BYLAWS

OF

SOUTHWIND RIDGE PROPERTY OWNERS ASSOCIATION, INC.

BYLAWS OF

SOUTHWIND RIDGE PROPERTY OWNERS ASSOCIATION, INC.

TABLE OF CONTENTS

ARTICLE 1

Offices

1.01 Principal Office
1.02 Other Offices
1.03 Change of Location

ARTICLE 2

Definitions

ARTICLE 3

Qualifications for Membership

3.01 Membership
3.02 Proof of Membership
3.03 No Additional Qualification
3.04 Certificates of Membership

ARTICLE 4

Voting Rights

4.01 Voting
4.02 Proxies
4.03 Quorum
4.04 Required Vote
4.05 Cumulative Voting

ARTICLE 5

Meetings of Members

5.01 Annual Meetings
5.02 Special Meetings
5.03 Place
5.04 Notice of Meetings
5.05 Order of Business at Meetings
5.06 Action without Meeting

ARTICLE 6

Board of Directors

6.01 Number
6.02 Term
6.03 Removal
6.04 Vacancies
6.05 Compensation
6.06 Powers and Duties
6.07 Actions of Board of Directors

ARTICLE 7

Nomination and Election of Directors

7.01 Nomination of Directors
7.02 Election
7.03 Rules and Procedures

ARTICLE 8

Meetings of Directors

8.01 Regular Meetings
8.02 Special Meetings
8.03 Quorum
8.04 Voting Requirement
8.05 Open or Closed Meetings
8.06 Executive Session
8.07 Action Without Meeting

ARTICLE 9

Committees

9.01 Appointed by Board of Directors
9.02 Authority of Committees
9.03 Discharge of Committees and Committeemen

ARTICLE 10

Officers

10.01 Enumeration of Officers
10.02 Term
10.03 Resignation and Removal
10.04 Multiple Offices
10.05 Compensation

ARTICLE 11

President

11.01 Election
11.02 Duties

ARTICLE 12

Vice President

12.01 Election
12.02 Duties

ARTICLE 13

Secretary

13.01 Election
13.02 Duties

ARTICLE 14

Treasurer

14.01 Election
14.02 Duties

ARTICLE 15

Books and Records

15.01 Maintenance
15.02 Inspection

ARTICLE 16

16.01 Amendments

ARTICLE 17

Conflicts

17.01 Restrictions Govern

ARTICLE 1

OFFICES

1.01. Principal Office. The principal office of the Association shall be located at 3500 W. Davis, Suite 280, Conroe, Texas 77304.

1.02. Other Offices. The Association also may have offices at such other places within Montgomery County, Texas, as the Board of Directors may from time to time determine or the business of the Association may require.

1.03. Change of Location. The Board of Directors may change the location of any office of the Association.

ARTICLE 2

DEFINITIONS

2.01. "Association" shall mean and refer to Southwind Ridge Property Owners Association, Inc., its successors and assigns.

2.02. "Subdivision" shall mean and refer to that certain real property known as Southwind Ridge, Section One, as depicted on the map or plat thereof, of record in Cabinet S, Sheet 108 of the Map Records of Montgomery County, Texas, as such map or plat may be amended from time to time, and such properties as may hereafter be brought within the scheme of development of the Southwind Ridge subdivision or subjected to the Restrictions (as hereinbelow defined) or similar restrictions and brought within the jurisdiction of the Association, including future sections, if any, of Southwind Ridge.

2.03. "Common Area" shall mean all real property, if any, within the Subdivision, owned by the Association and dedicated for the common use and enjoyment of the Owners of property in the Subdivision.

2.04. "Lot" or "Lots" shall mean and refer to the numbered lots as shown on the plats of the Subdivision, any lot or tract resulting from the subdivision or re-subdivision of any Lot and any other tracts brought within the jurisdiction of the Association.

2.05. "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 Subdivision. In the event of an executory contract for installment sale or contract for deed covering any Lot, the "Owner" shall be the purchaser named in the contract. "Owner" does not include those persons or entities having an interest merely as security for the performance of an obligation, persons or entities who own only an easement, or those having an interest in the mineral estate only.

2.06. "Restrictions" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions for Southwind Ridge, Section One, as filed in the Official Public Records of Real Property of Montgomery County, Texas, under Clerk's File No. 2002-075077, together with any amendments or supplements thereto, and to any similar declaration applicable to other properties that may hereafter be brought within the scheme of development of the Southwind Ridge subdivision and subjected to the jurisdiction of the Association.

2.07. "Member" shall mean and refer to those persons entitled to membership in the Association.

2.08. "Member in Good Standing" or "Eligible Member" shall mean a Member who is current in all financial obligations to the Association and not delinquent in the payment of any maintenance charges, assessments or fines due the Association.

ARTICLE 3

QUALIFICATIONS FOR MEMBERSHIP

3.01. Membership. The membership of the Association shall consist of all the Owners of the Lots within the Subdivision or brought within the jurisdiction of the Association pursuant to the provisions and authority of said Restrictions, including contract purchasers. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation, persons or entities who own only an easement, or those having an interest in the mineral estate only. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

3.02. Proof of Membership. The rights of membership shall not be exercised by any person until satisfactory proof has been furnished to the Secretary of the Association that the person is qualified as a Member. Such proof may consist of a copy of a duly executed and acknowledged deed, contract for deed or title insurance policy evidencing ownership of a Lot or Lots in the Subdivision. Such deed, contract for deed or policy shall be deemed conclusive in the absence of a conflicting claim based on a later deed, contract or policy.

3.03. No Additional Qualification. The sole qualification for membership shall be ownership of a Lot or Lots in the Subdivision. No initiation fees, costs, or dues shall be assessed against any person as a condition of membership except such assessments, levies, and charges as are specifically authorized under the Restrictions.

3.04. Certificates of Membership. The Board of Directors may provide for the issuance of certificates evidencing membership in the Association which shall be in such form as may be determined by the Board. All certificates evidencing membership shall be consecutively numbered. The name and address of each Member and the date of issuance of the certificate shall be entered on the records of the Association and maintained by the Secretary at the principal office of the Association.

ARTICLE 4

VOTING RIGHTS

4.01. Voting. Voting shall be on a one vote per Lot basis. The Owner or Owners of each Lot are entitled to one vote for each Lot owned in the Subdivision. If record title to a particular Lot or Lots is in the name of two or more persons, all co-owners shall be Members and may attend any meeting of the Association but the voting rights appurtenant to each such Lot may not be divided and fractional votes shall not be allowed. Any one of said co-owners may exercise the vote appurtenant to each such Lot so owned at any meeting of the Members and such vote shall be binding and conclusive on all of the other co-owners of said Lot who are not present; provided, if one of the non-attending co-owners has given the Association notice of objection to the attending co-owner's vote, no vote shall be cast for said Lot except upon notice of unanimous consent by all such co-owners being given to the Association. In the event more than one vote is cast for a single Lot by an Owner, none of the votes so cast shall be counted and all of such votes shall be deemed void. No Member shall be eligible to vote on any matter, including the election of directors, if such Member is in default in the payment of any maintenance charges, assessments or fines due the Association. Such Member shall not be an Eligible Member or member in Good Standing of the Association.

4.02. Proxies. At all meetings of Members, Members may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease on conveyance by the Member of his Lot, or on receipt of notice by the Secretary of the death or judicially declared incompetence of such Member. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise specifically provided in the proxy.

4.03. Quorum. The presence, either in person or by proxy, at any meeting, of Eligible Members entitled to cast at least ten (10%) percent of the total eligible votes of the Association shall constitute a quorum for any action. If at the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No subsequent meeting shall be held more than (60) days following the preceding meeting.

4.04. Required Vote. The vote of the majority of the votes entitled to be cast by the Members present, or represented by proxy, at a meeting at which a quorum is present shall be the act of the meeting of the Members, unless the vote of a greater number is required by statute, the Restrictions, the Articles of Incorporation or these Bylaws.

4.05. Cumulative Voting. Cumulative voting shall not be permitted.

ARTICLE 5

MEETINGS OF MEMBERS

5.01. Annual Meetings. The annual meeting of the Members of the Association shall be held at the hour of 7:00 p.m. on the third (3rd) Tuesday in February of each year. If the day for the annual meeting of the Members is a legal holiday, the meeting shall be held at the same hour on the following Tuesday.

5.02. Special Meetings. Special meetings of the Members may be called by the President, the Board of Directors, or by Members representing at least ten (10%) percent of the total votes entitled to be cast by the Members.

5.03. Place. Meetings of the Members shall be held within the Subdivision or at a convenient meeting place as close thereto as possible as the Board may specify in writing.

5.04. Notice of Meetings. Written notice of all Members' meetings shall be given by or at the direction of the Secretary of the Association (or other persons authorized to call the meeting) by mailing or personally delivering a copy of such notice at least ten (10) but not more than fifty (50) days before such meeting to each Member entitled to vote at such meeting, 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, in the case of a special meeting, the nature of the business to be undertaken. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at the address last appearing on the books of the Association with postage thereon paid.

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

(1) Roll call;
(2) Proof of notice of meeting or waiver of notice;
(3) Reading of Minutes of preceding meeting;
(4) Reports of officers;
(5) Reports of committees;
(6) Election of directors;
(7) Unfinished business; and
(8) New business.

5.06. Action without Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members and filed with the Secretary of the Association.

ARTICLE 6

BOARD OF DIRECTORS

6.01 Number. The affairs of the Association shall be managed by the Board of Directors consisting of five (5) persons. All directors must be Members in Good Standing of the Association.

6.02 Term. The directors set forth in the Articles of Incorporation shall hold office until the annual election of directors to be held at the 2008 annual meeting of the Members of the Association and until their successors are elected and qualified. At the 2008 annual meeting of the Members five (5) directors will be elected, who will be divided into two (2) classes. There will be three (3) directors in the first class, who will hold office until the 2010 annual meeting of Members and until their successors are elected and qualified; and there will be two (2) directors in the second class, who will hold office until the 2011 annual meeting of Members and until their successors are elected and qualified. At each annual meeting of Members thereafter, directors will be elected for the class whose term of office expires at that meeting, and they will hold office until the second annual meeting of Members after their election and until their successors are elected and qualified.

6.03 Removal. Directors may be removed from office with or without cause by a majority of all of the votes entitled to be cast by the Members of the Association.

6.04 Vacancies. In the event of a vacancy on the Board caused by the death, resignation, or removal of a director, the remaining directors shall, by majority vote, elect a successor who shall serve for the unexpired term of his predecessor in office.

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.

6.05 Compensation. No director shall receive compensation for any service he may render to the Association. A director may, however, be reimbursed by the Board for actual expenses incurred by him in the performance of his duties.

6.06 Powers and Duties. The Board shall have the powers and duties, and shall be subject to limitations on such powers and duties, as enumerated in these Bylaws or in the Restrictions or as set forth in the Articles of Incorporation of the Association. In addition, the Board of Directors shall have the following powers and duties:

a. cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the Members;

b. supervise all officers, agents and employees of this Association, and see that their duties are properly performed;

c. as more fully provided in the Restrictions to:

(1) adjust the amount of the annual maintenance fund assessment against each lot;

(2) send written notice of each assessment to every Owner subject thereto; and

(3) foreclose the lien against any property for which assessments are not timely paid and/or bring an action at law against each Owner personally obligated to pay the same;

d. issue, or to cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

e. procure and maintain, if possible and at the discretion of the Board, general liability insurance, directors' and officers' liability insurance and hazard insurance on property owned by the Association;

f. cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

g. cause the private roads and streets in the Subdivision to be maintained;

h. cause the Common Area to be maintained;

i. cause the Restrictions of the Subdivision to be enforced and administered;

j. cause the architectural control of the Subdivision as set forth in the Restrictions;

k. employ such accountants, attorneys, contractors or other persons or entities as the Board deems necessary to manage and administer the affairs of the Association;

l. manage the affairs of the Association; and

m. perform all acts and do all things provided for or contemplated to be done by the Association in the Restrictions and the Articles of Incorporation.

Directors shall exercise ordinary business judgment in managing the affairs of the Association. Directors shall act as fiduciaries with respect to the interests of the Members. In acting in their official capacity as directors of this Association, directors shall act in good faith

and take actions they reasonably believe to be in the best interests of the Association and that are not unlawful. In all instances, the directors shall not take any action that they should reasonably believe would be contrary to the Association's best interests or would be unlawful. A director shall not be liable if, in the exercise of ordinary care, the director acts in good faith relying on written financial and legal statements provided by an accountant or attorney retained by the Association.

6.07 Actions of Board of Directors. The Board of Directors shall try to act by consensus. However, the vote of a majority of directors present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Directors unless the act of a greater number is required by law or these Bylaws. A director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the decision of the Board of Directors. For the purpose of determining the decision of the Board of Directors, a director who is represented by proxy in a vote is considered present.

ARTICLE 7

NOMINATION AND ELECTION OF DIRECTORS

7.01. Nomination of Directors. Candidates for the Board of Directors of the Association may be nominated (i) by petition signed by at least two (2) Eligible Members, provided such petition shall be received by the Secretary at least ten (10) days before the annual meeting, or (ii) at the annual meeting by motion and second of eligible Members. No Member shall be eligible to be nominated for or to serve on the Board of Directors if such Member is in default on any maintenance charges, assessments or fines due the Association.

7.02. Election. Directors are elected at the annual meeting of Members of the Association. Members, or their proxies, may cast, in respect to each directorship to be filled, as many votes as they are entitled to exercise under the provisions of the Restrictions. The nominees receiving the highest number of votes shall be elected. No Member may cumulate votes.

7.03. Rules and Procedures. The Board of Directors may adopt rules and procedures for the conduct of annual elections of directors, provided that such rules and procedures are not inconsistent with these Bylaws.

ARTICLE 8

MEETINGS OF DIRECTORS

8.01. Regular Meetings. Regular meetings of the Board of Directors shall be held no less often than quarterly at such place and at such time as may be fixed from time to time by resolution of the Board. The first regular meeting of each new Board shall be held within twenty

(20) days after the annual meeting of Members. Unless waived, notice of the time and place of such meeting shall be mailed or delivered to each member of the Board of Directors not less than five (5) nor more than twenty (20) days before the date of the meeting. No notice of regular meetings of the Board of Directors (except for first regular meeting of each new Board) shall be required.

8.02. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President and Secretary of the Board of Directors or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of any special meeting must be given to each director not less than five (5) days (except in the case of emergencies), or more than twenty (20) days prior to the date fixed for such meeting by written notice delivered personally or sent by mail or electronic mail to each director at his address or email address, as applicable, as shown in the records of the Association.

8.03. Quorum. A quorum for the transaction of business by the Board of Directors shall be a majority of the number of directors constituting the Board of Directors as fixed by these Bylaws.

8.04. Voting Requirement. The act of the majority of directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless any provision of the Articles of Incorporation or these Bylaws requires the vote of a greater number.

8.05. Open or Closed Meetings. The first regular meeting of the Board after the annual meeting of Members each year shall be open to all Members of the Association; provided, however, that Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board. Other than the first meeting of the new Board each year, regular or special meetings of the Board of Directors may be open or closed to the Members as the directors shall determine in their discretion.

8.06. Executive Session. The Board may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss any matter. The nature of any and all business to be considered in executive session shall first be announced in open session. Nothing in this Section 8.06 shall be construed as precluding or in any way limiting the Board's authority to hold closed meetings as provided in Section 8.05.

8.07. Action without Meeting. Any action required by law to be taken at a meeting of the Board of Directors or any committee, or any action which may be taken at a meeting of the Board of Directors or any committee, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors or committee persons, as applicable, and filed with the Secretary of the Association.

ARTICLE 9

COMMITTEES

9.01. Appointed by Board of Directors. The Board of Directors shall appoint such committees as are required by the Restrictions. The Board may from time to time establish and appoint to such other committees as it shall deem necessary and advisable to assist the Board in the general operation and management of the Association. The Chairman and all Members of each such committee must be an Eligible Member of the Association. The President of the Association shall be an ex-officio member of all committees and may designate in writing an Eligible Member as his agent or representative to attend any meeting in which the President is unavailable or unable to attend.

9.02. Authority of Committees. The Board of Directors may grant to any committee thus established by the Board such authority and power consistent with these Bylaws as the Board shall deem required to carry out the intended purposes and functions of such committee.

9.03. Discharge of Committees and Committeemen. The Board of Directors may discharge any committee established by the Board and may remove and replace any committeeman appointed to any committee.

ARTICLE 10

OFFICERS

10.01. Enumeration of Officers. The Officers of the Association (who shall at all times be members of the Board of Directors) shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may, by resolution, create such other offices as it deems necessary or desirable.

10.02. Term. The Officers of this Association shall be elected annually by the Board of Directors and each shall hold office for a term of one year, unless such officer shall sooner resign, be removed, or be otherwise disqualified to serve.

10.03. Resignation and Removal. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect at the date of receipt of such notice or at any later time specified therein. Any officer may be removed from office by the Board whenever, in the Board's judgment, the best interests of the Association would be served by such removal.

10.04. Multiple Offices. Any two or more offices may be held by the same person, except the offices of President and Secretary.

10.05. Compensation. Officers shall not receive compensation for services rendered to the Association.

ARTICLE 11

PRESIDENT

11.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one of its members to act as President.

11.02. Duties. The President shall:

(a) Preside over all meetings of the Members and of the Board;

(b) Sign as President all deeds, contracts, and other instruments in writing which have been first approved by the Board, unless the Board, by duly adopted resolution, has authorized the signature of a lesser officer;

(c) Call meetings of the Board whenever he deems it necessary in accordance with rules and on notice agreed to by the Board. The notice period shall, with the exception of emergencies, in no event be less than five (5) days; and

(d) Have, subject to the advice of the Board, general supervision, direction and control of the affairs of the Association and discharge such other duties as may be required of him by the Board.

ARTICLE 12

VICE PRESIDENT

12.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one of its members to act as Vice President.

12.02. Duties. The Vice President shall:

(a) Act in the place and in the stead of the President in the event of his absence, inability, or refusal to act; and

(b) Exercise and discharge such other duties as may be required of him by the Board. In connection with any such additional duties, the Vice President shall be responsible to the President.

ARTICLE 13

SECRETARY

13.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Secretary.

13.02. Duties. The Secretary shall:

(a) Keep a record of all meetings and proceedings of the Board and of the Members;

(b) Keep the seal of the Association, if any, and affix it on all papers requiring said seal;

(c) Serve such notices of meetings of the Board and the Members required either by law or by these Bylaws;

(d) Keep appropriate current records showing the members of this Association together with their addresses; and

(e) Sign as Secretary all deeds, contracts, and other instruments in writing which have been first approved by the Board if said instruments require a second Association signature, unless the Board has authorized another Officer to sign in the place and stead of the Secretary by duly adopted resolution.

ARTICLE 14

TREASURER

14.01. Election. At the first meeting of the Board immediately following the annual meeting of the members, the Board shall elect a Treasurer.

14.02. Duties. The Treasurer shall:

(a) Receive and deposit in such bank or banks as the Board may from time to time direct, all of the funds of the Association;

(b) Be responsible for, and supervise the maintenance of, books and records to account for such funds and other Association assets;

(c) Disburse and withdraw said funds as the Board may from time to time direct, and in accordance with prescribed procedures; and

(d) Prepare and distribute the financial statements for the Association required by the Restrictions.

ARTICLE 15

BOOKS AND RECORDS

15.01. Maintenance. Complete and correct records of account and minutes of proceedings of meetings of Members, directors, and committees shall be kept at the registered office of the Association. A record containing the names and addresses of all Members entitled to vote shall be kept at the registered office or principal place of business of the Association. Additionally, all such records, minutes and membership lists may be posted on a website maintained by the Association.

15.02. Inspection. The Restrictions of the Subdivision, the Certificate of Formation and the Bylaws of the Association, the membership register, the books of account, and the minutes of proceedings, shall be available for inspection and copying by any Member of the Association or any director for any proper purpose at any reasonable time. The Board may charge a reasonable fee for the reproduction of any such records for a Member.

ARTICLE 16

AMENDMENTS

16.01. Amendments. The Board of Directors of this Association is expressly authorized to alter, amend, or repeal the Bylaws or to adopt new Bylaws of this Association, without any action on the part of the Members. However, the Bylaws made or amended by the directors and the powers so conferred may be altered or repealed or new Bylaws adopted by a majority vote of the Members present and voting, in person or by proxy, at any annual or special meeting or election called for that purpose; provided, however, that a statement of the proposed modifications, alterations, amendments, or repeal and proposed new Bylaws shall be signed by either the Board of Directors or by ten percent (10%) or more of the Members entitled to vote and delivered to the Board of Directors at least twenty (20) days before the date of such meeting or election; and it shall be the duty of the Board of Directors to cause a copy of such proposed modifications, alterations, amendments, or repeal and proposed new Bylaws to be mailed to each Member of the Association at his last known address as shown on the books of the Association at least ten (10) days before such meeting or election.

ARTICLE 17

CONFLICTS

17.01. Restrictions Govern. In the event of a conflict between the provisions of these Bylaws and the Restrictions, the terms and provisions of the Restrictions shall prevail.

ADOPTION AND ATTESTATION

ADOPTED by the Board of Directors on this 20th day of July, 2009.

Director

Director

Director

Director

Director

RECORDER'S MEMORANDUM:
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed and recorded.

ATTEST:

Secretary

FILED FOR RECORD
2009 AUG -5 PM 3:25
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify this instrument was filed in File Number Sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Real Property at Montgomery County, Texas.

AUG - 5 2009

County Clerk
Montgomery County, Texas