, management fees, and other expenses of upkeep, maintenance, and management actually incurred by the Association on or for the common area and restricted common area, the costs of operation of the common area and restricted common area, and the cost of a reserve for maintenance and repair, reinstatement, rebuilding, and replacement of the common area and restricted common area which may be required, from time to time.

Section 3. Amount of Assessment. Until January 1, 1986, the maximum assessment shall be \$98.00 per month per lot. From and after January 1, 1986, the maximum assessment may be increased by a vote of the Board of Directors at a meeting duly called for this purpose, as hereinafter provided.

Notwithstanding the above provisions, Owners shall be responsible for an annual assessment to Campeche Cove Homeowners Association, as set forth in the Restrictions of Campeche Cove Subdivision Unit No. 1, recorded in Volume 2520, page 851 and amended by instruments recorded in Volume 2694, page 669, and in Volume 3088, page 76, in the office of the County Clerk of Galveston County, Texas.

The assessment set forth in this Article IV includes the assessment made by the Campeche Cove Homeowners Association. The Manager agrees and the Manager is empowered to collect such assessment for the Campeche Cove Homeowners Association, and shall remit same to the Campeche Cove Homeowners Association at such time as the Manager and the Campeche Cove Homeowners Association may agree.

The Board of Directors shall fix the amount of the

assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due date shall be established by the Board of Directors. The association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid.

Section 4. Special Assessments for Capital Improvements. In addition to the assessments 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, repair or replacement of a capital improvement upon the restricted common area or common area, including fixtures and personal property related thereto, which is not covered by the reserve in the annual assessment, provided that any such assessment shall have the assent of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 5. Rate of Assessment. Assessments must be fixed at a uniform rate for all lots.

Section 6. Date of Commencement of Assessments. The assessments provided for herein shall commence January 1, 1985. Assessments shall be due and payable monthly in advance on or before the first day of each month. Failure to pay by the 15th of each month shall require the imposition and assessment of a late charge of \$25.00.

Section 7. Collection of Annual Assessment by Manager. The manager is empowered, and the manager agrees, to collect the annual assessment for each lot on the due date

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established by the Board of Directors. The manager shall remit such collections to the Bay Meadows Townhome Association and to the Campeche Cove Homeowners Association at such time as the manager and the Associations may agree. Each purchaser of a lot agrees to this provision. Nothing contained in this Section 8 shall be construed to impose any liability on the manager for such collections other than to remit to the Association any sums collected by the manager representing pro-rated annual assessments under this Declaration.

Section 8. Effect of Nonpayment of Assessments.

Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. Each such owner, by his acceptance of a deed to a lot, hereby expressly vests in Bay Meadows Property Association, Inc., its agents, successors or assigns, the right and power to bring all actions against such owner personally for the collection of such 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, its agents, successors or assigns, in a like manner as a mortgage or deed of trust lien on real property, and such owner hereby expressly grants to the Association a power of sale in connection with said lien.

The lien provided for in this section shall be in favor of the Association, its successors or assigns, and shall be for the benefit of all other lot owners. The Association, acting on behalf of all other lot owners shall have the power to bid in an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to

subrogate so much of its right to such liens as may be necessary or expedient to an insurance company continuing to give total coverage notwithstanding nonpayment of such defaulting owner's portion of the premium. No 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. Special Assessment on Transfer Upon the transfer of ownership of any lot, the Association shall be entitled to collect a fee of Twenty-five Dollars (\$25.00), as a special assessment, which fee shall be payable on the effective date of transfer of ownership.

Section 10. Subordination of the Lien to Mortgage. The lien of the assessments provided for herein shall be prior and superior to all other liens except only (a) ad valorem taxes and (b) all sums unpaid on a first mortgage or deed of trust of record. The sale or transfer of any lot shall not affect the assessments lien; provided, however, that the sale or transfer of any lot pursuant to the foreclosure of a first mortgage thereon shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessment thereafter becoming due or from the lien thereof.

Section 11. Insurance Assessments. The Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain insurance for all the buildings on the properties, including all townhouses, against loss or damage by fire or other hazards in an amount sufficient to cover the full replacement cost of any repair or reconstruction work in the event of damage or destruction from any hazard, and shall also obtain a broad form public liability policy covering all restricted common area, and all damage or injury caused by the negligence of the Association

or any of its agents. Said insurance may include coverage against vandalism. Premiums for all such insurance, except on the individual townhouses, shall be common expenses. All such insurance coverage, shall be written in the name of the Association as trustee for each of the townhouse owners in equal proportions. In addition to the aforesaid insurance required to be carried by the owners and/or the Association, any owner may, if he wishes, at his own expense, insure his own townhouse unit for his own benefit and carry any and all other insurance he deems advisable. It shall be the individual responsibility of each owner at his own expense to provide, as he sees fit, homeowners liability insurance, theft and other insurance covering personal property against damage and loss.

In the event of damage or destruction by fire or other casualty to any property covered by insurance written in the name of the Association, the Board of Directors shall, with concurrence of the mortgagee, if any, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed property to as good condition as formerly. All such insurance proceeds shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a Federal Government Agency, with the proviso agreed to by said bank or institution that such funds may be withdrawn only by signature of at least one-third (1/3) of the members of the Board of Directors. The Board of Directors shall advertise for sealed bids with any licensed contractors, and then may negotiate with any contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed building or buildings. In the event the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding to the same condition as formerly, the Board of Directors shall levy a special

assessment against all owners of the damaged townhouses in such proportions as the Board of Directors deem fair and equitable in the light of the damage sustained by such townhouses to make up any deficiency, except that the special assessment shall be levied against all townhouse owners, as established by Article IV, Section 4, above, to make up any deficiency for repair or rebuilding of , restricted common area not a physical part of a townhouse unit.

In the event such insurance proceeds exceed the cost of repair and reconstruction, such excess shall be paid over to the respective mortgagees and owners in such proportions as the Board of Directors deem fair and equitable in light of the damage sustained by such townhouses. Such payments shall be made to all such owners and their mortgagees as their interests may then appear. In the event of damage or destruction by fire or other casualty to any townhouse or other property covered by insurance written in the name of an individual owner, said owner shall, with concurrence of the mortgagee, if any, upon receipt of the insurance proceeds, contract to repair or rebuild such damaged or destroyed portions of the exterior of the townhouse in a good workman-like manner in conformance with the original plans and specifications of said townhouses. In the event such owner refuses or fails to so repair and rebuild any and all such damage to the exterior of the townhouse area within sixty (60) days, the Association, by and through its Board of Directors, is hereby irrevocably authorized by such owner to repair and rebuild any such townhouse in a good and workman-like manner in conformance with the original plans and specifications of the townhouses. The owner shall then repay the Association in the amount actually expended for such repairs, and the Association shall have a lien on said property securing the payment of same identical to that provided above

in this section securing the payment of insurance premiums, and subject to foreclosures as above provided.

ARTICLE V.

Architectural Control

No building, fence, wall or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of 3 or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within 60 days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Approval by the Architectural Committee designated herein shall be subject to prior approval by the Architectural Committee of Campeche Cove Homeowners Association.

ARTICLE VI.

Section 1. In addition to maintenance upon the restricted common area, the Association shall provide exterior maintenance upon each lot which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutter, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces and patios.

Section 2. In the event that the need for maintenance or repair of a lot or the improvements thereon is caused through the willful or negligent act of the owner, his family

or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such lot or property is subject.

Section 3. Owner's Maintenance. The owner shall maintain and keep in repair the following equipment and lines located outside the residence: air-conditioning compressor condenser, including pipes and electrical lines connecting same to the residence, sanitary sewer line connection the residence to the sanitary sewer collection system, electric power service conductors from the exterior of the building to the point of connecting to the electric utility company's junction box or transformer, electric circuit breakers, any portion of natural gas and/or telephone service companies, and water service line from curb stop to and throughout the dwelling unit.

An owner shall not do any act nor any work that will impair the structural soundness or integrity of another residence or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other residences or their owners.

Section 4. Outside Antennas. Without prior written approval of the Board of Directors, no exterior television or radio antennas of any sort shall be placed, allowed or maintained upon any portion of the improvements to be located upon the property, nor upon any structure situated upon the property. An aerial for a master antenna system, should any such master system or systems be utilized and require any such exterior antenna, shall be under the exclusive control of the board of directors.

Section 5. Non-Discrimination. No action shall at any time be taken by the Association or its Board of Directors which in any manner would discriminate against any owner or owners in favor of the other owner.

ARTICLE VII.

User Restrictions

In order to provide a congenial occupation of the properties and to provide for the protection of the value of the entire development, the use of the residences and common areas shall be in accordance with the following provisions:

(a) Each of the townhouses shall be occupied by only a family, its servants, and guests, as a residence and for no other purpose, by the owner or a lessee under contract with the owner. No townhouse may be divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred.

(b) The restricted common areas and common areas shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the townhouses. No use or practice shall be permitted in any townhouse or in the restricted common areas and common areas which is the source of annoyance to the residents, or which interferes with the peaceful possession and proper use of the property by its residents. All part of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate, nor fire hazard allowed to exist. No immoral, improper, offensive or unlawful use of shall be made of the townhouse property or any part thereof. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. No townhouse owner shall permit any use of his townhouse or of the common area or restricted common area which will increase the rate of insurance upon the properties.

(c) Until Guaranty Federal Savings and Loan Association, its successors or assigns, has sold all of the townhouses it presently owns, neither the owners nor the Association shall interfere with the sale of the townhouses.

Guaranty Federal Savings and Loan Association, its successors and assigns, may make such use of the unsold townhouses and common area as may facilitate sale, including but not limited to the maintenance of a sales office, the showing of the property and the display of signs.

(d) Except as provided in Paragraph (c) no signs of any kind or for any use or purpose whatsoever shall be erected, posted, painted, or displayed upon any exterior wall or roof, or any part thereof, without the prior written consent of the Association and Guaranty Federal Savings and Loan Association as long as its ownership of any portion of the herein described property exists, which consent will not be unreasonably withheld.

(e) No turkeys, geese, chickens, ducks, pigeons, or fowls of any kind, or goats, rabbits, hares, horses or animals usually termed "farm animals," shall be kept or allowed to be kept in any townhouse or in the common area, nor shall any commercial dog raising or cat raising, or any kind of commercial business be conducted on the premises, except that household pets may be permitted in written rules adopted by the Association. Any household pets permitted shall be leashed when not inside the townhouse or patio of the townhouse.

(f) No recreation vehicles or commercial vehicles, including but not limited to boats, boat trailers, house trailers, camping trailers, motorcycles, pick-up trucks or similar type items shall be kept other than in the garage or patio of the owner's townhouse.

(g) Reasonable rules and regulations concerning the use of the townhouse property may be made and amended from time to time by the Association in the manner provided by its By-Laws.

(h) An owner shall not, without the prior written consent of the Association (or the Architectural Control Committee), make any structural and/or architectural alteration in the townhouse or in the water, gas or steam pipes, electrical conduits, plumbing or other fixtures connected therewith, or remove any additions, improvements or fixtures from the townhouse or common area.

ARTICLE VIII.

Easements

Each lot shall include the following easements from each lot owner and the same shall pass with each lot and shall rest in the grantee thereof as an inseparable appurtenance thereto:

Section 1. Ingress and Egress. Easements through the common area and restricted common area for ingress and egress for all persons making use of such common area in accordance with the terms of the Declaration.

Section 2. Maintenance, Repair and Replacement. Easements through the lots, common area and restricted common area for maintenance, repair and replacement of the townhouse and common area elements. Use of these easements, however, for access to the lots shall be limited to reasonable hours except that access may be had at any time in case of emergency, originating in his townhouse or threatening the safety of his or other townhouses, whether owner be present or not.

Section 3. Utilities. Easements through the lots, common area and restricted common area for all facilities for the furnishing of utility services within the property and to the various lots, which facilities shall include but not be limited to conduits, ducts, plumbing and wiring; provided, however, that the easements for such facilities through a lot shall be substantially in accordance with the plans and specifications of the property.

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Section 4. Roof Projections. Each roof, projection, and the like, which is built as a part of the original construction of the residence upon the properties which projects onto adjacent lots shall constitute permissible encroachments, and each owner of a residence which as originally built projects onto adjacent lots shall have a right and easement of enjoyment in and to said encroachment, which easement shall be appurtenant to and shall pass with the title to each said lot, whether expressly provided in the deed to said lot or not, and every lot onto which such roof, projection, and the like, encroaches shall be subject to the aforesaid easement, whether expressly stated in the deed to said lot or not.

ARTICLE IX.

Party Walls

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the properties and placed on the dividing line between the lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this article, the general rules of law regarding party walls and liability for property damage to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it, and if the other owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without the cost of prejudice, however, subject to the right of any such owners to call for

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a larger contribution from the others under any rule of law regarding liability for negligence or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this article, an owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any owner to contribution from any other owner under this article shall be appurtenant to the land and shall pass to such owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all arbitrators. If a party refuses to select an arbitrator within ten (10) days after requested so to do, the Board of Directors of the Association shall select an arbitrator for the party refusing to do so.

ARTICLE X.

Management Agreements

It shall be the duty of the Board of Directors of the Association to manage the project or to effect a contract for the management of the properties and to delegate to such manager the management duties of the Board of Directors, to be performed by such manager under the supervision of the Board of Directors. Should the Board of Directors enter into a management contract, the Board shall not enter into any new management agreement without thirty (30) days prior written notice to the holder of any first mortgage or deed of trust upon any lot. Any and all management agreements may be

cancelled by an affirmative vote of eighty percent (80%) of the votes of each class of the members of the Association. Each owner of a lot hereby agrees to be bound by the terms and conditions of any management contract or agreements entered into by the Board of Directors. A copy of any such agreement shall be available to each owner. No Management agreement shall be for a term in excess of two (2) years.

ARTICLE XI.
Staged Developments

Additional residential property, common area or restricted common area may be annexed to the properties with the consent of two-thirds (2/3) of each class of members.

ARTICLE XII.

In the event of such annexation and development, Declarant covenants, for itself, its successors and assigns, that the townhouses and improvements constructed will be of comparable style, quality and size as those presently situated on the properties.

Additional Rights of Mortgagees

Section 1. Notice to Mortgagees. Upon request to the Association, the holder of a first mortgage on a lot shall be entitled to receive written notice of:

(a) All meetings, both annual and special, of the Association at least thirty (30) days prior but not more than sixty (60) days prior thereto;

(b) Any material amendment to this Declaration, the By-Laws, or articles of incorporation;

(c) Substantial damage to or destruction of the common area and facilities, or any individual townhouse, or any condemnation or eminent domain proceedings; and

(d) Any default under the Declaration or By-Laws by an owner which is not cured within sixty (60) days.

Section 2. Books and Records. The holder of a first mortgage on a lot shall have the right to examine the books

and records of the Association during normal business hours, and upon written request to the Association, shall be entitled to receive a copy of the annual audited financial statement of the Association within ninety (90) days following the end of the fiscal year of the Association.

Section 3. Right to Pay Amounts in Default. The holder(s) of a first mortgage on a lot may, jointly and singly, pay taxes or other charges which are in default and which may or have become a charge against the common area and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the common area, and the holder(s) making such payments shall be owed immediate reimbursement therefor from the Association.

Section 4. Prior Written Approval. Unless at least seventy-five percent (75%) of the holders of first mortgages on individual lots have given their prior written approval, the Association shall not be entitled to:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the restricted common area, or any part thereof, or improvements thereon. The granting of easements for public utilities or for other public purposes consistent with the intended use of the restricted common area shall not be deemed a transfer within the meaning of this clause.

(b) Change the method of determining the obligations, assessments, dues or other charges which may be levied against an owner.

(c) By act or omission change, waive or abandon any of the restrictions, or enforcement thereof, pertaining to architectural control, exterior maintenance, or party walls.

(d) Fail to maintain insurance in accordance with Article IV, Section II, or to use the proceeds of such

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insurance for losses to the common area for other than the repair, replacement or reconstruction of such improvements.

ARTICLE XIII.

General Provisions

Section 1. Enforcement. The Association, or any owner, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the total votes of the membership of the Association as defined in Article III hereof. It is the specific intention of this provision that ownership of a lot by a member entitles that member to vote or votes on questions of amendment in accordance with the provisions of Article III hereof.

Section 4. Joinder of Mortgagee Guaranty Federal Savings and Loan, owner and holder of a mortgage indebtedness secured by a deed of trust on the property described herein, joins herein for the purpose of evidencing its consent to this Declaration of covenants, conditions and restrictions.

003-52-2231

IN WITNESS WHEREOF, Declarant has caused this instrument
to be executed in duplicate originals this the _____ day of
_____, 1984.

GUARANTY FEDERAL SAVINGS AND
LOAN ASSOCIATION

By: *U. R. Buckley*

FEDERAL NATIONAL MORTGAGE
ASSOCIATION

By: _____

MORRIS W. WOSNIG

EVELYN K. WOSNIG

Michael Curtis Smith
MICHAEL CURTIS SMITH

HORACE RALPH SMITH

LESTER V. MARTIN

HELEN MARTIN

John T. Rapp
JOHN T. RAPP

003-52-2232

THE STATE OF TEXAS
COUNTY OF GALVESTON

Before me, the undersigned authority, on this day personally appeared W. R. Parkey, as Vice President of Guaranty Federal Savings and Loan Association 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, in the capacity therein stated, and as the act and deed of said corporation.

Given under my hand and seal of office this 9th day of December, 1984.

James Schweitzer
Notary Public in and for
The State of Texas
My commission expires: 6-5-85
James Schweitzer

THE STATE OF TEXAS
COUNTY OF

Before me, the undersigned authority, on this day personally appeared _____, as _____ of Federal National Mortgage Association, 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, in the capacity therein stated, and as the act and deed of said corporation.

Given under my hand and seal of office this _____ day of _____, 1984.

Notary Public in and for
The State of Texas
My Commission Expires: _____

THE STATE OF TEXAS
COUNTY OF GALVESTON

Before me, the undersigned authority, on this day personally appeared Morris W. Wosnig and wife, Evelyn K., known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this _____ day of _____, 1984.

Notary Public in and for
The State of Texas
My Commission Expires: _____

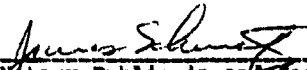
THE STATE OF TEXAS

003-52-2233

COUNTY OF GALVESTON

Before me, the undersigned authority, on this day personally appeared Michael Curtis Smith, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this 9th day of December, 1984.


Notary Public in and for
The State of Texas
My Commission Expires: 6-5-85
James Schweitzer

THE STATE OF TEXAS

COUNTY OF GALVESTON

Before me, the undersigned authority, on this day personally appeared Horace Ralph Smith, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this ____ day of _____, 1984.

Notary Public in and for
The State of Texas
My Commission Expires: _____

THE STATE OF TEXAS

COUNTY OF GALVESTON

Before me, the undersigned authority, on this day personally appeared Lester V. Martin and Helen Martin, husband and wife, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this _____ day of _____, 1984.

Notary Public in and for
The State of Texas
My Commission Expires: _____

THE STATE OF TEXAS
COUNTY OF GALVESTON

003-52-2234

Before me, the undersigned authority, on this day personally appeared John T. Rapp, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office on this 9th
day of December, 1984.

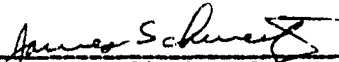

Notary Public in and for
The State of Texas
My Commission Expires: 6-5-84
James Schweitzer

EXHIBIT "A"

003-52-2235

Owner/Mortgages

Property

**Guaranty Federal Savings
Loan Association**

**Lots 54, 55, 56, 57, 59, 60,
61, 62, 63, 64, 66, 67, 68, 69,
and 70 of Block 3, Campeche
Cove Subdivision Unit 2 Replat,
a subdivision in Galveston
County, Texas according to the
map thereof recorded in Volume
15, page 139 of the Map Records
of Galveston County, Texas.**

**Lots 1 through 16, inclusive,
of Campeche Cove Townhomes, a
subdivision in Galveston
County, Texas according to the
map thereof recorded in Volume
17, page 32 of the Map Records
of Galveston County, Texas.**

**Lots 17 through 50, inclusive,
of Campeche Cove Townhomes, a
subdivision in Galveston
County, Texas, according to
the map thereof recorded in
Volume 17, page 42 of the Map
Records of Galveston County,
Texas.**

**Federal National Mortgage
Association**

**Lots 58, 65 and 71 of Block
3 Campeche Cove Subdivision
Unit 2 Replat, a subdivi-
sion in Galveston County,
Texas according to the map
thereof recorded in Volume
15, page 139 of the Map Records
of Galveston County, Texas.**

**Morris W. Wosnig and wife,
Evelyn K.**

**Lot 54 of Block 3, Campeche
Cove Subdivision Unit 2 Replat
a subdivision in Galveston
County, Texas according to the
map thereof recorded in Volume
15, page 139 of the Map Records
of Galveston County, Texas.**

Michael Curtis Smith

**Lot 69 of Block 3, Campeche
Cove Subdivision Unit 2 Replat
a subdivision in Galveston
County, Texas according to the
map thereof recorded in Volume
15, page 139 of the Map Records
of Galveston County, Texas.**

Horace Ralph Smith

**Lot 53 of Block 3, Campeche
Cove Subdivision Unit 2 Replat
a subdivision in Galveston
County, Texas according to the
map thereof recorded in Volume
15, page 139 of the Map Records
of Galveston County, Texas.**

003-52-2236

Lester V. Martin et ux,
Helen

Lot 52 of Block 3, Campeche
Cove Subdivision Unit 2 Replat
a subdivision in Galveston
County, Texas according to the
map thereof recorded in Volume
15, page 139 of the Map Records
of Galveston County, Texas.

John T. Rapp

Lot 39, Campeche Cove Addition
No. 1 Replat, a subdivision in
Galveston County, Texas accord-
ing to the map thereof recorded
in Volume 17, page 42 of the
Map Records of Galveston
County, Texas.

STATE OF TEXAS COUNTY OF GALVESTON
I hereby certify that this instrument was filed on the
date and time stamped herein by me and was duly recorded
in the Official Public Records of Real Property of Galveston
County, Texas on

DEC 10 1984



Mary Jane Edmister
COUNTY CLERK, Galveston County, Texas

FILED FOR RECORD
Dec 10 4 34 PM '84

Mary Jane Edmister
COUNTY CLERK, GALVESTON COUNTY, TEXAS

Return To:
Jill Schwartz
Stewart Title Bldg Suite 205
Galveston, TX 77550
2



Dues increase notice 6-19-14

Notice of Campeche Cove Home Owners Association (CCHOA) dues increase.

The CCHOA Board of Directors proposed that the CCHOA dues be increased from \$75 a year to \$125 a year.

The first vote for the dues increase was not passed since a quorum (60% of home owners and proxies) was not reached. If the required quorum was not forthcoming at the first meeting then another meeting maybe called and the required quorum at the second meeting be 1/2 of the required quorum of the first meeting (30%) (article 6 section 6 of the CCHOA restrictions and Covenants).

On July 13, 2013 the Campeche Cove Homeowners voted at the second meeting on a proposal to increase the CCHOA fees from \$75 to \$125 a year.

The CCHOA bylaws require that 30% of the homeowners vote on the rate increase and that to pass 2/3 of the votes need to approve the increase.

Of the 273 home owners, 116 (42.5%) homeowners voted. Eighty four (84) homeowners (and proxies) voted to approve the dues increase and 32 voted against the increase. The second meeting achieved a quorum (42.5%) of the homeowners voted and 72.4% voted to approve the increase. The proposed dues increased passed.

The increase was instituted for the 2013 dues.

Submitted by Simon A. Lewis

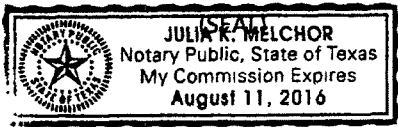
Interim Co-President

CCHOA Board of Directors

I hereby certify that all statements in this document are true and correct to the best of my knowledge and belief.

Sign here Simon A. Lewis

SWORN TO and SUBSCRIBED before me on this the 26 day of June A.D. 2014.



Sign here Julia K. Melchor

NOTARY PUBLIC FOR THE STATE OF Texas

FILED AND RECORDED



OFFICIAL PUBLIC RECORDS

Dwight D. Sullivan
2014037096

July 03, 2014 09:29:11 AM

FEE: \$26.00

Dwight D. Sullivan, County Clerk
Galveston County, TEXAS


MANAGEMENT CERTIFICATE

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF GALVESTON §

1. The name of the subdivision is Campeche Cove Subdivision.
2. The name of the association is Campeche Cove Homeowners' Association, Inc.
3. The recording data for the subdivision is Map Volume 15, Page 25 (Unit 1); Map Volume 16, Page 13 (unit 2); Map Volume 16, Page 14 (Unit 3); Map Volume 15, Page 139 (Unit 2 Replat); and Map Volume 15, Page 140 (Unit 3 Replat) of the Map Records of Galveston, County, Texas
4. The recording data for the Declaration of Restrictive Covenants is Volume 2520, Page 851 Deed of Trust Records-Covenants and Restrictions for Campeche Cove, Sections 1,2, & 3); Volume 2694, Page 669, Deed of Trust Records-Amended Restrictions and Covenants of Campeche Cove Unit #1 and Annexation To Declaration of Restrictions and Covenants for Unit Two (2) in the office of the County Clerk of Galveston County, Texas; and Notice of Campeche Cove Home Owners Association (CCHOA) Dues Increase filed under Clerk's File No. 2014037096 in the Official Records of Real Property of Galveston County, Texas.
5. The mailing address of the person managing the association is: Board of Directors
P. O. Box 3176
6. A copy of the Bylaws of the Association is attached. Galveston, TX 77552

Executed this 15th day of April, 2015.

Signed on behalf of the Campeche Cove Homeowners Association Board of Director by:


Simon A. Lewis
Co-President

143447.1
SGS/cg:07/14/04

THE STATE OF TEXAS

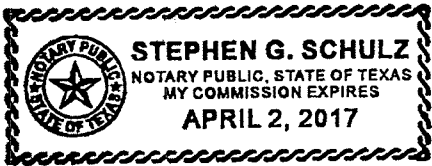
§
§
§

COUNTY OF GALVESTON

The foregoing instrument was acknowledged before me on the 15th day of April, 2015, by Simon Lewis, Co- President of CAMPECHE COVE HOMEOWNERS' ASSOCIATION, INC., a Texas Non-profit Corporation:

Stephen G. Schulz
NOTARY PUBLIC, STATE OF TEXAS

Stephen G. Schulz
PRINTED NAME OF NOTARY



MY COMMISSION EXPIRES:

4-2-17

RETURN TO:

Stephen G. Schulz
Greer, Herz & Adams, L.L.P.
One Moody Plaza, 18th Floor
Galveston, Texas 77550

143447.1
SGS/cg:07/14/04

Amended and Approved
January 18, 1983

BY-LAWS
OF
CAMPECHE COVE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

Name and Location

The name of the corporation is CAMPECHE COVE HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 14 Tradewinds, Galveston, Texas 77551, but meetings of members and directors may be held at such places within the State of Texas, County of Galveston, or such other place as may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1. Association shall mean and refer to Campeche Cove Homeowners' Association, Inc., its successors and assigns.

Section 2. Owner shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. Properties shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. Common area shall mean all real property owned by the Association for the common use and enjoyment of the owners.

Section 5. Lot shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the common area and certain multiple lots described in the Declaration of Covenants and Restrictions of Campeche Cove Subdivision, as amended.

Section 6. Manager shall mean and refer to the Board of Directors or any party or parties under contract for management of the project under the provisions of Article X of the declaration.

Section 7. Declaration shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the office of the County Clerk of Galveston County, Texas.

Section 8. Member shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III

Members, Meetings and Voting Rights

Section 1. Composition and Powers. Every owner of a lot which is subject to assessment shall be a member of the Association. The association shall be composed of all of the owners. Membership shall be appurtenant to and may not be separated from ownership of any lot. Except as otherwise provided herein or in the Declaration, the acts, decisions, and resolution of the Association shall be effective upon adoption by vote of a majority of the members.

Section 2. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on a date certain set by the Board of Directors during the months of June through September upon at least ten (10) days written notice to all members. All annual meetings shall be conducted according to Roberts Rules of Order.

Section 3. Special Meetings. Special meetings of the members may be called at any time by the president or by a quorum of the Board of Directors or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the membership. All special meetings shall be conducted according to Roberts Rules of Order.

Section 4. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage paid, at least ten (10) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Notice may also be delivered in person or deposited in a member's mailbox by the secretary and he shall make a certificate as to delivery of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum and Adjournment. The presence at any meeting, in person or by proxy, of ten per cent of all members entitled to cast a majority of the votes shall constitute a quorum for any action, except as otherwise provided in the Articles

of Incorporation, the Declaration, or these By-Laws. Any meeting of the Association, whether annual or special, may be adjourned from time to time, whether a quorum be present or not, without notice other than the announcement at the meeting, and such adjournment may be to such time and to such place as may be determined by a majority of the votes cast at such meeting. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting as originally called and notified.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of this lot.

Section 7. Voting. The Association shall have one class of voting membership. Members entitled to vote at any meeting of the Association shall be all owners who are not delinquent in the payment of any annual or special assessment and they shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

ARTICLE IV

Board of Directors

Section 1. Composition. The affairs of the Association shall be managed by a board of seven (7) directors, of which two directors need not be members of the Association and cannot be officers of the Association. Directors shall serve for a term of two years with three elected in even-numbered years and four elected in odd-numbered years.

Section 2. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or nonmembers.

Section 3. Election. Election to the Board of Directors shall be by secret written ballot. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the declaration and these By-Laws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 4. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the membership. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 5. Compensation. No director shall receive compensation for any service he may render to the Association; however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 6. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of such board, but no vote of the directors shall be valid unless concurred in by a majority of the entire number on the Board, whether present or not present.

Section 7. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 8. Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days' notice to each director. All meetings of the Board of Directors shall be conducted in accordance with Roberts Rules of Order.

Section 9. Powers and Duties. The Board of Directors, for the benefit of the owners, shall have the following powers and duties:

(a) To adopt and publish rules and regulations governing the use of the common area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.

(b) To suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default, for a period of sixty days or more, in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed sixty (60) days for infraction of published rules and regulations.

(c) To exercise for the association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Charter, or the Declaration; including enforcement of any deed restrictions affecting Campeche Cove Subdivision.

(d) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board.

(e) To employ a manager, an independent contractor, or such other employees as they deem necessary to provide all goods and services required by these By-Laws or the Declaration, or which the Board, in its discretion, deems necessary for the proper operation of the properties, or for the maintenance, repair and replacement of the common area, and to prescribe their duties.

(f) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote.

(g) To supervise all officers, agents and employees of this association, and to see that their duties are properly performed.

(h) As more fully provided in the Declaration, to:

1. fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period;
2. send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each assessment period; and
3. foreclose the lien against any lot for which assessments are not paid within sixty (60) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(i) To issue, or to cause an appropriate officer to issue upon demand by any person, a certificate setting forth whether or not any assessment has been

paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(j) To procure and maintain adequate liability and hazard insurance on the properties as set forth in the Declaration.

(k) If the Board deems it necessary, to cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

(l) To cause the common area to be maintained.

(m) To cause the exterior of the dwellings to be maintained to the extent permitted by the Declaration of Covenants and Restrictions.

(n) To perform any and all duties imposed on the Board by applicable law.

ARTICLE V

Officers and Their Duties

Section 1. Election of Officers. The officers of the Association shall be the president, vice president, secretary, and treasurer, and, in addition thereto, in the discretion of the Board, such other officers with such duties as the Board shall from time to time determine. The president and vice president shall be elected annually by the Board from among the members of the Board at the first meeting of the Board following each annual meeting of the members, and all other officers shall be elected annually by the Board from among the membership of the Board as the Board may determine at the first meeting of the Board following each annual meeting of the members, and all officers shall serve until their successors shall have been elected. The treasurer may be a corporation. All officers shall be subject to removal at any time by the affirmative vote of the majority of the Board. The Board may, in its discretion, elect acting or temporary officers and elect officers to fill vacancies occurring for any reason whatsoever, and may in its discretion, limit or enlarge the duties and powers of any officer elected by it. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created by the Board pursuant to these By-Laws. No one person may hold the same office for more than two consecutive terms.

Section 2. The President. The president shall preside at all meetings of the Board of Directors and the members; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written

instruments and shall co-sign all checks, if the Board of Directors shall so direct, and promissory notes.

Section 3. The Vice President. The vice president shall perform all of the duties and exercise all of the powers and rights of the president provided by these By-Laws or otherwise during the absence or disability of the president, or whenever the office is vacant, and shall perform all other duties assigned by the Board.

Section 4. The Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings in conformity with these By-Laws; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties assigned by the Board.

Section 5. The Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign or cosign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year, if so directed by the Board of Directors; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members; and perform all other duties assigned to him by the Board.

ARTICLE VI

Committees

The Board of Directors for the Association shall appoint an architectural control committee as provided in the Declaration, and a nominating committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose. Committee existence may be terminated by the Board, with the exception of the architectural committee. Vacancies in the membership of any committee may be filled by the Board.

ARTICLE VII

Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available

for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE VIII

Assessments

As more fully provided in the declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the lot against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within sixty (60) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten per cent (10%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No 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. Any member of the Association who is delinquent for a period of sixty days or more may have his right to vote at meetings of the Association revoked by the Board. Assessments may be prorated from the appropriate month during which membership begins for the remainder of the fiscal year.

ARTICLE IX

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words: Campeche Cove Homeowners' Association, Inc.

ARTICLE X

Miscellaneous

Section 1. Covenant to Obey Laws. Each owner shall be subject to the Declaration and shall abide by the By-laws and rules and regulations as the same are or may from time to time be established by the Board. Each owner shall observe, comply with, and perform all rules, regulations, ordinances, and laws made by the Board of Health and any other governmental authority of the municipal, state and federal government applicable to the properties.

Section 2. Fiscal Year. The fiscal year of the Association shall begin on the first day of July and end on the 30th day of June of every year, except that the first fiscal year shall begin on the date of incorporation. Annual assessments are due on the first day of each fiscal year of the Association.

Section 3. Amendment. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of all members entitled to vote who are present in person or by proxy.

Section 4. Conflicts. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

AMENDMENT TO RESTRICTIONS AND COVENANTS
OF CAMPECHE COVE, UNIT 1

DEED OF TRUST

BOOK 3088 PAGE 75

STATE OF TEXAS
COUNTY OF GALVESTON

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, by Restrictions executed by CAMPECHE DEVELOPMENT CORPORATION recorded in Volume 2520, Page 851, in the Office of the County Clerk of Galveston County, Texas, and in the Amended Restrictions and Covenants recorded in Volume 2694, Page 669, in the Office of the County Clerk of Galveston County, Texas, CAMPECHE DEVELOPMENT CORPORATION, "Developer", in Article V, Section 3, Paragraph (w), retained the right to allow any lot owner to place any sign, advertisement, billboard or advertising structure of any kind on a lot, house, structure or other vehicle; and

WHEREAS, it is the desire of Developer to release and relinquish any and all rights which it may have under the above referenced paragraph;

NOW, THEREFORE, CAMPECHE DEVELOPMENT CORPORATION, a Texas corporation, acting herein by and through its duly authorized officers, does hereby release and relinquish any and all rights which it may have under Article V, Section 3, Paragraph (w) of the Restrictions recorded in Volume 2520, Page 851, or in Volume 2694, Page 669, both of which are of record in the Office of the County Clerk of Galveston County, Texas.

IN WITNESS WHEREOF, Developer has caused this instrument to be executed by and through its duly authorized officers, this the 27th day of October, 1978.



CAMPECHE DEVELOPMENT CORPORATION

By [Signature]
President

ATTEST:
[Signature]
Secretary

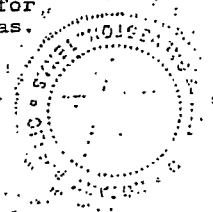
DEED OF TRUST
BOOK 3088 PAGE 74

STATE OF TEXAS
COUNTY OF GALVESTON

Before me, the undersigned authority, on this day personally appeared John S. Sullivan, _____ President of Campeche Development Corporation, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed; in the capacity therein stated and as the act and deed of said corporation.

Given under my hand and seal of office this 27th day of October, 1978.

Edith M. Crissland
NOTARY PUBLIC in and for
Galveston County, Texas.



FILED AND RECORDED

Instrument Number: 2015024071

Recording Fee: 74.00

Number Of Pages: 14

Filing and Recording Date: 04/20/2015 3:08PM

I hereby certify that this instrument was FILED on the date and time stamped hereon and RECORDED in the OFFICIAL PUBLIC RECORDS of Galveston County, Texas.



A handwritten signature in black ink that reads "Dwight D. Sullivan".

Dwight D. Sullivan, County Clerk
Galveston County, Texas

NOTICE: It is a crime to intentionally or knowingly file a fraudulent court record or instrument with the clerk.

DO NOT DESTROY - *Warning, this document is part of the Official Public Record.*