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2600 BERING DRIVE HOMEOWNERS ASSOCIATION, INC.
A NON-PROFIT CORPORATION

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VOL.

BYLAWS OF
2600 BERING DRIVE HOMEOWNERS ASSOCIATION, INC.
A NON-PROFIT CORPORATION

The name of this non-profit corporation shall be 2600 Bering Drive Homeowners Association, Inc. (the "Association").

ARTICLE I
PURPOSE AND PARTIES

1.1 Purpose. The purpose for which the Association is formed is to govern the condominium regime known as 2600 Bering Drive Townhomes, situated in the County of Harris, State of Texas, which property is described in that certain Declaration of Condominium for the 2600 Bering Drive Townhomes ("Declaration"), and which property shall be submitted to the condominium regime created under the Texas Condominium Act by the recording of the Declaration and the Exhibits thereto, including a true and correct copy of these Bylaws. All definitions and terms contained in the Declaration shall apply hereto and are incorporated herein by reference.

1.2 Personal Application. All present or future Owners, tenants, future tenants of any Unit, or any other person who might use in any manner the facilities of the Project are subject to the provisions and any regulations set forth in these Bylaws. The mere acquisition, lease or rental of any Unit or the mere act of occupancy of a Unit will signify that these Bylaws are accepted, approved, ratified, and will be complied with.

ARTICLE II
MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

2.1 Membership. Except as is otherwise provided in the Project Documents, ownership of a Unit is required in order to qualify for membership in this Association. Any person or entity on becoming an Owner of a Unit shall automatically become a Member of this Association and be subject to these Bylaws. Membership shall terminate without any formal Association action whenever that person ceases to own a Unit, but termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with this Association during the period of ownership and membership in this Association, or impair any rights or remedies which the Owners have, either through the Board of Directors of the Association or directly against such former Owner and Member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto.

2.2 Member Voting Rights. Each Member shall be entitled to cast, with respect to each Unit owned by him, a number of votes which are equal to his Percentage Ownership Interest in the Common Elements of the Project as set forth in the Declaration. In the event a Unit is owned jointly or commonly by two or more persons, any or all of those persons may attend meetings of Members, but only one of those persons (whose authority is evidenced by a written agreement signed by all such persons and delivered to the Board prior to or at the beginning of the meeting) shall be entitled to vote. Any corporation, trust, partnership or other unincorporated entity which is an Owner of a Unit shall similarly designate an appropriate person to exercise its voting rights. Only those persons who are Owners on the date preceding the date notice of a meeting is given can vote at that meeting, and as provided in Section 6.3, an Owner who is then in default in the payment of Assessments may not vote.

2.3 Majority of Owners. As used in these Bylaws the term "majority of Owners" shall mean those Owners holding 51% of the votes in accordance with the percentages assigned in the Declaration.

2.4 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of at least a majority of the Owners shall constitute a quorum.

2.5 Proxies. At any meeting of the Members, an Owner may vote in person or he may vote by a written proxy which has been signed by the Owner, is dated not more than six months before the meeting, and has been filed with the Secretary prior to or at the meeting at which it is used. Any proxy shall be revocable at any time prior to its exercise by written notice similarly filed.

2.6 Action By Members Without Meeting. Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting if all the Members consent to the action in writing and the written consents are filed with the records of the Association. In that event, the written consents shall be treated for all purposes as a vote at a meeting.

**ARTICLE III
ADMINISTRATION**

3.1 Association Responsibilities. The Owners of the Units will constitute the Association of Owners (the "Association") who will have the responsibility of administering the Project, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the Project pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the Management Agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of Owners.

3.2 Place of Meeting of Members. The annual and all special meetings of the Members shall be held at the Project office or at such other place in Houston, Texas, as the Board may designate in the notice of that meeting.

3.3 Annual Meetings of Members. The annual meeting of the Members of the Association shall be held on the first Tuesday of March of each year at 7:00 P.M. The Board of Directors shall be elected, the budget discussed, and audit presented, and other business stated in the notice of the meeting may be transacted at the meeting. The first meeting of Members shall be held at or within 30 days after the end of the Declarant Control Period. Notice of the first meeting of Members shall be given by the Board in accordance with Section 3.5 of these Bylaws.

3.4 Special Meetings of Members. The President or Secretary shall call a special meeting of the Members at the direction of the Board, or upon receipt of a petition signed by Members having not less than 10% of the total number of votes of all Members, or at the request of the Federal Housing Commissioner or his duly authorized representative. Notice of a special meeting shall be given in accordance with Section 3.5 of these Bylaws. Only the business stated in the notice of a special meeting may be transacted at that meeting.

3.5 Notice of Meetings of Members; Waiver of Notice. The Secretary shall give written notice of each annual meeting and of each special meeting to each Owner of record and to each Institutional Lender (who may designate a representative to attend such meeting) not less than 10 days nor more than 30 days prior to the date of the meeting, which notice shall state the purpose of the meeting and the time and place where it is to be held. Whenever notice of a meeting of the Members is required to be given, a written waiver, executed by a Member before or after the meeting and filed with the Secretary, shall be deemed equivalent to notice. Attendance at a meeting shall constitute a waiver of notice of that meeting.

3.6 Adjournment of Meetings of Members. If any meeting of the Members cannot be held because of the absence of a quorum, a majority of the voting interest of the Members who are present at such meeting may adjourn the meeting to a later time.

3.7 Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call and certifying proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Election of directors;
- (g) Unfinished business;
- (h) New business.

**ARTICLE IV
BOARD OF DIRECTORS**

4.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of three persons, all of whom must be Owners of Units. If a Unit is owned by a corporation, trust, partnership or other entity, a person designated by that entity may serve as a director, committee member or officer of the Association.

4.2 Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the Project Documents directed to be exercised and done by the Owners. All of the powers and duties of the Board shall be exercised by the initial Board of Directors named in the Articles of Incorporation (and their successors and assigns) until the first meeting of the members of the Association.

4.3 Other Duties. In addition to the foregoing, the powers and duties of the Board include without limitation the powers and duties to:

(a) Operate, clean, care for, maintain, repair and replace the Common Elements, and purchase materials and equipment and employ personnel (including without limitation gardeners, parking attendants, doormen and security guards) or contract for the services necessary or desirable for these purposes. These operations shall include without limitation the furnishing of such common services as the Board may from time to time determine are necessary or economically desirable.

(b) Adopt the annual budget and determine Common Expenses and Assessments.

(c) Adopt and ~~amend Rules and Regulations~~, not inconsistent with the Declaration, covering the operation and use of the Project.

(d) Open and maintain bank accounts in the name of the Association and to designate the signatories on the accounts.

(e) Manage, control, and otherwise deal with the Common Elements, including the power to grant easements and to temporarily interrupt the normal operation of common services in order to facilitate performance of any maintenance or repair or the making of additions, alterations or improvements authorized by the Board.

(f) Protect the title to the Common Elements.

(g) Insure and keep insured all of the insurable General Common Elements of the Project in an amount equal to their maximum replacement value as provided in the Declaration. Maximum replacement value shall be determined annually by one or more written appraisals. Further, to obtain and maintain comprehensive public liability insurance as provided in the Declaration. To insure and keep insured all of the fixtures, equipment and personal property acquired by the Association for the benefit of the Association and the Owners and their Mortgagees. The limits and coverage shall be reviewed at intervals of not less than one year and adjusted, if necessary, to provide such coverage and protection as the Association may deem prudent. So long as the Federal Home Loan Mortgage Corporation (FHLMC) and/or the Federal National Mortgage Association (FNMA) is a Mortgagee of a Unit in the Project, or owns a Unit therein, the Association shall maintain in effect at least such casualty, flood and liability insurance and a fidelity bond, meeting standards established by FHLMC and FNMA for condominiums, as published in the FHLMC "Servicer's Guide" and the FNMA Conventional Home Mortgage Selling Contract Supplement or otherwise, except to the extent such requirements shall have been waived in writing by FHLMC and/or FNMA. Worker's compensation insurance shall at all times be carried to the extent required to comply with any applicable law with respect to the employees, if any, of the Association.

Each Owner may obtain additional insurance at his own expense for his own benefit. Insurance coverage on the furnishings and other items of personal property belonging to an Owner and casualty and public liability insurance coverage within each Unit are specifically made the responsibility of each Owner.

(h) Enforce by any legal or equitable remedies available all obligations of each Owner to the Association.

(i) Appoint auditors and engage legal counsel.

(j) Enter into contracts in connection with the exercise of any of the powers and duties of the Board, which contracts shall be executed by the President or a Vice President, and the Treasurer or Secretary.

(k) Contract for water, sewer, garbage collection, electrical, gas and other necessary services for the Common Elements.

(l) Take all other actions the Board deems necessary and proper for the sound management of the Project and fulfillment of the terms and provisions of the Declaration and the Act, including, without limitation the purchase and/or leasing on behalf of the Project of such personal property and/or fixtures as the Board determines to be reasonably necessary or desirable for use in Common Element areas.

The costs incurred in the exercise of the rights, powers and duties of the Board shall be paid out of the Common Expenses fund. The Board shall not be required to exercise any right, power or duty unless in the Board's opinion there are sufficient funds in the Common Expenses fund for that purpose, or which will be available through Assessments made in accordance with the Declaration. Nothing herein shall authorize the Board to furnish to any Owner services primarily for his benefit or convenience, or for the benefit of any occupant or occupants of any Unit, other than services customarily provided to other Owners or occupants of Units.

4.4 Management Agent. The Board may engage a Management Agent, under a written contract signed by a majority of the Directors, which shall be terminable by the Association for cause upon not more than 30 days written notice and shall expire not later than one year after it begins. Any of the rights, powers and duties of the Declarant or Board, as the case may be and which can be delegated by law and under the Declaration, may be delegated to and exercised by the Management Agent. The management fee paid to the Management Agent shall be comparable with fees paid to administrators or managers of similar residential buildings (whether rental or condominium) in Houston, Texas. The Declarant or Board shall not be liable for any omission or improper exercise by the Management Agent of any such duty, power or function so delegated.

4.5 Election and Term of Office. At the annual meeting of the Members of the Association three Directors shall be elected to serve until their successors have been elected and qualified. Each Director shall be elected by a separate vote, and cumulative voting shall not be permitted.

At least 60 days prior to the date of each annual meeting of the Members (including the first annual meeting), the Board shall appoint a committee ("Nominating Committee") composed of three Owners and post the names, addresses and phone numbers of the members of the Nominating Committee in the Project Office. Any Owner may nominate himself or any other person for election to the Board. Nominations shall be made in writing to any member of the Nominating Committee no less than 45 days prior to the date of each annual meeting of the Members. The Nominating Committee shall meet at least 30 days prior to the date of each annual meeting of the Members to recommend a nominee for each position to be elected on the Board of Directors. The Secretary shall distribute with the notice of the annual meeting of the Members a list setting forth the Nominating Committee's nominee for each position on the Board. Nominations for each position on the Board may also be made at the annual meeting of the Members, but any person nominated must be present at the meeting to verify his willingness to serve.

4.6 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

4.7 Removal of Directors. At any regular or special meeting of Members duly called, any one or more of the Directors may be removed with or without cause by a majority of the Owners present in person or by proxy, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

4.8 First Meeting. The first meeting of a newly elected Board shall be held within 10 days of election at such place as shall be fixed by the Directors at the meeting at which

such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

4.9 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, telephone or telegraph, at least three days prior to the day named for such meeting.

4.10 Special Meetings. Special meetings of the Board may be called by the President on three days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least three Directors.

4.11 Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.12 Board of Directors' Quorum. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.13 Action Without Meeting of Board. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all the Directors consent to the action in writing and the written consents are filed with the records of the proceedings of the Board. In that event, the consents shall be treated for all purposes as a vote at a meeting.

4.14 Compensation of Directors. No Director shall receive compensation for acting as a Director, but shall be entitled to reimbursement from the Association, chargeable as a Common Expense, for reasonable out-of-pocket disbursements made by him in the performance of his duties. No Director shall be obligated to make any such disbursements, however.

4.15 Liability of Board to Owners. No Director shall be liable to any Owner for either a mistake of judgment or negligence or the mistake of judgment or negligence of any other Director, the Management Agent or any person to whom rights, powers or duties have been appropriately delegated under this Declaration, or otherwise be liable to any Owner, except for individual, willful, gross misconduct, gross negligence or action taken in bad faith or contrary to the clear and express provisions of the Texas Condominium Act or the Project Documents.

4.16 Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE V OFFICERS

5.1 Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an assistant treasurer, and an assistant secretary, and such other officers, assistant officers, and agents as the Board of Directors may deem necessary or advisable. The offices of Treasurer and Secretary may be filled by the same person.

5.2 Electing of Officers. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of each new Board and shall hold office at the pleasure of the Board.

5.3 Removal of Officers. Upon an affirmative vote of a majority of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

5.4 President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the Owners from time to time or as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

5.5 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

5.6 Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Members; he shall have charge of such books and papers as the Board of Directors may direct; and shall, in general, perform all the duties incident to the office of Secretary.

5.7 Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

5.8 Compensation of Officers. No officer shall receive compensation for acting as an officer, but shall be entitled to reimbursement from the Association, chargeable as a Common Expense, for reasonable out-of-pocket disbursements made by him in the performance of his duties. No officer shall be obligated to make any such disbursements.

5.9 Execution of Documents. Except as otherwise designated by the Board, the persons who shall be authorized to execute any and all contracts, documents, instruments of conveyance or encumbrances, including promissory notes, shall be the President and Secretary of the Association.

ARTICLE VI OBLIGATIONS OF THE OWNERS

6.1 Monthly Assessments. Assessments shall be due monthly in advance on the first day of each month. After monthly Assessments have been set by the Board in accordance with the Declaration, the Board shall prepare and deliver or mail to each Owner an individual statement of the Owner's monthly Assessment; thereafter, monthly statements shall be prepared and delivered or mailed only in the event of a change in the monthly Assessment, the levying of a special Assessment or in the event an Owner becomes delinquent in payment of the monthly Assessments.

The Assessments shall be based upon the budget adopted by the Board as provided in the Declaration, to provide for the payment of all estimated Common Expenses, and to establish an adequate reserve fund for maintenance, repairs and replacement of Common Elements. The omission or failure to fix the Assessment for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay the same.

6.2 Special Assessments. In addition to the regular monthly Assessments, the Board may levy in any one year one or more special Assessments applicable to that year only as provided in the Declaration.

6.3 Voting. A Member shall be deemed in good standing and entitled to vote at any annual or special meeting of the Members, within the meaning of these Bylaws, if, and only if, he shall have fully paid all Assessments made or levied against him and the Unit owned by him.

6.4 Owner's Personal Obligation for Payment of Assessments. The amount of total Assessments against each Unit shall be the personal and individual debt of the Owner thereof. The Board of Directors shall have the responsibility to take prompt action to collect any unpaid Assessment in accordance with the terms of the Declaration. During the Declarant Control Period the Declarant shall be responsible for payment of the difference between the annual budget of the Project (for each year or part of a year during the Declarant Control Period) and the Assessments received from Units owned by Unit Owners other than Declarant; and Declarant shall not be required to pay the monthly Assessments for Units owned by Declarant. After the Declarant Control Period is terminated, Declarant shall pay the regular Assessments for Units owned by Declarant. So long as the Declarant owns one or more of the Units, Declarant shall be subject to the provisions of the Declaration and these Bylaws.

6.5 Vendor's Lien. The obligations of each Owner to pay Assessments shall be secured by a vendor's lien retained in the Owner's deed to his Unit, that vendor's lien being more particularly described in the Declaration.

6.6 Notice of Lien or Suit. An Owner shall give notice to the Association of every lien or encumbrance upon his Unit, other than for taxes and special Assessments, and notice of every suit or other proceeding which may affect the title to his Unit, and that notice shall be given within five days after the Owner has knowledge thereof.

6.7 Owner's Maintenance and Repair.

(a) Maintenance and repair shall be according to the Declaration. An Owner shall maintain and keep in repair his own Unit, including the fixtures thereof. An Owner shall do no act nor omit to do any act that will impair the structural soundness or integrity of the Building.

(b) An Owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any General or Limited Common Element damaged by his negligence or by the negligence of his tenants or agents or guests.

6.8 Mechanic's Lien. Each Owner agrees to indemnify and to hold each of the other Owners harmless from any and all claims of mechanic's lien filed against other Units and the appurtenant Common Elements for labor, materials, services or other products incorporated in the Owner's Unit as provided in the Declaration.

6.9 General.

(a) Each Owner shall comply strictly with the provisions of the recorded Declaration and these Bylaws and amendments thereto.

(b) Each Owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which this Project was submitted to a condominium regime.

6.10 Use of General Common Elements and Limited Common Elements. Each Owner may use the General Common Elements and Limited Common Elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Owners.

6.11 Right of Entry.

(a) An Owner shall grant the right of entry to the Management Agent or to any other person authorized by the Association in case of an emergency originating in or threatening his Unit, whether the Owner is present at the time or not.

(b) An Owner shall permit other Owners, or their representatives, to enter his Unit for the purpose of performing installations, alterations or repairs to the mechanical, electrical or utility services which, if not performed, would affect the use of other Unit(s); provided that requests for entry are made in advance and that such entry is at a time convenient to the Owner. In case of an emergency, such right of entry shall be immediate.

6.12 Rules and Regulations. The initial rules and regulations, which shall be effective until amended or supplemented by the Association, are attached hereto as Exhibit A and are incorporated herein by reference.

ARTICLE VII
CONTRACTS; INDEMNIFICATION

7.1 Contracts with Interested Parties. Any officer, Director or Management Agent who is a director, officer or employee of, or in any other manner affiliated with, any individual, group, association, partnership, corporation, joint venture, or other organization (collectively "Affiliated Entities") which transacts any business with the Association, Board or Management Agent (in those capacities) shall not be disqualified by reason of that affiliation from participating with respect to the authorization, execution, delivery or performance of any contract between the Association and the Affiliated Entity, provided that his affiliation is disclosed in writing to the Board before the Board's authorization of any such contract and provided further that the Board determines that the contract is on terms which are competitive with services available from similarly qualified persons or firms.

7.2 No Personal Liability. The Board of Directors, Officers or the Management Agent shall enter contracts or other commitments as agents for the Association, and they shall have no personal liability for any such contract or commitment (except such liability as may be ascribed to them in their capacity as Owners), provided, however, that such exclusion of personal liability shall apply to the Management Agent only so long as it is acting within its scope of authority, and the liability of any Owner on such contract or commitment shall be limited to such proportionate share of the total liability thereof that the Percentage Ownership Interest of each Owner bears to the aggregate Percentage Ownership Interest of all of the Owners as set forth in the Declaration.

7.3 Indemnification. The Association shall defend, save harmless and indemnify each officer and Director, past, present and future, against all costs, expenses and liabilities, including the amounts of judgments, amounts paid in compromise settlements and amounts paid for services of counsel and other related expenses, which may be incurred by or imposed on him in connection with any claim, action, suit, proceeding, investigation or inquiry hereafter made, instituted or threatened in which he may become a party or otherwise by reason of any act or omission permitted, undertaken, authorized or approved by him while acting in his capacity as an officer or Director, whether or not he has continued in that capacity until or beyond the time such costs, expenses or liabilities are incurred or imposed; provided however, that this provision is not applicable if the Director is finally adjudged to be liable by reason of his own individual, willful, gross misconduct, gross negligence or action taken in bad faith or plainly contrary to clear and express provisions of the Texas Condominium Act, the Declaration, or these Bylaws. Any sums paid or agreed to be paid by the Association with respect to any such indemnification shall be a Common Expense.

ARTICLE VIII
GENERAL PROVISIONS

8.1 Amendment. Except as otherwise provided in these Bylaws or in the other Project Documents, these Bylaws may be altered, amended or repealed at any meeting of the Members at which a quorum is present (provided notice of the proposed alteration, amendment or repeal was contained in the notice of that meeting) by the affirmative vote of not less than 67% of the total number of votes of all Owners entitled to vote, and the written approval of the Mortgagees representing at least 51% of the votes of the Units that are subject to Mortgages held by eligible holders. If, however, the proposed amendment is not material (as that term is defined in Section 402.02 of the FNMA Legal Requirements in effect as of this date), such as the correction of a technical error or the clarification of a statement, the approval of a Mortgagee shall be conclusively presumed when that Mortgagee fails to submit a response to any written proposal for such an amendment within 30 days after notice of the proposal is given to the Mortgagee. Notwithstanding the foregoing, when the Owners are considering termination of the legal status of the Project for reasons other than substantial destruction or condemnation of the Project, the eligible Mortgagees representing at least 67% of the votes of the Mortgaged Units must approve the amendment in writing.

8.2 Proof of Ownership. Except for those Owners who purchase a Unit from Declarant, any person, on becoming an Owner of a Unit, shall furnish to the Management Agent or Board of Directors a true and correct copy of the original or a certified copy of

the recorded instrument vesting that person with an interest or ownership in the Unit, which copy shall remain in the files of the Association. A Member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or special meeting of Members unless this requirement is first met.

8.3 Registration of Mailing Address. The Owner or several Owners of an individual Unit shall have one and the same registered mailing address to be used by the Association for mailing of monthly statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person or persons to be used by the Association. The registered address of an Owner shall be deemed to be the mailing address of the Unit owned by that Owner unless a different registered address is furnished by that Owner to the Management Agent or Board of Directors within 15 days after transfer of title, or after a change of address; and such registration shall be in written form and signed by all of the Owners of the Unit or by such persons as are authorized by law to represent the interest of the Owner of that Unit.

8.4 Mortgages. An Owner who mortgages his Unit shall notify the Association, giving the name and address of his mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Condominium Units." The Association shall at the request of a Mortgagee of a Unit report any unpaid assessments due from the Owner of that Unit.

8.5 Compliance. These Bylaws are set forth to comply with the requirements of the Texas Condominium Act, Article 1301a, Revised Civil Statutes of Texas, and the Texas Non-Profit Corporation Act, Article 1396-1.01-11.01, Revised Civil Statutes of Texas.

8.6 Non-Profit Association. This Association is not organized for profit. No member, member of the Board or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board; provided however, that any member of the Board may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

8.7 Abatement and Enjoinment of Violations by Owners. The violation of any rule or regulation promulgated by the Board, or the breach of any Bylaw, or the breach of any provision of the Declaration, shall give the Association the right, in addition to any other rights set forth therein, (a) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any person, structures, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Association or Administrator shall not be deemed guilty in any manner of trespass, and to expel, remove and put out same, using such force as may be necessary without being liable to prosecution or in damages; and (b) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

8.8 Invalid Provision. If any part of these Bylaws shall be held invalid or inoperative for any reason, the remaining parts, so far as possible and reasonable, shall be valid and operative, and effect shall be given to the intent manifested in the portion held invalid or inoperative.

8.9 Table of Contents; Headings. The table of contents and headings used in these Bylaws have been inserted for administrative convenience only and do not constitute matter to be construed in interpretation of these Bylaws.

As initial Directors of the Association we certify that the foregoing Bylaws were adopted by the Board of Directors of the Association at the Organizational Meeting of the Board of Directors on _____, 19_____.

Albert E. Totah

Edgard Totah

John E. Carey