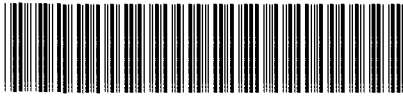


Hidalgo County
Arturo Guajardo Jr.
County Clerk
Edinburg, TX 78540



70 2012 02326927

Instrument Number: 2012-2326927

Recorded On: July 18, 2012

As
Recording

Parties:

To

Billable Pages: 22

Number of Pages: 23

Comment: CERT REC DEDICATORY

**** Examined and Charged as Follows: ****

Recording	100.00
Total Recording:	100.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2012-2326927
Receipt Number: 1291443
Recorded Date/Time: July 18, 2012 03:30P

Record and Return To:

ATLAS, HALL & RODRIGUEZ, LLP
ORIGINAL RETURNED TO CUSTOMER
EDINBURG TX 78540

User / Station: A Rodriguez - Cash Superstation 09



**STATE OF TEXAS
COUNTY OF HIDALGO**

I hereby certify that this instrument was FILED in the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Hidalgo County, Texas

Arturo Guajardo Jr.
County Clerk
Hidalgo County, TX

**CERTIFICATE OF RECORDING DEDICATORY INSTRUMENTS
PURSUANT TO §202.006 TEXAS PROPERTY CODE**

**DEDICATORY INSTRUMENTS FOR RECORDING ARE ATTACHED HERETO AS
THE FOLLOWING EXHIBITS:**

- A. Articles of Incorporation of Marble Falls Homeowners Association, Inc. (7 pages)
- B. Statement of Change of Registered Office/Agent (1 page)
- C. HOA Alternative Payment Schedule Policy Adopted Pursuant to Section 209.0062, Texas property Code (3 pages)
- D. HOA Document Retention Policy & Records Production & Copying Policy Adopted Pursuant to §209.005, Texas Property Code (9 pages)

PROPERTY DESCRIPTION: (Include platted subdivision name & plat recording data)

All Lots 1 thru 49, inclusive of Marble Falls Subdivision, an Addition to the City of Mission, Hidalgo County, Texas, according to the Map or Plat thereof, recorded in Volume 42, Page 116 of the Map Records of Hidalgo County, Texas

POPULAR NAME OF DEVELOPMENT:

Marble Falls Subdivision

**ADDITIONAL DEDICATORY INSTRUMENTS TO WHICH SUBDIVISION IS
SUBJECT:**

1. Declaration of Covenants, Conditions, and Restrictions for Marble Falls Subdivision, dated June 19, 2003 and recorded as Document No. 1212874, Real Property Records, Hidalgo County, Texas, as amended
2. Bylaws of Marble Falls Homeowners Association, Inc., dated July 28, 2003 and recorded as Document Number 1224837, Real Property Records, Hidalgo County, Texas
3. Management Certificate for Marble Falls Homeowners Association, Inc. dated April 20, 2010 and recorded as Document No. 2095421, Real Property Records, Hidalgo County, Texas

NAME OF PROPERTY OWNERS ASSOCIATION:

Marble Falls Homeowners Association Inc. (the "Association")

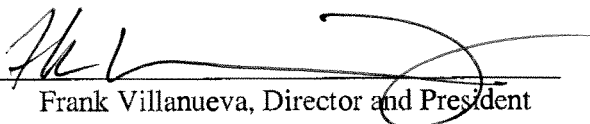
SUPPLEMENTATION NOTICE:

The Association may subsequently amend, add to, or file additional certificates in order to record other dedicatory instruments for the Association in the real property records of Hidalgo County, Texas.

CERTIFICATION & EXECUTION

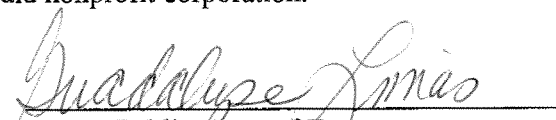
I hereby certify that I have been instructed by the Board of Directors of the Association to execute this Certificate to effect the recording of the dedicatory instruments attached hereto on behalf of the property owners association, for the purpose of complying with the requirements of Property Code Section 202.006.

Marble Falls Homeowners Association Inc.

By: 
Frank Villanueva, Director and President

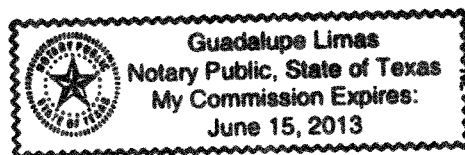
THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

This instrument was acknowledged before me on this 16th day of July, 2012, by Frank Villanueva, Director and President of Marble Falls Homeowners Association, Inc., a Texas nonprofit corporation, on behalf of said nonprofit corporation.


Notary Public, State of Texas

AFTER RECORDING RETURN:

ATLAS & HALL, L.L.P.
Attention: Joshua A. Cummings
P.O. Box 3725
McAllen, TX 78502-3725



ARTICLES OF INCORPORATION

FILED
In the Office of the
Secretary of State of Texas

OF

JUL 22 2003

MARBLE FALLS HOMEOWNERS ASSOCIATION, INC. Corporations Section

The undersigned natural person of the age of eighteen years or more, acting as incorporator adopt the following Articles of Incorporation for MARBLE FALLS HOMEOWNERS ASSOCIATION, INC. (referred to as the "Corporation") under the Texas non-profit Corporation Act (referred to as the "Act").

ARTICLE 1

DEFINITIONS

1. "Association or Corporation" shall mean and refer to MARBLE FALLS HOMEOWNERS ASSOCIATION INC., a non-profit corporation, its successors and assigns, or replacements which, or will be, formed by the Owners for the purpose of enforcing the covenants, restrictions an agreements set forth herein.

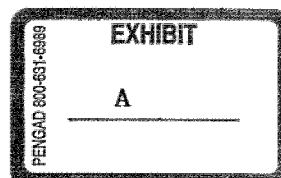
2. "Board of Directors" shall mean and refer to the Board of Directors of the Association which will be established and which shall conduct regular and special meetings according to the provisions of the Bylaws of the Association.

3. "Bylaws" shall mean and refer to the Bylaws of the Association, as amended from time to time.

4. "Common Areas" shall mean and refer to all real property located within the boundaries of the Subdivision with are not otherwise located within or on a part of any Lot, as set forth on the plat or map of the Subdivision as recorded in the Map Records of Hidalgo County, Texas, together with any improvements located thereon, including, but not limited to, all streets and alleys located within the Subdivision and all improvements, the perimeter fence constructed by the Declarant, and all landscaping and area lights provided by the Declarant for the benefit of the Subdivision.

5. "Declarant" shall mean and refer to Antonio M. Aguirre, Jr., his successors and assigns, in his capacity as the developer of the Subdivision.

5.1. "Declarations" shall and mean refer to that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MARBLE FALLS SUBDIVISION MARBLE FALLS HOMEOWNERS ASSOCIATION, INC., dated the 19th day of June 2003, executed on behalf of the Declarant and recorded in the office of the County Clerk of Hidalgo County, Texas as the same may be amended or supplemented from the time as therein provided applicable to the Property recorded in the Office of the County Clerk of Hidalgo County, Texas.



6. "**Lot**" shall mean any of forty-nine (49) numbered plots of land shown on the recorded Subdivision map with the exception of the Common Areas.

7. "**Maintenance**" shall mean the exercise of reasonable care to keep buildings, streets, alleys, curbs, fences, sprinklers, fountains, signs, jogging trails, landscaping, lighting, and other related improvements and fixtures, whether enumerated or not, in the Common Areas in a condition comparable to their original condition, normal wear and tear excepted. Maintenance of landscaping shall further mean the exercise of generally accepted garden management practices necessary to promote a healthy, weed-free environment for optimum plant growth.

8. "**Member**" shall mean every person or entity who holds membership in the Association as set out in Article II of the Declaration.

9. "**Owner**" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the property, and shall include contract sellers, but shall not include holding title merely as security for performance of an obligation.

10. "**Subdivision**" shall mean Marble Falls Subdivision, an addition to the City of Mission, Hidalgo County, Texas, according to the Map or Plat thereof, recorded in Volume 40 Page 181 of the Map Records of Hidalgo County, Texas

ARTICLE 2

NAME

The name of the Corporation is MARBLE FALLS HOMEOWNERS ASSOCIATION INC.

ARTICLE 3

NONPROFIT CORPORATION

The Corporation is a nonprofit corporation

ARTICLE 4

DURATION

The Corporation shall continue in perpetuity.

ARTICLE 5

PURPOSES

The purposes for which this Corporation is formed are as follows:

- (a) Specifically and primarily to provide an organization, consisting of the Owners of the Lots, to provide for the management, Maintenance, acquisition, construction, and care of the Subdivision.
- (b) Generally:
 - (i) To promote the health, safety, and welfare of the Owners of the Subdivision.
 - (ii) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration and Bylaws of said Association (the "Bylaws").
 - (iii) To fix, levy, collect, and enforce payment of any charges or assessments as set forth in the Declaration and to pay all expenses in connection with such charges or assessments, all office expenses, and all other expenses incidental to the conduct of the business of the Association, including but not limited to all licenses, taxes, or governmental charges levied or imposed against the property of the Association.
 - (iv) To acquire (by gift, purchase, or otherwise), own, hold, improve, build on, operate, maintain, convey, sell, lease, transfer, to dedicate for public use, or otherwise to dispose of real or personal property in connection with the affairs of the Association.
 - (v) To borrow money, to mortgage, to pledge, to deed in trust, or to hypothecate any or all of the Association's real or personal property as security for money borrowed or debts incurred.
 - (vi) To have and to exercise any and all powers, rights, and privileges that a corporation organized under the Texas Non-Profit Corporation Act by law may now or at a later time have exercise.
 - (vii) To act in the capacity of principal, agent, joint venture, partner, or otherwise.

- (c) Notwithstanding any of the above statements of purpose, the Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purpose of the Association.

ARTICLE 6

POWERS

In furtherance of its purpose, the Association shall have the following powers which, unless otherwise provided in these Articles, the Declaration, the Bylaws, or the laws of the State of Texas, may be exercised by the Board of Directors:

1. All rights and powers conferred upon nonprofit corporations by the laws of the State of Texas in effect from time to time.
2. All rights and powers conferred upon homeowner associations by the laws applicable provisions of the Texas Property Code, as amended from time to time; and
3. All powers necessary, appropriate, or advisable to perform any purpose or duty of the Association as set out in these Articles, the Declaration, the Bylaws, or the laws of the State of Texas.

ARTICLE 7

MEMBERSHIP

The Association shall be a non-stock membership corporation. The members of the Association shall consist solely of the Owners. The Declaration and Bylaws shall determine the number and qualifications of members of the Association; the classes of membership, if any; the voting rights and other privileges of membership; and, the obligations and liabilities of members. Cumulative voting is not allowed.

ARTICLE 8

LIMITATIONS ON LIABILITY

An officer or director of the Association shall not be liable to the Association or any Owner for monetary damages for an act or omission in the officer's or director's capacity as an officer or director, except that this Article VIII does not eliminate or limit the liability of an officer or director to the extent the officer or director is found liable for: (1) a breach of the officer's or director's duty of loyalty to the Association; (2) an act or omission that involves intentional misconduct or a knowing violation of the law; (3) a transaction from which the officer or director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the officer's or director's

office; or (4) an act or omission for which the liability of the officer or director is expressly provided by statute.

If the Texas Non-Profit Corporation Act, or any other applicable statute is amended after the date of adoption of this Article VIII to Authorize action further eliminating or limiting the personal liability of officer or director of the Association shall be eliminated or limited to the fullest extent permitted by such statutes, as so amended. Any repeal or modification of the foregoing paragraph shall not affect adversely any right of protection of an officer or director of the Association existing at the time of such repeal or modification.

ARTICLE 9

AMENDMENT OF ARTICLES

These Articles may be amended in accordance with the requirements of the Act, provided however, that:

1. An amendment shall not conflict with the Declaration or the Bylaws; and
2. An amendment shall not impair or dilute a right granted to an Owner by the Declaration, without that person's written content.

ARTICLE 10

AMENDMENT OF BYLAWS

The Bylaws of the association shall be amended or replaced according to the amendment provisions set forth in the Bylaws.

ARTICLE 11

DISSOLUTION

The Association may be dissolved only as provided in the Declaration, the Bylaws, and the laws of the State of Texas. On dissolution, the assets of the Association shall be distributed in accordance with the Declaration provision for distribution upon termination; if the Declaration has no such provisions, then in accordance with the termination provisions of the Act.

ARTICLE 12

INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Corporation is 5303 N. McColl, McAllen, Texas 78504. The name of the initial registered agent at this office is Jack Caywood.

ARTICLE 13

BOARD OF DIRECTORS

The direction, management, and business of the Corporation and the Association shall be vested in a board of three (3) directors. The board of directors need not be Members of the Corporation . The number of directors may be changed by amendment of the Bylaws of the Corporation, but shall in no event be less than three (3) nor more than nine (9). The initial Board of Directors shall consist of the following persons at the following addresses:

Name of Director	Street Address
Jack Caywood	5303 N. McColl, McAllen, Texas 78504
Isabel Flores	5303 N. McColl, McAllen, Texas 78504
Diana Garza	5303 N. McColl, McAllen, Texas 78504

ARTICLE 14

SHARES

No shares have been issued by the Corporation.

ARTICLE 15

INCORPORATORS

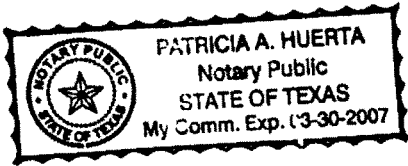
The name and street address of the incorporator is Eduardo Cantu 900 North Main, McAllen, Texas 78501

IN WITNESS WHEREOF, I have hereunto set my hand the 21st day of July, 2003.

EC

EDUARDO CANTU

Sworn to this 21st day of July, 2003.



Patricia A. Huerta

Notary Public, State of Texas

DISCLAIMER

The undersigned, being the incorporator of Marble Falls Homeowners Association, Inc., a corporation filed by the Secretary of State of Texas, does hereby disclaim any and all interest in said Corporation.

Signed this 21st day of July, 2003.

EC

EDUARDO CANTU

Form 401
(Revised 01/06)
Return in duplicate to:
Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
512 463-5555
FAX: 512/463-5709
Filing Fee: See instructions



**Statement of Change of
Registered Office/Agent**

This space reserved for office use.

FILED
In the Office of the
Secretary of State of Texas
FEB 01 2008
Corporations Section

The entity name is: MARBLE FALLS HOMEOWNERS ASSOCIATION INC.

The file number issued to the entity by the secretary of state is: 800227078

The registered agent and registered office of the entity as currently shown on the records of the secretary of state are: Jack Caywood

5303 N. McColl Mcallen, TX 78504

Change of Registered Office/Agent
The certificate of formation or registration is modified to change the registered agent and/or office of the filing entity as follows:

Registered Agent Change (Complete either A or B, but not both. Also complete C if the address has changed.)

A. The new registered agent is an organization (cannot be entity named above) by the name of:

OR

B. The new registered agent is an individual resident of the state whose name is:

FRANK
First Name

M.I.

VILLANUEVA
Last Name

Jr.
Suffix

Registered Office Change

C. The business address of the registered agent and the registered office address is changed to:

2216 DRIFTWOOD LANE
Street Address (No P.O. Box)

Mission
City

TX
State

78572
Zip Code

The street address of the registered office as stated in this instrument is the same as the registered agent's business address.

The change specified in this statement has been authorized by the entity in the manner required by the BOC or in the manner required by the law governing the filing entity, as applicable.

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

Date: 01/11/08

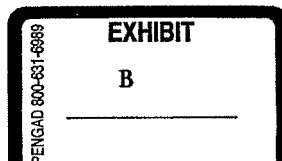
Mr. Villanueva
MFHDA President

Signature and title of authorized person (see instructions)

RECEIVED

FEB - 1 2008

Secretary of State



**HOA ALTERNATIVE PAYMENT SCHEDULE POLICY ADOPTED
PURSUANT TO SECTION 209.0062, TEXAS PROPERTY CODE**

SUBDIVISION: Marble Falls Subdivision, as further described on Exhibit A attached hereto
ASSOCIATION: Marble Falls Homeowners Association, Inc.

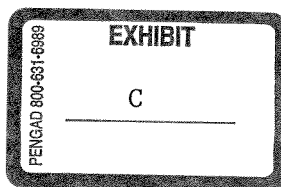
The purpose of this policy is to satisfy the requirement of Texas Property Code Section 209.0062.

Purpose. If an Eligible Owner (as that term is defined below) is delinquent in the payment of regular or special assessments or any other amount owed to the Association, the Eligible Owner shall be given the opportunity to make partial payments to the Association, prior to the accrual of monetary penalties, pursuant to the alternative payment schedule set forth below. For purposes of this policy, monetary penalties do not include reasonable costs associated with administering this plan or interest.

Eligible Owner. The term “Eligible Owner” shall mean any owner of real property located in the Subdivision who has not failed to honor the terms of a previous alternative payment schedule during the two years following the owner’s default under the previous payment schedule.


Alternative Payment Schedule. Simultaneously with a notice (“Default Notice”) from the Association to a delinquent owner of the owner’s failure to pay regular or special assessments or any other amount owed to the Association (“Delinquency Amount”), the Association shall offer any Eligible Owner an alternative payment schedule of four (4) months in duration to pay the Delinquency Amount. The first payment under the alternative payment schedule shall be due on the 1st day of the calendar month following the expiration of ten (10) days from the date of the Default Notice. Each monthly installment owing under the alternative payment schedule shall be for twenty-five percent (25%) of the Delinquency Amount.

Notice: Any notice required or permitted under this policy must be in writing. Any notice required by this policy will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified or registered mail, return receipt requested, and addressed to the Eligible Owner at the Eligible Owner’s property address within the Subdivision or other alternative address as provided in writing to the Association by the Eligible Owner. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received.



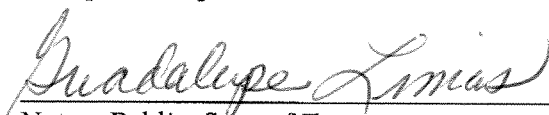
By signing below, the undersigned certifies that the Board of Directors of the Association adopted this policy to ensure that the Association complies with requirements of state law, and that the Board of Directors instructed the undersigned to execute this Policy and effect its recording on behalf of the Association.

Marble Falls Homeowners Association Inc.

By: 
Frank Villanueva, Director and President

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

This instrument was acknowledged before me on this 16th day of July, 2012, by Frank Villanueva, Director and President of Marble Falls Homeowners Association, Inc., a Texas nonprofit corporation, on behalf of said nonprofit corporation.


Notary Public, State of Texas

AFTER RECORDING RETURN:

ATLAS & HALL, L.L.P.
Attention: Joshua A. Cummings
P.O. Box 3725
McAllen, TX 78502-3725

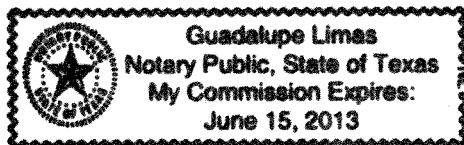


EXHIBIT A

DESCRIPTION OF SUBDIVISION

All Lots 1 thru 49, inclusive of Marble Falls Subdivision, an Addition to the City of Mission, Hidalgo County, Texas, according to the Map or Plat thereof, recorded in Volume 42, Page 116 of the Map Records of Hidalgo County, Texas

**HOA DOCUMENT RETENTION POLICY &
RECORDS PRODUCTION & COPYING POLICY
ADOPTED PURSUANT TO §209.005, TEXAS PROPERTY CODE**

SUBDIVISION: Marble Falls Subdivision, as further described on Exhibit A attached hereto
ASSOCIATION: Marble Falls Homeowners Association, Inc.

The purpose of these policies is to comply with the requirement of Texas Property Code Section 209.005, as amended.

Authority. The Association is required retain the books and records of the Association, including financial records, and make those documents open to and reasonably available for examination by an owner of real property in the Association, or a person designated in writing signed by the owner as the owner's agent, attorney, or certified public accountant, in accordance with Texas Property Code §209.005.

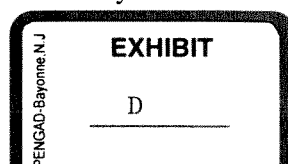
Document Retention Policy. The Association hereby adopted a document retention policy as follows:

- (1) certificates of formation, bylaws, restrictive covenants, and all amendments to the certificates of formation, bylaws, and covenants shall be retained permanently;
- (2) financial books and records shall be retained for seven years;
- (3) account records of current owners shall be retained for five years;
- (4) contracts with a term of one year or more shall be retained for four years after the expiration of the contract term;
- (5) minutes of meetings of the owners and the board shall be retained for seven years; and
- (6) tax returns and audit records shall be retained for seven years.

Production & Copying Policy. If a request for information is made to the Association, including, but not limited to a request pursuant to Texas Property Code §209.005, as amended, the Association may charge the requestor all reasonable costs of materials, labor, and overhead for compiling, producing, and reproducing the requested information.

Other Procedures: The Association hereby adopted the procedures set forth in Section 209.005, Texas Property Code, for document retention procedures and procedures relating to requesting, responding and processing requests for Association information received by the Association from an owner or an owner's authorized representative. If a conflict exists between these policies and Section 209.005, Texas Property Code, then the provisions of Section 209.005, Texas Property Code, shall control. A copy of Section 209.005, Texas Property Code, in existence as of the date of the adoption of this policy is attached hereto as Exhibit C.

Savings Clause. Notwithstanding anything to the contrary in any writing or communication made by the Association, the Association will not in any event be entitled to receive or collect information



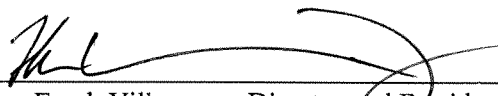
request charges from an owner in amounts greater than the maximum amounts permitted by applicable law. If from any circumstances whatsoever the Association charges or receives an amount in excess of the maximum charges permitted by law, the excess amount will be reimbursed to the owner.

Waiver as to Production & Copy Policy. The Association may reduce or waive some or all of the charges addressed by this policy on a request-by-request basis, without waiving the right to charge such fees on future requests.

Payment as to Production & Copy Policy. The Association may require advance payment of the estimated charges addressed by this Policy. Within 30 business days after delivering the requested information, the Association will provide the owner with an invoice of the actual costs. If the actual costs are less than the prepaid estimated charges, the Association will refund the difference to the owner within 30 business days after sending the invoice. If the actual costs are greater than the prepaid estimated charges, the difference is due and payable to the Association by the owner within 30 business days after the invoice is sent to the owner, after which time the Association may add the unpaid amount to the owner's assessment account.


By signing below, the undersigned certifies that the Board of Directors of the Association adopted these policies to ensure that the Association complies with requirements of state law, and that the Board of Directors instructed the undersigned to execute this instrument and effect its recording on behalf of the Association.

Marble Falls Homeowners Association Inc.

By: 
Frank Villanueva, Director and President

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

This instrument was acknowledged before me on this 16th day of July, 2012, by Frank Villanueva, Director and President, of Marble Falls Homeowners Association, Inc., a Texas nonprofit corporation, on behalf of said nonprofit corporation.


Notary Public, State of Texas

AFTER RECORDING RETURN:

ATLAS & HALL, L.L.P.
Attention: Joshua A. Cummings
P.O. Box 3725
McAllen, TX 78502-3725

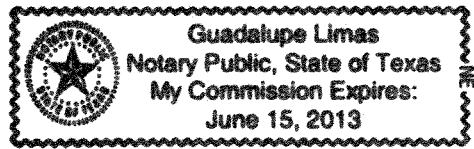


EXHIBIT A

DESCRIPTION OF SUBDIVISION

All Lots 1 thru 49, inclusive of Marble Falls Subdivision, an Addition to the City of Mission, Hidalgo County, Texas, according to the Map or Plat thereof, recorded in Volume 42, Page 116 of the Map Records of Hidalgo County, Texas

EXHIBIT B

PRESCRIBED COSTS TO OWNER

Copy Charges:

Electronic image transmitted by email - no copy charge
Electronic image downloaded to USB drive - actual cost of drive
Standard paper copy or scan (letter or legal size)-\$0.10 per page (double sided is 2 pages)
Oversize paper copy or scan (such as 11x17) - \$0.50 per page
Diskette or CD - \$1.00
DVD - \$3.00

Labor Charge:

No labor charge if the request is for 50 or fewer pages of information, unless the records must be retrieved from a storage facility that is remote from the processor's office.

\$15.00 per hour, in 1/4 hour increments, for actual time to locate, compile, manipulate data, reproduce information, and (if necessary) redact confidential information, for requests of more than 50 pages and for records in remote storage.

No labor charge for time spent to review the requested Information to determine if the information qualifies for an exemption from Open Records

Overhead Charge:

No overhead charge if the request is for 50 or fewer pages of information, Otherwise, the overhead charge is 20 percent of the labor charge.

Remote Document Retrieval Charge:

If the requested information is stored with a commercial records storage company that charges a fee to deliver and return stored records, the Association may seek reimbursement of the third-party fee from the owner if the request otherwise qualifies for a labor charge.

Other Charges:

Actual postage and shipping charges if necessary to transmit the reproduced information to the owner.

Actual cost of miscellaneous supplies, such as boxes, if used to produce the requested information.

If the Association accepts payment by credit card, the Association may recoup the amount of any actual transaction fee charged by the credit card company for the privilege.

No sales tax.

Sec. 209.005. ASSOCIATION RECORDS. (a) Except as provided by Subsection (b), this section applies to all property owners' associations and controls over other law not specifically applicable to a property owners' association.

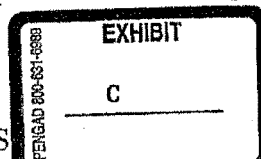
(b) This section does not apply to a property owners' association that is subject to Chapter 552, Government Code, by application of Section 552.0036, Government Code.

(c) Notwithstanding a provision in a dedicatory instrument, a property owners' association shall make the books and records of the association, including financial records, open to and reasonably available for examination by an owner, or a person designated in a writing signed by the owner as the owner's agent, attorney, or certified public accountant, in accordance with this section. An owner is entitled to obtain from the association copies of information contained in the books and records.

(d) Except as provided by this subsection, an attorney's files and records relating to the property owners' association, excluding invoices requested by an owner under Section 209.008(d), are not records of the association and are not subject to inspection by the owner or production in a legal proceeding. If a document in an attorney's files and records relating to the association would be responsive to a legally authorized request to inspect or copy association documents, the document shall be produced by using the copy from the attorney's files and records if the association has not maintained a separate copy of the document. This subsection does not require production of a document that constitutes attorney work product or that is privileged as an attorney-client communication.

(e) An owner or the owner's authorized representative described by Subsection (c) must submit a written request for access or information under Subsection (c) by certified mail, with sufficient detail describing the property owners' association's books and records requested, to the mailing address of the association or authorized representative as reflected on the most current management certificate filed under Section 209.004. The request must contain an election either to inspect the books and records before obtaining copies or to have the property owners' association forward copies of the requested books and records and:

(1) if an inspection is requested, the association, on or



before the 10th business day after the date the association receives the request, shall send written notice of dates during normal business hours that the owner may inspect the requested books and records to the extent those books and records are in the possession, custody, or control of the association; or

(2) if copies of identified books and records are requested, the association shall, to the extent those books and records are in the possession, custody, or control of the association, produce the requested books and records for the requesting party on or before the 10th business day after the date the association receives the request, except as otherwise provided by this section.

(f) If the property owners' association is unable to produce the books or records requested under Subsection (e) on or before the 10th business day after the date the association receives the request, the association must provide to the requestor written notice that:

(1) informs the requestor that the association is unable to produce the information on or before the 10th business day after the date the association received the request; and

(2) states a date by which the information will be sent or made available for inspection to the requesting party that is not later than the 15th business day after the date notice under this subsection is given.

(g) If an inspection is requested or required, the inspection shall take place at a mutually agreed on time during normal business hours, and the requesting party shall identify the books and records for the property owners' association to copy and forward to the requesting party.

(h) A property owners' association may produce books and records requested under this section in hard copy, electronic, or other format reasonably available to the association.

(i) A property owners' association board must adopt a records production and copying policy that prescribes the costs the association will charge for the compilation, production, and reproduction of information requested under this section. The prescribed charges may include all reasonable costs of materials, labor, and overhead but may not exceed costs that would be applicable for an item under 1 T.A.C. Section 70.3. The policy required by this subsection must be recorded as a dedicatory instrument in accordance

with Section 202.006. An association may not charge an owner for the compilation, production, or reproduction of information requested under this section unless the policy prescribing those costs has been recorded as required by this subsection. An owner is responsible for costs related to the compilation, production, and reproduction of the requested information in the amounts prescribed by the policy adopted under this subsection. The association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. If the estimated costs are lesser or greater than the actual costs, the association shall submit a final invoice to the owner on or before the 30th business day after the date the information is delivered. If the final invoice includes additional amounts due from the owner, the additional amounts, if not reimbursed to the association before the 30th business day after the date the invoice is sent to the owner, may be added to the owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the owner is entitled to a refund, and the refund shall be issued to the owner not later than the 30th business day after the date the invoice is sent to the owner.

(j) A property owners' association must estimate costs under this section using amounts prescribed by the policy adopted under Subsection (i).

(k) Except as provided by Subsection (l) and to the extent the information is provided in the meeting minutes, the property owners' association is not required to release or allow inspection of any books or records that identify the dedicatory instrument violation history of an individual owner of an association, an owner's personal financial information, including records of payment or nonpayment of amounts due the association, an owner's contact information, other than the owner's address, or information related to an employee of the association, including personnel files. Information may be released in an aggregate or summary manner that would not identify an individual property owner.

(l) The books and records described by Subsection (k) shall be released or made available for inspection if:

(1) the express written approval of the owner whose records are the subject of the request for inspection is provided to the property owners' association; or

(2) a court orders the release of the books and records or orders that the books and records be made available for inspection.

(m) A property owners' association composed of more than 14 lots shall adopt and comply with a document retention policy that includes, at a minimum, the following requirements:

(1) certificates of formation, bylaws, restrictive covenants, and all amendments to the certificates of formation, bylaws, and covenants shall be retained permanently;

(2) financial books and records shall be retained for seven years;

(3) account records of current owners shall be retained for five years;

(4) contracts with a term of one year or more shall be retained for four years after the expiration of the contract term;

(5) minutes of meetings of the owners and the board shall be retained for seven years; and

(6) tax returns and audit records shall be retained for seven years.

(n) A member of a property owners' association who is denied access to or copies of association books or records to which the member is entitled under this section may file a petition with the justice of the peace of a justice precinct in which all or part of the property that is governed by the association is located requesting relief in accordance with this subsection. If the justice of the peace finds that the member is entitled to access to or copies of the records, the justice of the peace may grant one or more of the following remedies:

(1) a judgment ordering the property owners' association to release or allow access to the books or records;

(2) a judgment against the property owners' association for court costs and attorney's fees incurred in connection with seeking a remedy under this section; or

(3) a judgment authorizing the owner or the owner's assignee to deduct the amounts awarded under Subdivision (2) from any future regular or special assessments payable to the property owners' association.

(o) If the property owners' association prevails in an action under Subsection (n), the association is entitled to a judgment for

court costs and attorney's fees incurred by the association in connection with the action.

(p) On or before the 10th business day before the date a person brings an action against a property owners' association under this section, the person must send written notice to the association of the person's intent to bring the action. The notice must:

(1) be sent certified mail, return receipt requested, or delivered by the United States Postal Service with signature confirmation service to the mailing address of the association or authorized representative as reflected on the most current management certificate filed under Section 209.004; and

(2) describe with sufficient detail the books and records being requested.

(q) For the purposes of this section, "business day" means a day other than Saturday, Sunday, or a state or federal holiday.

Added by Acts 2001, 77th Leg., ch. 926, Sec. 1, eff. Jan. 1, 2002.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1367, Sec. 6, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1026, Sec. 2, eff. January 1, 2012.