

BY-LAWS  
OF  
LANGHAM CREEK COLONY TOWNHOMES  
ASSOCIATION NO. THREE, INC.

ARTICLE I

Section 1. The words "the property" as used in these By-Laws shall be deemed to mean the following described real property situated in Harris County, Texas, described as:

Being Lots Thirty-Three (33) thru Forty (40), inclusive, and a part of Lot Forty-One (41), Lots Twenty-six (26) through Thirty-two (32) and the South five (5) feet of Lot Twenty-five (25); Lots Forty-two (42) through Forty-seven (47), and parts of Lots Forty-one (41), Forty-eight (48) and Forty-nine (49), in Block Eight (8) of Langham Creek Colony, Section One, a subdivision out of Michael McCormick Survey, Abstract No. 533, in Harris County, Texas, as shown on map thereof recorded in Volume 289, Page 99, of the Map Records of Harris County, Texas.

ARTICLE II

Section 1. The name of this Corporation shall be LANGHAM CREEK COLONY TOWNHOMES ASSOCIATION NO. THREE, INC. Its principal office shall be located at the residence of the President.

ARTICLE III

Section 1. The purposes for which this Corporation is formed are civic and social for the benefit and betterment of the residents and property owners of the property, those purposes being as follows:

(a) To exercise all of the powers and privileges and perform all of the duties and obligations of the Corporation as set forth in the Declaration of Covenants, Conditions and Restrictions (the "Restrictions") recorded under County Clerk's File No. H352212 of the Official Public Records of Real Property of Harris County, Texas, as the same may be amended from time to time;

(b) To affix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Restrictions referred to hereinabove; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of this Corporation, including all licenses, taxes or governmental charges levied or imposed against the property of this Corporation;

(c) To acquire by gift, purchase or otherwise, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of this Corporation subject to the limitations of the Restrictions;

(d) To borrow money, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the limita-

tions of the Restrictions;

(e) To maintain streets, street lights, sidewalks and traffic control;

(f) To provide general sanitation and cleanliness of common areas;

(g) To provide control of insects, rodents, and animals in common area;

(h) To provide maintenance and upkeep of the common areas and facilities and of Townhouse exteriors as provided in the Restrictions;

(i) To provide any activity conducted for the mutual benefit of resident owners and to have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation laws of the State of Texas by law may now or hereafter exercise.

Section 2. The Corporation may annex additional residential property and common area as provided in the Declaration of Covenants, Conditions and Restrictions applicable to the property.

#### ARTICLE IV

The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be but need not be identical with the principal office in the

State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

#### ARTICLE V

Section 1. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject, by covenants of record, to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from any ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership. Any mortgagee or lien holder who acquires title to any Lot which is a part of the property, through judicial or non-judicial foreclosures, shall be a member of the Association.

Section 2. The Association shall have one class of voting membership. Members shall be all Owners, as defined in the Restrictions, who shall be entitled to one vote for each Lot owned. When more than one person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

Section 3. The annual meeting of the members shall be held

on the first Wednesday in May of each year, at 7:30 p.m., if not a legal holiday, and if a legal holiday, then on the next succeeding business day, for the purpose of electing Directors (after the term of office of the initial Board of Directors or the successors to the initial Board of Directors has terminated) and for the transaction of any and all such other business which may be brought before or submitted to the meeting. All annual meetings of the members shall be held at such place designated by the Board of Directors but within the confines of Harris County, Texas. Notice of the annual meetings shall be given to all members at least twenty (20) but not more than forty-five (45) days prior to any annual meeting. Notice shall be given by mailing notice thereof, postage prepaid, to the last known address of each member.

Section 4. Special meetings of the members shall be held at the offices of the Corporation in Harris County, Texas, or at such other places as may be designated in the notices, waivers or waivers of notice of of the respective meetings. Special meetings of the members may be called by the President or Vice President, by a majority of the directors, or by a majority vote of all the members. Written notice of each special meeting of the members stating the time and place thereof and indicating briefly the purpose or purposes thereof shall be sent by mail or telegram or be delivered by the Secretary, or in the event of his absence

or failure, refusal, inability or omission to do so, by the President or a Vice President or any Assistant Secretary, to each of the members of the Corporation and all holders of first liens on the property at their respective addresses, as shown by the records of the Corporation, at least ten (10) but not more than fifty (50) days prior to the date set for the holding of the meeting. Unless otherwise indicated in the notices, waivers, or waivers of notice of the meeting, any and all business may be transacted at any annual or special meeting of the members. However, no vote to (i) alienate, hypothecate, transfer or assign the Association's interest in the common areas, (ii) change the assessment provisions of Article IV, Section 6, of the Declaration of Covenants, Conditions and Restrictions, (iii) discontinue professional management of the Property and assume self-management by the Association, or (iv) approve, modify, accept or otherwise effect or reject any plan of condemnation of the Property shall be effective until all Lienholders have been notified of said vote and given a period of thirty (30) days in which to contact the Owners or the Association and suggest alternatives or changes in the Association's plans.

Section 5. Those persons or entities holding a majority of the total votes, either in person or by proxy, shall constitute a quorum for all purposes at any meeting of the members. If the number of members necessary to constitute a quorum at any annual

or special meeting of the members shall fail to attend in person or by proxy, the members present in person or by proxy may adjourn any such meeting from time to time without notice other than the announcement of the meeting until the number requisite to constitute a quorum shall be present or attend in person or by proxy. Those members holding a majority of all the votes of the members present in person or by proxy, may also adjourn any annual or special meeting from time to time without notice, other than by announcement at the meeting, until the transaction of any and all business submitted or proposed to be submitted to such meeting or any adjournment or adjournments thereof shall have been completed. At any such adjourned meeting at which a quorum may be present, in person or by proxy, any business may be transacted which might have been transacted at the meeting as originally noticed or called.

Section 6. Notwithstanding any other provisions of these By-Laws, any motion to (i) raise the annual assessments according to the terms of Article IV, Section 3, of the Declaration of Covenants, Conditions and Restrictions, or (ii) to make a Special Assessment for capital improvements as provided in Article IV, Section 4 of the Declaration of Covenants, Conditions and Restrictions must be approved in writing by members entitled to cast two third (2/3) of the votes of the Association.

Section 7. The President of the Corporation, or, in the

event of his absence, a Vice President of the Corporation, shall call members to order and shall act as Chairman for such meetings. In the absence of the President or a Vice President of the Corporation, the members present may appoint a Chairman. The Secretary of the Corporation, or, in his absence, an Assistant Secretary, shall act as Secretary of all meetings of the members, but, in the absence of the Secretary or an Assistant Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section 8. At all meetings of members, all questions, except those the manner of deciding which is otherwise expressly governed by statute, the charter of the Corporation or its By-Laws or Declaration of Covenants, Conditions, and Restrictions, shall be decided by a simple majority of the votes of the members cast in person or by proxy at a meeting duly called iwth a quorum present. All voting shall be by voice, except that, upon the determination of the presiding officer of any meeting, or upon the demand by any member or his proxy, voting on any question shall be by secret ballot. Each ballot shall be signed by the member voting or by his proxy. Cumulative voting for Directors is expressly prohibited. All voting shall be by members in person or by proxy as allowed by statute.

Section 9. Informal action. The Corporation may act, with or without a meeting, on any issue on which a vote of the members



is required, by obtaining the written consent of members having the requisite majority of all outstanding vote of members of the Corporation.

#### ARTICLE VI

Section 1. The business and property of the Corporation shall be managed and controlled by the Board of Directors and subject to the restrictions imposed by law, by the Articles of Incorporation of this Corporation, by these By-Laws or the Restrictions on the property. The Board of Directors may exercise all of the powers of the Corporation.

The number of Directors initially shall be three. The Board of Directors may, by majority vote of its own members, increase the Board to five (5) members. The initial Board of Directors as set forth in the Articles of Incorporation shall serve for the terms as set out in said Articles of Incorporation. Upon the expiration of a Director's term, a successor shall be elected for a term of three years at the annual meeting of the members of the Corporation. Each director shall be elected to hold office and serve for three years or until his successors shall be elected and shall duly qualify. Any Director may be removed from the Board for cause by a majority of the votes entitled to be cast by those members present in person or represented by proxy at a meeting of the members at which a quorum is present. In the event of death, resignation or removal of a Director, his succes-

sor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor. The Directors need not be members of this Corporation.

Section 2. The Directors may hold their meetings and have offices and keep the books of the Corporation, except as otherwise provided by statute, at the office of the Corporation.

Section 3. No Director shall receive compensation for any service he may render to the Corporation. However, any Director may be reimbursed for his actual reasonable expenses incurred in the performance of his duties.

Section 4. At the first meeting of the Board of Directors in each year at which a quorum is present, the Board of Directors shall proceed to the election of the officers of the Corporation. No notice or waiver of notice of any such first meeting shall be required or necessary if it is held immediately after either the annual meeting or the adjourned annual meeting of the meeting, and any and all business of any nature or character may be transacted at such first meeting.

Section 5. Regular meetings of the Board of Directors shall be held at such time and place as shall be designated, from time to time, by resolution of the Board of Directors. Notice of such regular meetings shall not be required.

Section 6. Special meetings of the Board of Directors shall be held whenever called by the President, Vice President, Secre-

tary, or a majority of the Directors in office. Notice of each special meeting shall be given by any officer of the Corporation by telegraph, mail, telephone, or personal delivery to each Director at his residence or usual place of business at least two days prior to the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting. At any meeting at which every Director shall be present, even though without notice, any business may be transacted.

Section 7. The majority of the Directors then in office shall constitute a quorum for the transaction of business, but 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 without notice, other than by announcement at the meeting, until a quorum be present or in attendance thereat. The act of a majority of the Directors present at a meeting in which a quorum is in attendance shall constitute the act of the Board of Directors, except as otherwise provided by law, the charter of the Corporation, these By-Laws, or the Restrictions.

Section 8. At meetings of the Board of Directors, business shall be transacted in such order as, from time to time, the Board of Directors may determine. At all meetings of the Board of Directors, the President shall preside, and in the absence of

the President, a Chairman shall be chosen from the Directors present. The Secretary of the Corporation shall act as Secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section 9. No Director or officer of the Corporation shall be required to devote his time or render services exclusively to the Corporation. Each Director and officer of the Corporation shall be free to engage in any and all other business and activities either similar or dissimilar to the business of the Corporation without liability to this Corporation. Likewise, each and every Director and officer of the Corporation may become a director or officer of any other corporation or corporations, or entity or entities, whether or not the purposes of the other corporation or entity conflicts with the business and activities of this Corporation, without breach of duty to this Corporation or its members and without liability of any character or description to the Corporation or its members. No contract or other transaction of this Corporation shall ever be affected by the fact that any Director or officer of the Corporation is interested in or connected with any party to such contract or transaction or is a party to such contracts or transactions, provided that such contract or transaction shall be presented at a meeting of the Board of Directors at which such contract or transaction

shall be authorized or confirmed.

#### ARTICLE VII

Section 1. The officers of the Corporation shall be a President (who shall be a Director), one or more Vice Presidents, a Treasurer, a Secretary, and such other officers, including but not limited to one or more Assistant Secretaries and one or more Assistant Treasurers, as the Board of Directors may, from time to time, elect or appoint. Any two or more offices may be held by the same person, except the offices of President and Secretary. All officers shall be subject to removal, with or without cause, at any time by a vote of the majority of the whole Board of Directors. A vacancy in the office of any officer shall be filled by a vote of a majority of the Directors then in office.

Section 2. The President, subject to the control of the Board of Directors, shall be in general charge of the affairs of the Corporation in the ordinary course of its business; he shall preside at all meetings of the members and of the Board of Directors; he may, when authorized to do so by the Board of Directors, make, sign, and execute all deeds, conveyances, assignments, bonds, contracts, and other obligations and any and all other instruments and papers of any kind or character in the name of the Corporation; he shall do and perform such other duties as may, from time to time, be assigned to him by the Board of Directors.

Section 3. Each Vice President shall have the usual powers and duties pertaining to his office, together with such other powers and duties as may be assigned to him by the Board of Directors, and the Vice President shall have and exercise the powers of the President during the officer's absence or inability to act. Any action taken by a Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

Section 4. The Treasurer shall have custody of all the funds and securities of the Corporation which come into his hands. When necessary or proper, he may endorse, on behalf of the Corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner described by the Board of Directors; he may sign all receipts and vouchers for payments made to the Corporation, either alone or jointly with such officer as is designated by the Board of Directors; whenever required by the Board of Directors, he shall render a statement of his cash account; he shall enter or cause to be entered regularly on the books of the Corporation to be kept by him for that purpose full and accurate accounts of all monies receipts and paid out on account of the Corporation; he shall, at all reasonable times, exhibit his books and accounts

to any Director of the Corporation during business hours; he shall perform all acts incident to the position of Treasurer, subject to the control of the Board of Directors; he shall, if required by the Board of Directors, give such bond for the faithful discharge of his duties in such form as the Board of Directors may require.

Section 5. Each Assistant Treasurer shall have the usual powers and duties pertaining to his office, together with such other powers and duties as may be assigned to him by the Board of Directors, and the Assistant Treasurer shall exercise the powers of the Treasurer during that officer's absence or inability to act.

Section 6. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members in a book provided for that purpose; he shall attend to the giving and serving of all notices; he may sign, with the President or a Vice President, in the name of the Corporation all contracts, conveyances, transfers, assignments, authorizations and other instruments of the Corporation and affix the seal of the Corporation thereto. He shall have charge of and maintain and keep such books and papers as the Board of Directors may direct, all of which shall, at all reasonable times, be open to the inspection of any Director, member of the Association, or any holder of a first mortgage on any Townhouse, upon request at

the office of the Corporation during business hours, and he shall, in general, perform all duties incident to the Office of Secretary, subject to the control of the Board of Directors.

Section 7. Each Assistant Secretary shall have the usual powers and duties pertaining to the officer, together with such other powers and duties as may be assigned to such officer by the Board of Directors, and the Assistant Secretaries shall exercise the powers of the Secretary during that officer's absence or inability to act.

#### ARTICLE VIII

Section 1. The Board of Directors, except as these By-Laws otherwise provide, may authorize any officer or officers, agent or agents acting, by committee or otherwise, in the name of and on behalf of the Corporation, to enter into any contract, or execute and deliver any instrument, or to do such other things as the Board may from time to time direct, and such authority may be general or confined to specific instances; and, unless so authorized by the Board of Directors or expressly authorized by the By-Laws, no officer or agent or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit, or to render it liable pecuniarily for any purpose or to any amount.

Section 2. No loan shall be contracted on behalf of the Corporation, and no negotiable papers shall be issued in its



name, unless authorized by the vote of the Board of Directors.

Section 3. All checks, drafts, and other orders for the payment of money out of the funds of the Corporation, and all notes or other evidences of indebtedness of the Corporation, shall be signed on behalf of the Corporation and in such manner as shall, from time to time, be determined by resolution of the Board of Directors.

Section 4. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks or other depositories as the Board of Directors may select, and, for the purpose of such deposit, the President, Vice President, Treasurer, Secretary, or any other officer or agent or employee of the Corporation to whom such power may be delegated by the Board of Directors may endorse, assign and deliver checks, drafts and other orders for the payment of money which are payable to the order of the Corporation.

Section 5. The Board of Directors, within ninety (90) days of the fiscal year end, shall cause to be prepared, and shall make available to any Owner or first mortgage holder, annual audited financial statements of the Corporation.

#### ARTICLE IX

Section 1. The fiscal year of the Corporation shall end at midnight on December 31 of each calendar year.

Section 2. The seal of the Corporation shall be circular in

form and have inscribed thereon the name of the Corporation.

Section 3. Whenever any notice whatever is required to be given under the provisions of these By-Laws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed, post-paid wrapper addressed to the person entitled thereto at his post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, whether before or after the time stated therein, shall be deemed equivalent to notice.

Section 4. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of the resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

#### ARTICLE X

Each Director and officer of the Corporation shall be indemnified by the Corporation against any costs and expenses, including attorneys' fees actually and necessarily incurred in connection with the defense of any civil, criminal, administrative or other claim, action, suit or proceeding (whether by or in the right of the Corporation or otherwise) in which he may become involved or with which he may be threatened by reason of his

being or having been a Director or officer of the Corporation, and against any payments in settlement of any such claim, action, suit or proceeding or in satisfaction of any related judgment, fine or penalty, upon receipt by the Corporation of any opinion of independent legal counsel that he acted in good faith and in a manner he reasonably believed to be in or not opposed to the interest of the Corporation, and in respect of any criminal action, reasonably believed that his conduct was lawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the Director or officer did not act in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Corporation, and in respect of any criminal action or proceeding, did not reasonably believe that his conduct was unlawful. The foregoing right of indemnification shall not be deemed exclusive of any rights to which any Director or officer may be entitled under any other By-Law, agreement or vote of disinterested Director, as a matter of law or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office and shall continue as to a person who has ceased to be a Director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Notwithstanding the provisions of the preceding paragraph, no person shall be entitled to indemnification pursuant thereto in relation to any matter as to which indemnification shall not be permitted by law.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Corporation against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, regardless of whether the Corporation would have the power to indemnify him against such liability under the preceding provisions of this Article or applicable provisions of law.

#### ARTICLE XI

These By-Laws may be amended by a written vote of two thirds (2/3) of the votes entitled to be cast by the members of the Corporation at any annual meeting of the members, or, if notice of a proposal to amend these By-Laws and the respect in which proposed to be amended is given in any call of a special meeting of members, at such special meeting, or by any writing signed by members entitled to cast two thirds (2/3) of the votes.

Provided and on condition that the power to amend the By-Laws shall have been delegated to the Board of Directors of the Corporation by a member of the Corporation, then these By-Laws may also be amended by the Board of Directors of the Corporation at any annual meeting of the Board of Directors, or, if notice of


a proposal to amend these By-Laws and the respect in which proposed to be amended is given in any call of a special meeting of the Board of Directors, at such special meeting.

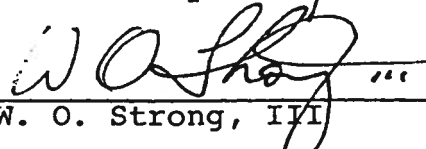
Provided also that nothing herein shall authorize the members or the Board to alter or amend any of the By-Laws in conflict with the provisions of the Declaration of Covenants, Conditions and Restrictions applicable to the Property.

The words "amend" and "amended" shall be broadly interpreted to include alterations, modifications, additions and repeal, in whole or in part.

Th By-Laws adopted by the Board of Directors of the Corporation at the first meeting of the Board of Directors of the Corporation at the first meeting of the Board of Directors held in Houston, Texas, on the 10th day of February, 1985.

  
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Lou Ann Harris

  
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Chet Carney

  
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W. O. Strong, III