

1. Governing Documents.

This subdivision was established as Lake Hollyhill Acres in 1966 with the recording of The Deed Restrictions of Lake Hollyhill Acres. These restrictions "run with the land" and are "automatically extended" in perpetuity unless amended by "an instrument signed by a majority of the then owners". Soon afterwards, in 1968, Lake Hollyhill Owners Association, Inc, a Texas non-profit, was chartered, for the express purpose of which is "to keep, maintain and manage all parks and lakes contained in LAKE HOLLYHILL ACRES... and to levy and to collect from the owners of said subdivision such maintenance assessments as might be necessary to defray the expense of keeping, managing and maintaining such recreational areas." This corporate charter was neglected and allowed to lapse after 50 years (2018) but was revived in 2021 and is officially recorded with the Secretary of State. The Bylaws of Lake Hollyhill Owners Association, Inc were first recorded in 1976, with the latest amendment approved by a majority of the membership in 2009. Amended Deed Restrictions were voted on and recorded with the county in 1986, however, an inspection of the signatures shows that less than 50% of the membership voted in favor, which means the original Restrictions are still in effect. In the opinion offered by our lawyer, these Bylaws (amended 2009) and Restrictions (of 1966), along with the Texas Property Code Chapter 209, which may in some instances may supersede the Bylaws and Restrictions, together act as our governing documents.

Resolution 1: The Board agrees that the governing documents ("Covenants") of Lake Hollyhill Acres Subdivision and the Lake Hollyhill Owners Association are the Restrictions of 1966, and the amended Bylaws of 2009, except where superseded by Texas Property Code Chapter 209.

In favor: 6 against: 0 not present: 1

Resolution 2: The Board agrees that these Covenants cannot be amended or abrogated except by a recorded majority vote of the landowners/members.

In favor: 6 against: 0 not present: 1

Resolution 3: It is the fiduciary duty of the Board Officers and Directors to have a working understanding of the Deed Restrictions, the Bylaws, and Texas Property Code Chapter 209.

In favor: 6 against: 0 not present: 1

Resolution 4: Candidates for the Board who are in open opposition to these Covenants cannot be seated as Officers or Directors of the Board and should withdraw their candidacy, notwithstanding their right under Section 209.00591 to run for office if they wish. This is not to be construed as preventing someone who desires to amend the Covenants from taking Office, provided they intend to uphold the existing Covenants and follow the amendment process.

In favor: 6 against: 0 not present: 1

Maintenance Dues - Collection

A simple reading of the Deed Restrictions of 1966 does not find any mention of mandatory maintenance dues, however, the first amended Bylaws as recorded in 1976, and all other amendments up to 2009 call for the levying of maintenance dues, currently \$50 per year per homeowner/member. Some members dispute the legitimacy of such dues. However, as outlined by the opinion of legal council, Texas legal precedent is to find the intent of the original Restrictions by looking at the Bylaws and other recorded documentation from the time the Restrictions were first recorded. While our Bylaws were not recorded until 10 years later, the corporate charter of Lake Hollyhill Owners Ass., Inc. from 1968 clearly indicates the intent to levy maintenance assessments from the homeowners. As well, there are recorded liens placed on member's properties for non-payment as early as 1976. This would seem to indicate the intent and practice of mandatory payment of maintenance dues going back to the earliest days of the subdivision.

Resolution 5: The Board agrees with legal council that the practice of collecting mandatory maintenance fees is legitimate and we expect it would be upheld in a Court of Law.

In favor: 6 against: 0 not present: 1

Resolution 6: The Board believes that placing a lien on a property in arrears is an appropriate and long-standing practice when other options have been exhausted to collect the mandatory dues.

In favor: 6 against: 0 not present: 1

Resolution 7: This Board will not seek foreclosure on HOA members for non-payment of dues, whether such action is legal or not.

In favor: 6 against: 0 not present: 1

3. Maintenance Dues - Adjustment

Texas Code leaves the amount of maintenance dues charged to be decided by an HOA's Board of Directors, unless they are otherwise restricted by the CC&Rs. In our case, the Bylaws do not specify an amount for maintenance or assessment fees, but allows that "any change of assessment fees amount must be approved by majority vote of qualified members at a special meeting called for that purpose." According to the Bylaws, members must be notified by mail 7 days in advance of any special meeting, with the number of members present or represented by proxy constituting a quorum. According to Sec. 209.0051 of the Texas Property Code, increases in assessments require an open meeting following at least 10 days notice given to the members.

Resolution 8: This Board pledges that any dues increase be approved as required by the Bylaws, at a special meeting called for that purpose, following the appropriate notice and quorum required by the Bylaws and Texas Code. While these meetings are ideally attended in person, we will collect and count absentee votes on these matters. A full majority vote of the membership, while desirable, may not be practical and is not required to increase the assessments.

In favor: 6 against: 0 not present: 1

Resolution 9: The Board pledges that any proposal to increase the dues will be accompanied by a budget proposal that details how the collected funds will be used.

In favor: 6 against: 0 not present: 1

Resolution 10: The Board commits to conducting no more than one vote per year regarding dues. Any special meeting held for this purpose will come no later than the end of November, following 30 days notice rather than the usual 20.

In favor: 6 against: 0 not present: 1

4. Maintenance of the Lake and Parks

A clear reading of the LHOA corporate charter, in particular, but also the Bylaws suggests that the primary purpose of this HOA charging assessments is the maintenance of the Lake and common areas.

Resolution 11: The Board agrees that the primary purpose of the HOA is the maintenance of the lake and parks for the enjoyment of the members. Assessments will be used for maintenance purposes or conducting HOA business primarily to that end.

In favor: 6 against: 0 not present: 1

5. Deed Restrictions Enforcement

The Deed Restrictions govern the physical structure of the subdivision and outline the most fundamental responsibilities of homeowners to their neighbors. This contract can be enforced by the HOA because we are all landowners as well as Board members, and the restrictions explicitly state "these restrictions may be enforced by the developer, their assigns and individual homeowners". However, unlike many modern HOAs, our CC&Rs have no explicit mention of enforcement mechanisms for violating the Restrictions. Courts have found, in particular, that HOAs have no authority to fine someone for violating deed restrictions unless this authority is explicitly given by the CC&R. Without this, enforcement ultimately is up to the county or state in so much as our deed restrictions might overlap with county or state ordinances, or the courts.

Resolution 12: The Board has no authority to levy fines under Texas law for the purposes of enforcing the Deed Restrictions or other HOA rules.

In favor: 6 against: 0 not present: 1

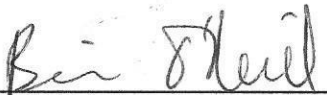
Resolution 13: The Board will assist homeowners who are seeking redress from neighbors for egregious violations of our restrictions, but the homeowners themselves will be asked to bear a fair burden of the enforcement costs on a case by case basis.

In favor: 6 against: 0 not present: 1

Resolution 14: The Board will follow Texas Property Code 209.006 in creating a policy for enforcement of Deed Restriction violations. This provides accused violators with a window of 30 days and a hearing before the board prior to any enforcement proceeding, such as seeking court injunctions or filing a lawsuit.

In favor: 6 against: 0 not present: 1

Resolutions with majority vote of the Board of Directors recorded above as "in favor" are hereby adopted this 8th day of June, 2026.



Brian O'Neill, President
Lake Hollyhill Owners Association



Zulema Garcia, Secretary
Lake Hollyhill Owners Association