

Bylaws

Houston Augusta Green Townhome Condominium Association

BY-LAWS
OF
HOUSTON AUGUSTA GREEN TOWNHOME CONDOMINIUM ASSOCIATION

ARTICLE I

ORGANIZATIONAL MATTERS

1. Administration.

Augusta Green Townhomes (hereinafter referred to as the "Condominium Project") shall be administered by a non-profit corporation incorporated under the laws of the State of Texas under the name of Houston Augusta Green Townhome Condominium Association (herein referred to as the "Association"). The Association shall be responsible for the management, maintenance, operation and administration of the Condominium Project, the Common Elements and easements appurtenant thereto. All present and future owners, lessees, and mortgagees, and any other person who may use the facilities of the condominium shall be subject to these by-laws, the declaration, and rules and regulations pertaining to the use and operation of the Condominium Project.

The share of an Owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit in the Condominium Project.

ARTICLE II

MEMBERSHIP

1. Members.

Each unit Owner shall be a member of this Association. Such membership shall cease whenever a person ceases to own a condominium unit. Each member shall be entitled to one vote for each Unit in which he holds the full fee interest. When the full fee interest in any Unit is held by more than one person, all such persons shall be members, and the vote for such Unit shall be exercised as they, among themselves determine, but in no event shall more than one vote be cast with respect to any Unit.

When a quorum is present at any meeting of the Association, the vote of fifty-one percent (51%) or more of the Units represented and qualified to vote and present in person or proxy at such meeting shall decide any question brought before

such meeting, unless the question is one upon which by express provision of any statute, the Declaration of Condominium Regime, the Articles of Incorporation of the Association or these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question. The Owners present in person or by proxy at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough Owners to leave less than a quorum.

2. At all meetings of the Owners cumulative voting shall not be permitted.

ARTICLE III

OFFICES

1. Principal Office.

The principal office of the Association shall be at 1914 Augusta, #27, City of Houston, Harris County, Texas 77057.

2. Registered Office.

The registered office of the Association required by the Texas Business Corporation Act to be maintained in the State of Texas, may be, but need not be, identical with the principal office, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE IV

MEETINGS OF MEMBERS

1. Place of Meetings.

The meetings of Members of the Association shall be held in Houston, Harris County, Texas, with the place of meetings being set by the Board of Directors of the Association. To the extent possible, said meetings shall be held within the boundaries of Augusta Green Townhomes.

2. Annual Meeting.

The annual meeting of the Members of the Association commencing with the year 1979, shall be held each year at 7:00 o'clock p.m. on the second Tuesday of the month of January, and if such day is a legal holiday, then on the next secular day

following at 7:00 o'clock p.m., at which time the Members shall elect a Board of Directors and transact such other business as may properly be brought before the meeting.

3. First Meeting.

Until the first annual meeting of members, the affairs of the Association shall be managed by the first Board of Directors named in the Articles of Incorporation of the Association, or their replacements.

4. Special Meeting.

Special meetings of the Members for any purpose or purposes, unless otherwise prescribed by law or by the Articles of Incorporation, may be called by the President, the Board of Directors or twenty percent (20%) of all of the Members entitled to vote at the meetings. Business transacted at all special meetings shall be confined to the purpose or purposes stated in the call.

5. Notice of Meetings.

Written or printed notice of all meetings of Members stating the place, day and hour thereof, and in the case of a special meeting the purpose or purposes for which the meeting is called, shall be personally served upon or mailed to each Member entitled to vote thereat at the address of the Unit owned by the aforesaid Member, not less than ten (10) nor more than fifty (50) days before the date of the meeting.

6. Quorum.

Except as otherwise provided by statute, or these by-laws, the presence in person or by proxy of fifty percent (50%) of the Owners qualified to vote shall constitute a quorum for holding any meeting of the members of the Association. If, however, such quorum shall not be present or represented at any meeting of the Owners, the Owners present in person or represented by proxy, shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present or represented. If a quorum shall be present or represented by proxy at such meeting held in lieu of the adjourned meeting(s), any business may be transacted at such meeting as originally notified.

7. Organization.

The President shall preside at all meetings of the Members. In his absence a Vice President shall preside. In

the absence of all of these officers any Member or the duly appointed proxy of any Member may call the meeting to order and a chairman shall be elected from among the Members present.

The Secretary of the Association shall act as secretary at all meetings of the Members. In his absence an Assistant Secretary shall so act and in the absence of all of these officers the presiding officer may appoint any person to act as secretary of the meeting.

8. Proxies.

At any meeting of the Members every Member entitled to vote thereat shall be entitled to vote in person or by proxy appointed by instrument in writing executed by such Member or by his duly authorized attorney-in-fact. No appointment of a proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless such proxy otherwise provides. The appointment of a proxy shall be filed with the secretary, and shall be revocable at any time by notice in writing to the secretary.

ARTICLE V

DIRECTORS

1. Number and Qualification.

The property, business and affairs of the Association and Condominium Project shall be managed and controlled by a Board of five (5) Directors who shall be elected annually by the Members. The number of Directors may be increased or decreased by amendment of this By-Law in the manner provided for the amendment of By-Laws. No decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director.

2. Election and Term of Office.

The Directors shall be elected at the annual meeting of the Members (except as provided in Section 5 of this Article) and each Director elected shall hold office until the next annual meeting of the Members and until his successor shall be elected and shall qualify or until his death or until he shall resign or be removed in the manner hereinafter provided.

3. Resignation.

Any Director may resign at any time by giving written notice to the President or Secretary. Such resignation shall take effect at the time specified therein and unless otherwise

specified therein the acceptance of such resignation shall not be necessary to make it effective.

4. Removal.

Any Director may be removed at any time either with or without cause and another person may be elected to serve for the remainder of his term at any special meeting of the Members called for the purpose of removal by a vote of a majority of the Owners. In case any vacancy so created shall not be filled by the Members at such meeting, such vacancy may be filled by the Directors as provided in Section 5 of this Article.

5. Vacancies.

If any vacancy shall occur in the Board of Directors such vacancy may, subject to the provisions of Section 4 of this Article, be filled by the affirmative vote of the remaining Directors though less than a quorum of the Board of Directors; provided, however, any Directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting or at a special meeting of Members called for that purpose. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

6. General Powers.

In addition to the powers and authorities expressly conferred upon them by these By-Laws, the Board of Directors may exercise all such powers of the Association and do all such lawful acts and things as are not by law or by the Articles of Incorporation or by these By-Laws directed or required to be exercised or done by the Members. The powers and duties to be exercised by the Board of Directors shall include, but shall not be limited to the following:

(a) Care, upkeep, maintenance, and operation of the common elements;

(b) Determination of amounts required to defray common expenses of the condominium (such as amounts required for operation and maintenance of the common elements);

(c) Collection of common charges from unit owners;

(d) Maintenance of detailed and accurate records, in chronological order, of receipts and disbursements arising from the operation of the property, which records, together with vouchers accrediting entries made therein, shall be made available for examination by unit owners and mortgagees at convenient hours on weekdays;

(e) Authorization and prosecution of suits to foreclose liens for nonpayment of common charges, or to recover money judgments for unpaid common charges, on behalf of the unit owners;

(f) Authorization and prosecution of actions or proceedings on behalf of two or more unit owners, as their respective interests may appear, with respect to any cause of action relating to the common elements or to more than one unit;

(g) Employment and dismissal of personnel necessary or appropriate for the maintenance and operation of the property, the common areas and facilities, and the restricted common areas and facilities;

(h) Adoption and amendment of rules and regulations, not inconsistent with these by-laws, covering the details of operation and use of the property;

(i) Establishment of bank accounts in the name of the condominium, and authorization of signatories therefor;

(j) Purchasing, leasing, or otherwise acquiring in the name of the board of directors, or its designee, corporate or otherwise, on behalf of the unit owners, units offered for sale, lease, or surrender by their owners to the board of administration;

(k) Purchasing units at foreclosure or other judicial or trustee's sale in the name of the board of administration or its designee, corporate or otherwise, on behalf of the unit owners;

(l) Selling, leasing, encumbering, or otherwise dealing with units acquired by, and subleasing apartment units leased by the board of administration or its designee, corporate or otherwise, on behalf of the unit owners;

(m) Procuring of insurance for the condominium property, including the units thereof, as hereinafter set forth;

(n) Contracting for repairs of and additions and improvements to the property, and for repairs to and restoration of the property in accordance with the provisions of these by-laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(o) Employment of a managing agent and/or manager at such reasonable compensation and to perform such duties as the board of administration may authorize.

ARTICLE VI

MEETING OF DIRECTORS

1. Place of Meetings.

The Directors of the Association shall hold their meetings, both regular and special in Houston, Harris County, Texas. To the extent possible, said meetings shall be held within the boundaries of Augusta Green Townhomes.

2. Organizational Meeting.

The first meeting of each newly elected Board shall be held at such time and place as shall be fixed by the initial Board of Directors and no notice of such meeting shall be necessary to the newly elected Directors in order legally to constitute the meeting, provided a quorum shall be present, or they may meet at such time and place as shall be fixed by the consent in writing of all of the Directors.

3. Regular Meetings.

Regular meetings of the Board may be held without notice at such time and place as shall from time to time be determined by the Board.

4. Special Meetings.

Special meetings of the Board may be called by the President on one (1) day's notice to each Director given either personally, by mail or by telephone. Special meetings shall be called by the President or Secretary in like manner and like notice on the written request of two (2) Directors. Neither the purpose of nor the business to be transacted at any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

5. Quorum and Action.

At all meetings of the Board the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the Directors at any meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by law, the Articles of Incorporation or these By-Laws. If a quorum shall not be present at any meeting of

Directors, the Directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall be present.

6. Presumption of Assent to Action.

A Director who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

7. Liability and Indemnity.

Members of the Board of Directors and officers shall not be liable to unit owners for mistakes in judgment, negligence or otherwise, except for their own willful misconduct or bad faith. Such board members shall not be personally liable with respect to contracts made by them on behalf of the owners. The Association shall indemnify each director and officer against all loss, costs and expense, including legal fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct.

ARTICLE VII

OFFICERS

1. Number.

The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also choose additional Vice Presidents and one or more Assistant Secretaries and/or Assistant Treasurers. One person may hold any two or more of said offices except those of President and Secretary.

2. Election, Term of Office and Qualification.

The officers of the Association shall be elected by the Board of Directors at its first meeting after each annual meeting of Members. The Board shall elect a President, one or

more Vice Presidents, a Secretary and a Treasurer, none of whom need be a member of the Board. Each officer so elected shall hold office until his successor shall have been duly chosen and qualify or until his death or his resignation or removal in the manner hereinafter provided.

3. Resignation.

Any officer may resign at any time by giving written notice thereof to the Board of Directors or to the President or Secretary of the Association. Any such resignation shall take effect at the time specified therein and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

4. Removal.

Any officer elected or appointed by the Board of Directors may be removed by the Board at any time with or without cause. Any other officer may be removed at any time with or without cause by the Board of Directors or by any committee or superior officer in whom such power of removal may be conferred by the Board of Directors.

5. Vacancies.

A vacancy in any office shall be filled for the unexpired portion of the term by the Board of Directors.

6. The President.

The President shall be the chief executive officer of the Association; the President shall, when present, preside at all meetings of the Members and Directors; shall be ex officio a member of all standing committees, shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President may sign, with any other proper officer, any contracts and other documents which the Board of Directors has authorized to be executed, except where required by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors or these By-Laws, to some other officer or agent of the Association.

7. The Vice President.

Vice Presidents shall perform the duties as are given to them by these By-Laws and as may from time to time be assigned to them by the Board of Directors or by the President and may sign, with any other proper officer any documents authorized by

the Board of Directors. At the request of the President, or in his absence or disability, the Vice President designated by the President shall perform the duties and exercise the powers of the President.

8. The Secretary.

The Secretary shall attend all meetings of the Board of Directors and all meetings of the Members and record all votes and the minutes of all proceedings in a book to be kept for that purpose. He shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors as required by law or these By-Laws, be custodian of the corporate records and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall be. He shall keep in safe custody the seal of the Association, and, when authorized by the Board, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his signature or by the signature of the Treasurer or an Assistant Secretary.

9. Assistant Secretaries.

The Assistant Secretaries shall perform the duties as are given to them by these By-Laws or as may from time to time be assigned to them by the Board of Directors or by the Secretary. At the request of the Secretary, or in his absence or disability, the Assistant Secretary designated by the Secretary shall perform the duties and exercise the powers of the Secretary.

10. The Treasurer.

The Treasurer shall have the custody and be responsible for all corporate funds and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association.

11. Assistant Treasurers.

The Assistant Treasurers shall perform the duties as are given to them by these By-Laws or as may from time to time be assigned to them by the Board of Directors or by the Treasurer. At the request of the Treasurer, or in his absence or disability,

the Assistant Treasurer designated by the Treasurer shall perform the duties and exercise the powers of the Treasurer.

12. Treasurer's Bond.

If required by the Board of Directors, the Treasurer and any Assistant Treasurer shall give the Association a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of his office and for the restoration to the Association, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association, provided, however, that the cost of the bond shall be paid for by the Association.

13. Salaries.

The Directors or Officers shall not receive any salary for their services.

14. Management.

The Association may provide for independent management of the Condominium Project, with the responsibilities of such management being determined by the Board of Directors. Such independent management may jointly manage the Condominium Project and other property. In such event, the Association shall not be required to bear in excess of its pro rata share (based on the ratio that the number of Units in the Condominium Project bears to the number of total units of whatever type so jointly managed) of such independent management expense. Any agreement for independent professional management of the Condominium Project shall provide that the management contract may be terminated for cause within a period of time not exceeding ninety (90) days' written notice and the term of any such contract shall not exceed one year. Any officer or director of the Association or any Owner (or any of their respective affiliates, nominees, employers or companies) may be employed as the independent management so long as the fees paid to such related party are reasonable.

ARTICLE VIII

ASSESSMENTS

The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable

allowance for contingencies and reserves. Such reserves shall include without limitation an adequate reserve fund for the replacement of the Common Elements. The assessment for such year shall be established by the adoption of such annual budget by the Board of Directors of the Association. Copies of such budget shall be delivered to each Owner, although the delivery of a copy of the budget to each Owner shall not affect the liability of any Owner for any existing or future assessments. Should the Board of Directors at any time determine, in the sole discretion of said Board of Directors, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium Project in any fiscal year, then the Board of Directors shall have the authority at any time and from time to time to levy such additional assessment or assessments as it shall deem to be necessary for that purpose. A member shall be deemed to be in good standing and entitled to vote at any meeting of members only if he shall have fully paid all assessments.

ARTICLE IX

OWNER ACTION

Without limiting the other legal rights of any Owner or the Association, legal action may be brought by the Association in its sole discretion on behalf of two (2) or more Owners as their respective interests may appear with respect to any cause of action relating to the Common Elements of more than one (1) Unit.

ARTICLE X

INSURANCE

The Association shall carry a master policy of fire and extended coverage, vandalism and malicious mischief and liability insurance, and, if required by law, workmen's compensation insurance (hereinafter referred to as the "Master Policy"), and shall carry such other and additional insurance as the Board of Directors may deem advisable or necessary in its sole discretion with respect to the Condominium Project.

ARTICLE XI

RECONSTRUCTION OR REPAIR

1. Assessments of Damage.

As soon as possible after the occurrence of a casualty

which causes damage to any part of the Condominium Project for which the Association has insurance coverage (hereinafter referred to as the "Casualty") the Association shall obtain reliable and detailed cost estimates of the following:

A. The cost of restoring all damage caused by the Casualty to the general and limited common elements (hereinafter referred to as the "Common Element Costs"); and

B. The cost of restoring that part of the damage caused by the Casualty to each Unit which is or would be covered by insurance held by the Association without regard to the policy limits of such insurance (hereinafter referred to as the "Unit Costs").

All insurance proceeds available to the Association with respect to the Casualty shall first be applied to the payment of the actual Common Element Costs and the balance thereof, if any, shall thereafter be applied to the payment of the actual Unit Costs. However, if such insurance proceeds are not sufficient to cover such estimated costs, then an assessment shall be made against the Owners by the Association in the following manner:

A. All Owners shall be assessed on the basis of their percentage of value in the Condominium Project as set forth on Exhibit "B" to the Condominium Declaration for the payment of the estimated Common Element Costs not otherwise paid for by insurance held by the Association.

B. Each Owner of a damaged Unit shall be assessed an amount equal to the difference between his estimated Unit Costs less a sum calculated by multiplying the amount, if any, of the remaining insurance proceeds held by the Association with respect to the Casualty by a fraction, the numerator of which is his estimated Unit Costs and the Denominator of which is the total of all of the estimated Unit Costs.

If actual costs exceed such estimated costs, then an additional assessment shall be made against the Owners by the Association in the above manner based upon actual costs.

2. Eminent Domain.

In the event of any taking of any Unit in the Condominium Project by eminent domain, or private purchase in lieu thereof, the Owner of such Unit and his mortgagee shall be entitled to receive the award for such taking and, after acceptance thereof, if such Owner shall vacate his Unit by virtue of such taking, he and his mortgagee shall be divested of all interest in the Condominium Project. If any repair or rebuilding of the

remaining portions of the Condominium Project is required as a result of such taking, a majority of the Owners of each of the Units shall determine by vote or written consent whether to rebuild or repair the Condominium Project or to take such other action as such remaining Owners deem appropriate. If no repair or rebuilding shall be required, or shall be undertaken, then the remaining portion of the Condominium Project shall be resurveyed and the Declaration of Condominium Regime and Exhibit "C" shall be amended to reflect such taking and to proportionately readjust the percentages of value assigned to the remaining Owners based upon a continuing value of the Condominium Project of one hundred percent (100%).

ARTICLE XII

RESTRICTIONS

1. Single Family Use.

No Unit in the Condominium Project shall be used for other than single-family residence purposes or co-tenancy purposes so long as there are no more than two individual co-tenants and the Common Elements shall be used only for purposes consistent with the use of single-family residence.

2. Structural Alterations or Modifications.

No Owner shall make structural alterations or modifications to his Unit or to any of the Common Elements, including the erection of antennae, aerials, awnings, the placement of any reflective or other material in the windows of the Unit (other than uniform window coverings approved by the Board of Directors) or other exterior attachments without the written approval of the Association. The Association shall have the right to authorize any and all structural alteration or modifications, provided, however, the Association shall not approve any alterations, decorations or modifications which would jeopardize or impair the soundness, safety or appearance of the Condominium Project and such alterations shall not affect the percentage of value assigned to each Unit Owner on Exhibit "D" to the Condominium Regime.

3. Right to Lease.

An Owner or the Developer may lease his or its Unit for single-family residence purposes. No rooms in a Unit may be rented and no transient tenants accommodated.

4. Nuisance.

No immoral, improper, unlawful or offensive activity

shall be carried on in any Unit or upon the Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the Owners. No Owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium Project. No Owner shall store any dangerous explosive or inflammable liquids or other materials either in his Unit or upon the Common Elements. Owners shall exercise extreme care about making noises or playing music which may disturb other owners.

5. Signs.

No signs or other advertising devices which are visible from the exterior of any Unit or upon the Common Elements shall be displayed, including "For Sale" signs, without written permission from the Association.

6. Pets.

No animals shall be kept except household pets. Such pets may not be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No savage or dangerous animal shall be kept. No more than one household pet may be kept without written permission of the Board of Directors of the Association which shall not be unreasonably withheld. No pets may be permitted to run loose upon the Common Elements, and any Owner who causes any animal to be brought or kept upon the premises of the Condominium Project shall indemnify and hold harmless the Association for any loss, damage, cost or liability which the Association may sustain or which may be claimed against the Association as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. Notwithstanding the generality of the foregoing, after (i) repeated violations of this provision, (ii) ten (10) days prior written notice to the Owner of such pet(s), and (iii) an opportunity for such Owner to have a hearing before the Board of Directors, such pet(s) may be taken from such Owner and given to the Society for the Prevention of Cruelty to Animals, of Harris County, Texas. No pets will be allowed in the fenced swimming pool area at any time.

7. Use of Common Elements.

The Common Elements shall not be used for storage of supplies, personal property, trash or refuse of any kind, nor shall the Common Elements be used in any way for the drying, shaking or airing of clothing or other items. Stairs, entrances, sidewalks, yards, driveways and parking areas shall not be obstructed in any way nor shall unauthorized persons or pets

play therein or thereon or use such areas for other than their intended purposes. In general, no activities shall be conducted nor condition maintained by any Owner either in his Unit or upon the Common Elements which despoils the appearance of the Condominium Project.

8. Maintenance.

Each Owner shall maintain his Unit and any limited common elements appurtenant thereto in clean, safe and sanitary condition. Each Owner shall also use due care to avoid damaging any of the Common Elements, including, but not limited to, the central air-conditioning and heating, telephone, water, gas, plumbing, power or other utility systems throughout the Condominium Project and each Owner shall be responsible for his negligence or misuse of any of the Common Elements or of his own facilities resulting in damage to the Common Elements.

9. Rules and Regulations.

Non-discriminatory regulations concerning the use of the Condominium Project shall be promulgated from time to time by the Board of Directors of the Association and such regulations, and subsequent regulations duly adopted from time to time, shall be binding on all members of the Association unless duly amended by a majority of the Owners.

10. Access.

The Association or its agents shall have access to each Unit from time to time during reasonable working hours, upon notice to its Owner, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agent shall also have access to each Unit at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit.

11. Vehicles.

Vehicles shall not be parked upon the premises of the Condominium Project except in the designated garages for each unit and in the visitor parking area by the pool which is for the exclusive use of visitor parking. No parking space shall be converted for living, recreational or business purposes, nor shall anything be stored in any parking space so as to prevent the parking of a vehicle therein.

12. Enforceability.

The terms of these By-Laws with regard to the restric-

tive covenants as to the use of the Units and the Common Elements shall be a burden upon the fee title to the property herein described and covered by the Condominium Regime and shall run with the title to the land of same until duly amended by the Association as herein permitted.

ARTICLE XIII

MORTGAGES

1. Notice.

Any Owner who mortgages his interest in a Unit shall, within ten (10) days after the execution of such mortgage, give notice to the Association in writing of the name and address of his mortgagee and the amount secured by said mortgage, and the Association shall maintain such information in the membership records. Such Owner shall, in the same manner, notify the Association as to the release or discharge of any such mortgage.

2. Duties.

The Association shall perform the following duties within a reasonable time after request and upon payment of a reasonable fee not to exceed \$25.00 for each request.

A. The Association shall, at the request of any mortgagee of any Unit, report to such mortgagee any unpaid assessments due from the Owner of such Unit to the Association.

B. The Association shall notify each mortgagee appearing in the records of the name of each company insuring the Condominium Project under the Master Policy and the amounts of the coverages thereunder.

C. The Association shall notify each mortgagee appearing in the records of any default by any Owner in the performance of such Owner's obligations hereunder which is not cured within sixty (60) days from the date of such default.

ARTICLE XIV

TAXATION

Each Unit shall be assessed and taxed for all purposes as a separate parcel of real estate entirely independent of the building of which such Unit is a part, and independent of the Condominium Project or Common Elements thereof, and each Owner

shall be solely responsible for the payment of all taxes, municipal claims, charges and assessments of any nature whatsoever assessed against such Unit. Such payment shall be made prior to the due date of such taxes, municipal claims, charges and assessments.

ARTICLE XV

AMENDMENT

These by-laws may be amended by the members of the Association from time to time by approval of a majority of the Owners representing each Unit unless otherwise provided herein, or in the Act. Any such amendment may be evidenced by an instrument in writing signed and acknowledged by the president and secretary of the Association certifying that such amendment has been approved by the vote or written consent of a majority of the Owners in the Condominium Project. The procedure for proposing amendments hereto shall be set by the Board of Directors.

ARTICLE XVI

DEFAULT

1. Compliance.

Failure to comply with the Declaration of Condominium Regime, these by-laws, the Articles of Incorporation or duly adopted rules and regulations of the Association shall constitute an event of default and shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages and injunctive relief, or any combination thereof.

2. Attorneys Fees.

In any proceeding arising because of an alleged default by any Owner, the Association, if successful, shall be entitled to recover the costs of the proceeding including without limitation reasonable attorneys' fees.

ARTICLE XVII

BOOKS AND RECORDS

The Association shall keep or cause to be kept detailed books of account showing all expenditures and receipts of the

administration of the Condominium Project which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Owners. Such books shall be open for inspection by the Owners and their mortgagees during reasonable working hours on weekdays.

ARTICLE XVIII

This Association is not organized for profit. No member shall receive any pecuniary profit from the Association, and no part of the funds or assets of the Association shall be paid as salary or compensation to, or distributed to, or inure to the benefit of any member; provided, however, reasonable compensation may be paid to any member while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association and any member may be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

I, the undersigned, do hereby certify that I am the duly elected and acting Secretary of Houston Augusta Green Town-home Condominium Association, a Texas non-profit corporation, and that the foregoing are the By-Laws of said corporation and that said By-Laws were adopted by the unanimous written consent of the Directors at a meeting held the 26th day of September, 1978.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Secretary of said Corporation and have attached hereto the official seal of said corporation, this 26th day of September, 1978.



JUDY O'KEEFE, Secretary