BYLAWS
OF
HUNTCREST CONDOMINIUM ASSOCIATION

ARTICLE I - DEFINITIONS

1.01 Project. Project shall mean all of the real property located in Baytown, Harris County, Texas, including the land, all improvements and structures on the land, and all easements, rights, and appurtenances to the land, more particularly described as: a .9236 acre tract of land out of the William C. and Charles Boswell Survey, A-1562, Harris County, Texas, which has been subdivided as Huntcrest Condominiums at Baytown, Harris County, Texas, according to the map or plat thereof recorded at V245886, Volume 487, Page 6, of the Map Records of Harris County, Texas, and commonly known as HUNTCREST CONDOMINIUMS (the "Project").

1.02 Declaration. Declaration shall mean the Declaration of Covenants, Restrictions, and Condominium Regime applicable to the Project (the "Declaration") and filed in the Office of the County Clerk of Harris County, Texas, on August 24, 2001, in the Condominium Records, File No. V261032, Volume 180, Page 101, including any amendments to the Declaration as may be made from time to time in accordance with the terms of the Declaration.

1.03 Governing Instruments. Governing Instruments shall mean the Declaration, the Articles of Incorporation of the Association and these Bylaws.

1.04 Other Capitalized Terms. Other Capitalized Terms used in these Bylaws shall have the meaning given them in the Declaration, which is incorporated by reference and made a part of these Bylaws.

ARTICLE 2 - APPLICABILITY OF BYLAWS

2.01 Corporation. These Bylaws constitute the Bylaws of a nonprofit corporation known as Huntcrest Condominium Association, which is hereafter referred to as the "Association".

2.02 Project Applicability. The provisions of these Bylaws are applicable to the Project as defined in Paragraph 1.01 of these Bylaws.

2.03 Personal Application. All present or future Owners, present or future tenants, guests, invitees and employees, and other persons that use the facilities of the Project in any manner are subject to the regulations set forth in these Bylaws. The mere acquisition, rental or occupancy of any Unit in the Project will signify that these Bylaws are accepted and ratified and will be complied with by the Owner, tenant, and other parties described above.

ARTICLE 3 - OFFICES

3.01 Principal Office. The principal office of the Association shall be located at 6730 Independence Blvd., Suite 200, Baytown, Harris County, Texas 77521.

3.02 Registered Office and Registered Agent. The Association shall have and shall continuously maintain in the State of Texas a registered office and registered agent, whose office is identical with the 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 of the corporation, and the address of the registered office may be changed from time to time by the Board.

ARTICLE 4 - QUALIFICATIONS FOR MEMBERSHIP

4.01 Membership. The membership of the Association shall consist of all the Owners of Units within the Project.

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

4.03 No Additional Qualifications. The sole qualification for membership shall be ownership of a Unit in the Project. 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 Articles of Incorporation or the Declaration.

ARTICLE 5 - VOTING RIGHTS

5.01 Voting. The Owner(s) of each Unit are entitled to one vote for each Unit owned. If a Unit has more than one Owner, the aggregate vote of the Owners of the Unit shall equal one vote.

5.02 Proxies. At all meetings of Members, each Member 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 a Member's Unit, 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.

5.03 Quorum. The presence, either in person or by proxy, at any meeting of Members entitled to cast at least ten percent (10%) of the total votes of the Association shall

constitute a quorum for any action, except as otherwise provided by law or the Governing Instruments. In the absence of a quorum at a meeting of the Members, a majority of those Members present in person or by proxy may adjourn the meeting to a time not less than five days nor more than 30 days from the meeting date.

5.04 Required Vote. The vote of the majority of the votes cast by the Members present or represented by proxy shall be the act of the Members, unless the vote of a greater number is required by law or the Governing Instruments.

ARTICLE 6 - MEETINGS OF MEMBERS

6.01 Annual Meetings. The annual meeting of the Members of the Association shall be held on a day determined by the Board during May of each calendar year at the hour of 2:00 p.m. 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 first day following that is not a legal holiday (excluding Saturdays and Sundays).

6.02 Special Meetings. Special meetings of the Members may be called by the President, the Board, or by Members representing at least twenty percent (20%) of the total votes of the Association.

6.03 Place. Meetings of the Members shall be held within the Project or at a meeting place as close to the Project as possible, as the Board my specify in writing.

6.04 Notice. 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 10 but not more than 30 days before the meeting to each Member entitled to vote at the meeting. If mailed, the notice must be 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. The 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.

6.05 Action Without Meeting. Any action required by law to be taken at a meeting of the Members or any action that 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 7 - BOARD OF DIRECTORS

7.01 Number. Until the earlier to occur of (i) 120 days after 75% of the Units have been conveyed by the Developer to other Owners, or (ii) three years after the first Unit was conveyed by the Developer to another Owner (the "Developer Control Period"), the Board shall

consist of three directors. From and after the first annual meeting of Members following the termination of the Developer Control Period, the affairs of this Association shall be managed by a Board consisting of three (3) persons, all of whom must be residents of the Project and Members of the Association in good standing.

7.02 Term. The initial Directors designated in the Articles of Incorporation shall hold office until the first annual meeting of Members. Directors shall be elected at each annual meeting of the Members and shall hold office for a term of two years and until their successors are elected and qualified. The first term of two director positions shall be for one year so that not more than three director terms expire each year.

7.03 Removal. The Developer shall be entitled to remove, with or without cause, and appoint any one or more directors of the Board of Directors of the Association during the Developer Control Period. Following the Developer Control Period, Directors may be removed from office with or without cause by a majority vote of the Members present and voting at any regular or special meeting.

7.04 Vacancies. In the event of a vacancy on the Board caused by 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 the predecessor.

7.05 Compensation. Directors may be reimbursed by the Board for actual expenses incurred in the performance of the Director's duties, but Directors shall receive no compensation for their duties as a Director.

7.06 Powers and Duties. The Board shall have the powers and duties, and shall be subject to limitations on such powers and duties, as enumerated by law and the Governing Instruments.

ARTICLE 8 - NOMINATION AND ELECTION OF DIRECTORS

8.01 Nomination. Nomination for election to the Board shall be made by a nomination committee appointed by the Board, with additional nominations accepted from the floor at the annual meeting of Members.

8.02 Election. Members, or their proxies, may cast, in respect to each vacant directorship, one vote for each Unit owned. The nominees receiving the highest number of votes shall be elected. Cumulative voting is prohibited.

ARTICLE 9 - MEETINGS OF DIRECTORS

9.01 Regular Meetings. Regular meetings of the Board shall be held at least quarterly at a time and place as may be fixed from time to time by resolution of the Board.

Notice of the time and place of regular meetings shall be posted at a prominent place within the Common Elements not less than three days prior to the date of the meeting.

9.02 Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President of the Association or by any two Directors other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of a special meeting must be given to each Director not less than 3 days or more than 15 days prior to the date fixed for such meeting by written notice either delivered personally, sent by mail, or sent by fax to each Director at the Director's address as shown in the records of the Association. A copy of the notice shall be posted in a prominent place in the Common Elements of the Project not less than 3 days prior to the date of the meeting.

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

9.04 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 unless any provision of law or the Governing Instruments requires the vote of a greater number.

9.05 Open Meetings. Regular and special meetings of the Board shall be open to all Members of the Association; provided, however, that Members who are not on the Board may not participate in any deliberation or discussion unless expressly authorized to do so by the vote of a majority of a quorum of the Board.

9.06 Executive Session. The Board may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, and other business of a confidential nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

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

ARTICLE 10 - OFFICERS

10.01 Enumeration of Officers. The officers of the Association shall be a President, one or more Vice-Presidents, a Secretary, and a Treasurer. The Board may, by resolution, create such other offices as it deems necessary or desirable.

10.02 Term. The officers of the Association shall be elected annually by the Board at

the first meeting following each annual meeting of the Members and each shall hold office for one year, unless the officer shall sooner resign, be removed, or otherwise disqualified to serve.

10.03 Resignation and Removal. The Developer shall be entitled to remove, with or without cause, and appoint any one or more officers of the Association during the Developer Control Period. 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 the notice or at any later time specified in the notice. 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 the President and Secretary.

10.05 Compensation. Officers may be reimbursed by the Board for actual expenses incurred in the performance of the Officer's duties, but Officers shall receive no compensation for their duties as an Officer.

ARTICLE 11 - PRESIDENT

11.01 Election. At the first meeting of the Board immediately following each annual meeting of the Members, the Board shall elect one of their number 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 that 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 in accordance with the Governing Instruments whenever he or she deems it necessary.

(d) Have, subject to the advise 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 or her by the Board.

ARTICLE 12 - VICE-PRESIDENT

12.01 Election. At the first meeting of the Board immediately following each annual meeting of the Members, the Board shall elect a member of Board 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 the President's absence, inability, or refusal to act.

(b) Exercise and discharge such other duties as may be required of the Vice-President 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 each annual meeting of the Members, the Board shall elect a Secretary.

13.02 Duties. The Secretary shall supervise and direct the designated agents of the Association to:

(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 the seal.

(c) Serve 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 the Association together with their addresses.

(e) Sign as Secretary all deeds, contracts, and other instruments in writing that have first been approved by the Board if the instruments require a second Association signature, unless the Board has authorized another Officer to sign it 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 each annual meeting of the Members, the Board shall elect a Treasurer.

14.02 Duties. The Treasurer shall supervise and direct the designated agents of the Association to:

(a) Receive and deposit in a 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 the Association's funds and other Association assets.

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

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

ARTICLE 15 - BOOKS AND RECORDS

15.01 Maintenance. Complete and correct records of account and minutes of proceedings of meetings of Members, the Board, and committees shall be kept at the principal office of the Association. A record containing the names and addresses of all Members entitled to vote shall be kept at the principal place of business of the Association.

15.02 Inspection. The Governing Instruments of the Project, the membership register, the books of account, and minutes of proceedings shall be available for inspection and copying by any Member of the Association or any Director or any Eligible Mortgage Holder for any proper purpose at any reasonable time at the cost of the requesting party.

ARTICLE 16 - AMENDMENT OF BYLAWS

16.01 Amendment. These Bylaws may be amended, altered, or repealed at a regular or special meeting of the Members of the Association by the affirmative vote in person or by proxy of a majority of the votes cast. Notwithstanding the above, the percentage of votes cast necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

ARTICLE 17 - LIABILITY OF DIRECTORS & OFFICERS

17.01 The liability of Directors and Officers of the Corporation shall be limited to the fullest extent permitted by law.

Adopted by the Board on the 14TH day of MAY, 2001.

Charles A. Presley
Secretary