

BY-LAWS
OF
TARA COLONY HOMEOWNERS ASSOCIATION

ARTICLE I

Name and Location

The name of the Corporation is Tara Colony Homeowners Association, hereinafter referred to as the "Association". The principal offices of the corporation shall be located at 2000 Dairy Ashford, Suite 280, Houston, Texas 77077 or such other place or places as the Board of Directors from time to time may so decide. Meetings of the members and directors may be held at such places within the State of Texas, Counties of Fort Bend and Harris, as may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1. "Association" shall mean and refer to Tara Colony Homeowners Association, a Texas non-profit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property or properties described in the Declaration of Covenants, Conditions and Restrictions and any additional properties, which may hereafter be brought within the jurisdiction of the Association.

Section 3. "Lot" shall mean and refer to any plot of land shown upon any recorded map of the Properties, with the exception of the common areas, if any.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties subject to a maintenance charge assessment by the Association, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 5. "Declarant" shall mean and refer to General Homes Corporation, MHI Corporation, or their successors and assigns if such successors or assigns should acquire undeveloped Lot or Lots for the purpose of development.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded or to be recorded in the office of the County Clerk, Fort Bend County, Texas, and any additions and supplements thereto.

Section 7. "Members" shall mean and refer to those persons entitled to membership as provided in the Declaration and Articles of Incorporation.

Section 8. "Common Area" shall mean all real property, if any, owned by the Association for the common use and enjoyment of the Owners.

Section 9. "Good Standing" shall mean that an owner has paid all maintenance fee assessments as due and does not have any pending or actual lawsuits for violations of provisions of the Declaration of Covenants, Conditions and Restrictions.

ARTICLE III

Meeting of the Members

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association. The subsequent regular annual meeting of the members shall be held in the month of January each year, at a place and time to be determined by the then Board of Directors. The annual meeting shall not be held on a legal holiday. Notice of the annual meeting shall be required to be mailed by first class US postage to all members at their last known address as shown in the records of the Association.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President, or by a majority of the Board of Directors, or upon written request of each class of the members who are entitled to vote one-fourth (1/4) of all the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of the secretary or other such person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than fifteen (15) nor more than fifty (50) days before the date of such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the total votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting, from time to time, without notice other than an announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing on a form, as provided by the Association or as prepared by an attorney at law, and filed with the secretary or the Management Company, if the Association employs such a company. Every proxy shall be revocable in writing and shall automatically cease upon conveyance by the member of his Lot. Proxies will not be used in meetings of the Board of Directors.

ARTICLE IV

Board of Directors

Section 1. Board of Directors. The affairs of this Association shall be managed by a Board of Directors of five (5) directors, who shall be members of the Association, and by one (1) director, who shall only be an authorized representative of the Declarant, if said Declarant is active in developing the lots and properties within the Association. Further, the Declarant's position on the Board of Directors shall expire upon the occurrence of one of the following events:

- a. The sale of 51% of the Lots held by the Declarant to Owners, or
- b. January 31, 2001, which ever occurs first. Upon the expiration of the term of the Declarant's position, the Board of Directors shall revert to control by the five member directors.

Section 2. Term of Office. The initial directors for the Association set forth in the Articles of Incorporation shall hold office until the first annual meeting. At said meeting, the members shall elect three (3) directors for a term of three (3) years, one director for a term of two (2) years, and one (1) director for a term of one (1) year. The directors elected at the first annual meeting and in subsequent years shall be for a term of three (3) years.

Section 3. Nominations. A Nominating Committee may make nominations for election to the Board of Directors, if one is established by the Board of Directors, or from the floor of the annual meeting of the members. The Board of Directors shall decide at least one month prior to the annual meeting if a Nominating Committee is to be used. Said Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of positions to be filled. All nominees shall be in good standing with the Association and shall be members of the Association. The Declarant's representative on the Board of Directors, if such position exists, shall be exempt from the membership requirements and shall be appointed by a letter to the Board of Directors when signed by an officer of the Declarant's company. The person holding this position may be changed by the Declarant from time to time by providing the Board of Directors with a letter so stating the change and signed by an officer of the Declarant's company.

Section 4. Election. Election to the Board of Directors shall be by secret written ballot, if there are more candidates than positions available. At such secret ballot elections, the members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to cast under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted. At elections where there are candidates equal to or smaller than the number of positions available, the candidates may be elected by voice vote or by written secret ballot.

Section 5. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. Any director who has missed three (3) or more consecutive meetings of the directors may be removed by a majority vote of the Board of Directors. Any director not in good standing with the Association may be removed by a majority vote of the Board of Directors. In the event of death, resignation or removal of a director, his successor shall be elected by the remaining members of the Board of Directors and shall serve for the remainder of the term of his/her predecessor.

Section 6. Compensation. No director shall receive compensation for any services he may render to the Association; provided, however, any director may be reimbursed for actual expenses incurred in the performance of duties as a director. Directors may be reimbursed for the cost of materials and supplies which have been deemed to be needed by the Association and which the director volunteers to obtain and provide to the Association.

Section 7. Indemnification. The Association shall indemnify a director who was, is or has been threatened to be named as a defendant or respondent in a proceeding to the extent indemnification is consistent with Section 2.22A of the Texas Non-Profit Corporation Act.

ARTICLE V

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held, without notice, at such place and hour as may be fixed from time to time by a simple majority vote of the Board of Directors. Except in unusual circumstances, said meetings shall not be held on legal holidays.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association or by any two (2) directors after not less than three (3) days notice to each director. Such notice may be waived at or prior to such meeting by unanimous consent of the Board of Directors.

Section 3. Quorum. A majority of the number of directors, less any vacancies, but in no case less than two (2), shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board.

Section 4. Action without a Meeting. Any action, which may be required or permitted to be taken at a meeting of the Board of Directors, may be taken without a meeting if the results of the director's vote is placed in the minutes of the next meeting of the Board of Directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 5. Open Meetings. All meetings of the Board of Directors shall be open to the members; provided that, the Board may adjourn a meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, matters involving the invasion of privacy of individual lot owners, or matters that are to remain confidential by request of the affected parties and the agreement of the Board. The Board shall have the right to remove or cause to be removed from any Director's, Special or Annual Meeting, any person or persons: who are not members of the Association, who are creating a disturbance, or who are not following the rules of order for the meeting. The Board or Directors, at their sole discretion, may invite any non-member to any meeting for any purpose.

ARTICLE VI

Powers and Duties of the Association

Section 1. Powers. The Association, by and through its Board of Directors, shall have the following rights and powers:

- a. suspend the voting rights and right to the use of any facilities or services provided by the Association of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association or in which any member has caused the Association to bring an action at law for the enforcement of conditions as set forth in the Declaration. Such a member shall be noted as being "not in good standing" with the Association. Such rights may also be suspended after notice and invitation for a hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- b. exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- c. declare the office of a member of the Board of Directors to be vacant in the event such board member shall be absent from three (3) consecutive meetings of the Board of Directors;
- d. employ a manager, an independent contractor, or such other employees as deemed necessary, and to prescribe their duties and the terms of employment of services; and
- e. to exercise such other rights and powers granted to it under the Declaration, the Articles of Incorporation, or these By-Laws.

Section 2. Duties. It shall be the duty of the Tara Colony Homeowners Association, by and through its Board of Directors, to:

- a. cause and be kept a complete record of all its acts and corporate affairs in a minute book(s), which may be reviewed upon written request by any member, at the principal office of the Association, or its contractor, during normal business hours;
- b. supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;
- c. as more fully provided in the Declaration, to fix the amount of the annual assessment against properties subject to the jurisdiction of the Association and take such actions as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof;
- d. send written notice of each assessment to every Owner subject thereto, or their agent, at the last known address as listed in the records of the Association, at least thirty (30) days in advance of each annual assessment period;
- e. issue, or cause an appropriate officer or agent to issue, upon demand in writing by any member, a certificate setting forth whether or not any assessment has been paid. The Board or their agent may make a reasonable charge for the issuance of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- f. procure and maintain such liability and hazard insurance as it may deem appropriate on any property or facilities owned or leased by the Association, as well as but not limited to Director and Officers insurance, fidelity insurance and any other policies deemed appropriate; and
- g. cause any officers and employees having fiscal responsibility to be bonded, as it may deem appropriate.

ARTICLE VII

Officers and Their Duties

Section 1. Enumeration of Offices. The officers of this Association, all of whom shall be at all times a member of the Board of Directors, shall be a president, a vice president, a secretary, a treasurer and such other officers as the Board from time to time create. The offices of secretary and treasurer may be combined by the Board into one office. The president may not hold any other office on the Board and must be a member of the Association (a Declarant's representative may not serve as president of the Association). All officers and members of the Board of Directors must be in good standing at all times while they are serving on the Board of Directors. Failure to maintain good standing shall be cause for removal from the Board of Directors by a majority vote of the remaining directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Authority to Sign Checks. The Board, from time to time, may authorize any person or persons, who need not be officers or directors of the Association, to sign checks of the Association. Such agents may be authorized to sign singly or jointly, as the Board in its discretion may decide. The Board may at any time rescind and revoke such authority granted to any person. Such authority may be given to a person or persons in conjunction with or in lieu of the authority of the treasurer to sign checks. In addition, all members of the Board of Directors shall have the authority to sign the Association's checks, with the Treasurer being the primary signer, if available. The Board of Directors shall decide which members of the Board shall be authorized to sign checks, but in no instance shall there be less than three persons authorized to sign checks. Although it is not required, it is recommended that at least two authorized signers affix their signature to each check.

Section 6. Resignation and Removal. The Board may remove any officer from office with or without cause. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at the later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 8. Multiple Offices. No person shall simultaneously hold both the offices of president and secretary. The same person may hold the offices of secretary and treasurer. No person shall simultaneously hold more than one of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 9. Duties. The duties of the officers of the Association are as follows:

President

a. The president of the Association shall preside at all meetings of the Board of Directors of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all promissory notes.

Vice President

b. The Vice President shall act in the place and instead of the President in the event of his absence, inability or refusal to act and shall exercise and discharge such other duties as may be required of him/her by the Board.

Secretary

c. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as required by the Board.

Treasurer

d. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; may sign all checks; shall sign all promissory notes of the Association; keep proper books of account; and keep accurate books and records of the fiscal affairs of the Association and make the same available for inspection by members of the Association during normal business hours.

Contractor

e. The functions and duties herein prescribed for the Secretary and Treasurer may be performed by a contractor (management company) as shall be decided by the Board of Directors, except that said contractor may not sign promissory notes, leases, mortgages and deeds. Said contractor or contractors may be employed from time to time by the Board to perform any action not allowed directly above which the Board shall determine is beneficial to the Association.

ARTICLE VIII

Committees

The Association may appoint an Architectural Control Committee (or the Board may serve as this committee), as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE IX

Books and Records

The books, records and papers of the Association shall at all times, during normal business hours, be subject to inspection by any member upon such member making a written request providing the proper purpose for such review and establishing a mutually agreeable date and time for such review. Copies of the records may not be made nor may they be removed from the principal office of the Association unless the Board of Directors shall so agree. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE X

Assessments

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments, which are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, a late penalty shall be added to the account, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, penalty and reasonable attorney's fees of any action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessment provided for herein by nonuse of the facilities or services provided by the Association or by abandonment of his/her Lot.

ARTICLE XI

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words "Tara Colony Homeowners Association" and within the center the word "Texas".

ARTICLE XII

Amendments

Section 1. Amendments. The By-Laws may be amended, at a regular or special meeting of the Board of Directors, by a vote of a majority of a quorum of Board members present.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIII

Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first year shall begin on the date of incorporation.

Section 2. Dissolution. No member shall have any right or interest in the assets of the Association, including, without limitation, any right to distribution of assets in the event of the liquidation, dissolution or winding up of the Association, whether voluntary or involuntary.

IN WITNESS WHEREOF, we, being all of the directors attending the duly called Board of Directors meeting of Tara Colony Homeowners Association, Inc., have hereunto set our hands this 19 day of December, 1999, inasmuch as we have voted unanimously to adopt the foregoing document on this same date.


Richard deClairmont


John C. McCord


David R. Moore


Jerry Kolata

THE STATE OF TEXAS }
THE COUNTY OF FORT BEND }

I, David Schaub, a Notary Public, do hereby certify that on the 29 day of December, 1999, personally appeared before me RICHARD deCLAIRMONT, who being by me first duly sworn, declared that he is a duly elected member of the Board of Directors, that he is the person who signed the foregoing document, that the foregoing is just and correct, and that this is an act of the Tara Colony Homeowners Association, Inc.

IN WITNESS THEREOF, I have hereunto set my hand and seal on the 29 day of December 1999.



J. David Schaub
Notary Public for the State of Texas
My commission expires on 11/30/01

THE STATE OF TEXAS }
THE COUNTY OF FORT BEND }

I, David Schaub, a Notary Public, do hereby certify that on the 29 day of December, 1999, personally appeared before me JOHN C. McCORD, who being by me first duly sworn, declared that he is a duly elected member of the Board of Directors, that he is the person who signed the foregoing document, that the foregoing is just and correct, and that this is an act of the Tara Colony Homeowners Association, Inc.

IN WITNESS THEREOF, I have hereunto set my hand and seal on the 29 day of December 1999.



J. David Schaub
Notary Public for the State of Texas
My commission expires on 11/30/01

THE STATE OF TEXAS }
THE COUNTY OF FORT BEND }

I, David Schaub, a Notary Public, do hereby certify that on the 29 day of December, 1999, personally appeared before me DAVID R. MOORE, who being by me first duly sworn, declared that he is a duly elected member of the Board of Directors, that he is the person who signed the foregoing document, that the foregoing is just and correct, and that this is an act of the Tara Colony Homeowners Association, Inc.

IN WITNESS THEREOF, I have hereunto set my hand and seal on the 29 day of December 1999.



J. David Schaub
Notary Public for the State of Texas
My commission expires on 11/30/01

THE STATE OF TEXAS }
THE COUNTY OF FORT BEND }

I, David Schaub, a Notary Public, do hereby certify that on the 29 day of December, 1999, personally appeared before me JERRY KOLAFKA, who being by me first duly sworn, declared that he is a duly elected member of the Board of Directors, that he is the person who signed the document, that the foregoing is just and correct, and that this is an act of the Tara Colony Homeowners Association, Inc.

IN WITNESS THEREOF, I have hereunto set my hand and seal on the 29 day of December 1999.



J. David Schaub
Notary Public for the State of Texas
My commission expires on 11/30/01

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dianne Wilson

01-03-2000 09:47 AM 2000000025
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DIANNE WILSON, COUNTY CLERK
FORT BEND COUNTY, TEXAS