

BY-LAWS
OF
COLUMBIA LAKES HOMEOWNERS ASSOCIATION

Article I
Name, Principal Office, and Definitions

- A. **Name.** The name of the Association shall be Columbia Lakes Homeowners Association (hereinafter sometimes referred to as the Association).
- B. **Principal Office.** The principal office of the Association shall be located in Harris County.
- C. **Definition.** The words used in these By-Laws shall have the same meaning as set forth in that Reservations, Restrictions and Covenants for Columbia Lakes Subdivision recorded in the Brazoria County, Texas public records (said Restrictions, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the Restrictions). "Member" means an Owner who is in good standing under the Restrictions. "Owner" means an owner of any portion of the property covered by the Restrictions. Any person or entity obtaining title to an Owner's property subject to the Restrictions shall also be deemed an Owner.

Article II
Association: Membership, Meetings, Quorum, Voting, Proxies

- A. **Membership.** The Association shall have one (1) class of Membership, as more fully set forth in the Restrictions and specifically incorporated herein by reference.
- B. **Place of Meetings.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors.
- C. **Annual Meetings.** The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. Subsequent regular annual meetings shall be set by the Board. Meetings shall be of the Members.
- D. **Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed by at least ten (10%) of the Members of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof.
- E. **Notice of Meetings.** Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. Such notice must contain a description of the topics or issues to be discussed.

In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States

mail first class postage pre-paid addressed to each Member at his or her address as it appears on the records of the Association, with postage thereon pre-paid.

F. Waiver of Notice. Waiver of notice of a meeting of a Member shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised in writing before the business is put to a vote.

G. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, in person [or by proxy], may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

H. Voting. The voting rights of the Members shall be as set forth in the Restrictions, and such voting rights provisions are specifically incorporated herein.

I. Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty (50%) percent of the total eligible number.

J. Quorum. Except as otherwise provided in these By-Laws or in the Restrictions, the presence in person of the Members or their proxies representing twenty (20%) percent of the total eligible members in the Association shall constitute a quorum at all meetings of the Association.

K. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting and all transactions occurring at the meeting.

L. 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. Each proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

Article III

Board of Directors: Number, Term of Office, Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body: Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) vote. All directors must be Members except that the initial Board of Directors are not required to be Members and may serve as a Director without the necessity of being a Member.

Section 2. Deleted.

Section 3. Deleted.

Section 4. Number of Directors. The number of directors of the Association shall be at least three (3), but not more than six (6). The initial Board shall consist of three (3) individuals as identified in the Articles of Incorporation.

Section 5. Nomination of Directors. Nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and three (3) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting to serve a term of one (1) year until their successors are appointed, and such appointment shall be announced at each such annual meeting.

The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but in no event less than the number of positions to be filled.

Section 6. Term of Office for Directors. At the first annual meeting of the Members, the Members shall elect one Director to serve a term of one year, a second Director to serve a term of two years and a third Director to serve a term of three years. Each of the other Directors, if any, shall serve a term of office of two years.

Section 7. Removal of Directors and Vacancies. Any vacancy created during the initial term of the Board may be filled by the remaining directors.

Any director elected by the Members may be removed, with or without cause, by the vote of the Members holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. A director who was elected at large by the votes of the Members may be removed from office prior to the expiration of his or her term only by the votes of a majority of the Members. Upon removal of a director, a successor shall then and there be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Members who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association or not in compliance with the recorded Restrictions for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and it may appoint a successor.

B. Meetings.

Section 1. Organizational Meetings. The first meeting of the Board of Directors following each annual meeting of the Membership shall be held within sixty (60) days thereafter at such time and place as shall be fixed by the Board.

Section 2. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of the time and place of the meeting shall be communicated to the directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding

of the meeting.

Alternatively, the Board of Directors may schedule a regular meeting date, place and time and, after forwarding notice of the same, shall not have the obligation to give future notices until a change is made.

Section 3. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice issued at the request of the President of the Association or by any director. The notice shall specify the time and place of the meeting. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, facsimile or other such communication methods, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first-class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

Section 4. Waiver of Notice. The transaction of any meeting of the Board of Directors, however called and noticed or whenever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting in writing before or at its commencement about the lack of adequate notice.

Section 5. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

Section 6. Compensation. No director shall receive any compensation from the Association for acting as such unless approved by the Members representing a majority of the total Members of the Association at a regular or special meeting of the Association; provided, however, that a director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 7. Conduct of Meeting. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings.

Section 8. Open Meetings. Subject to the provisions of Section B (9) of this Article, all meetings of the Board shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in executive session, excluding Members

to discuss or vote on matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

Section 9. Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

A. Powers and Duties.

Section 1. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs.

The Board of Directors shall delegate to one or more of its Members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, that might arise between meetings of the Board of Directors.

In addition to the duties imposed by these By-Laws, Texas law or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, in way of explanation, but not limitation:

- (a) preparing and adopting of annual budgets;
- (b) making assessments, establishing the means and methods of collecting such assessments, and establishing the payment schedule for Special Assessments, if other than annual;
- (c) collecting the assessments, depositing the proceeds thereof in a bank depository that it shall approve, and using the proceeds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;
- (d) providing for the operation, care, upkeep and maintenance of all the streets, easements and reserves owned by the Association;
- (e) making or contracting for the making of repairs, additions, and improvements to or alterations of the streets, easements and reserves in accordance with the other provisions of the Restrictions and these By-Laws after damage or destruction by fire or other casualty;
- (f) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of its Property and the streets, easements and reserves, if any, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (g) making and amending rules and regulations;
- (h) opening of bank accounts on behalf of the Association and designating the signatories required;
- (i) enforcing by legal means the provisions of the Restrictions, these By-Laws, and the

rules and regulations adopted by the Association and bringing any proceedings that may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities with policy limits, coverage and deductibles as deemed reasonable by the Board of Directors and paying the premium cost thereof;

(k) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(m) maintaining a Membership register reflecting, in alphabetical order, the names, Property addresses and mailing addresses of all Members;

(n) making available upon request to any prospective purchaser, any Owner, any first Mortgagee, and the holders, insurers, and guarantors of the first Mortgage on any Property, for any proper purpose during normal business hours by advance appointment, copies of the Restrictions, the Articles of Incorporation, the By-Laws, rules governing such Property and all other books, records, and financial statements of the Association for a reasonable charge; and

(o) permitting utility suppliers to use portions of the streets, easements and reserves, if any, reasonably necessary to the ongoing development or operation of the Property.

Section 2. Management. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these By-Laws, other than the powers set forth in subparagraphs (b), (f), (g), and (i) of Section 1 of this Article.

Section 3. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

(a) Accrual or cash accounting, as defined by generally accepted accounting principles, shall be employed.

(b) Accounting and controls should conform to generally accepted accounting principles.

(c) Cash accounts of the Association shall not be commingled with any other accounts.

(d) No remuneration without full disclosure and prior agreement of the Board of Directors, or as contained in a written management contract, shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association.

(e) Any financial or other interest that any director or the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of

Directors.

(f) Commencing at the end of the month following three months after the date hereof, financial reports shall be prepared for the Association monthly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on an accrual or cash basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments that remain delinquent.

(g) An annual report consisting of at least the following shall be made available at each meeting of Members to all Members within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. The annual report referred to above shall be prepared on an audited or reviewed basis, as determined by the Board, by an independent public accountant.

Section 4. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of maintenance, repair or restoration of the streets, easements and reserves, if any, or for such other proper purpose without the approval of the Members of the Association.

Section 5. Rights of the Association. With respect to the streets, easements and reserves, if any, and in accordance with the Articles of Incorporation and the Restrictions, the Association shall have the right to contract with any person or entity for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or other residential associations, both within and without the Properties. Such agreements shall require the consent of a majority of the total number of directors of the Association.

Section 6. Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to vote or any person's right to use the streets, easements and reserves, if any, for violation of any duty imposed under the Restrictions, these By-Laws, or any rules and regulations duly adopted by the Association; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Lot. In addition, the Association shall be entitled to suspend any services provided by the Association to a Lot in the event that the Owners of such Lot is more than thirty (30) days delinquent in paying any assessment due to the Association. In the event that an occupant, guest or invitee of a Lot violates the Restrictions, By-Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant and/or owner; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Restrictions, By-Laws, or any rule or regulation shall not be deemed a waiver of

the right of the Board to do so thereafter.

Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Restrictions, these By-Laws, or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations and perform exterior maintenance) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the owner or occupant responsible for the violation of which abatement is sought shall pay all costs, fines, costs to repair, including reasonable attorneys' fees actually incurred.

Article IV

Officers

A. Officers. The officers of the Association shall be a President, vice President, Secretary, and Treasurer, to be elected from among the Members of the Board. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

B. Election, Term of Office and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

C. Removal. Any officer may be removed, with or without cause, by a majority vote of the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

D. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Restrictions and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

E. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

F. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or such other person or persons as may be designated by resolution of the Board of Directors.

Article V

Committees

A. General. The Board of Directors is hereby authorized to establish committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors

present at a meeting at which a quorum is present. Each committee established by the Board shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee and in accordance with such rules as are adopted by the Board of Directors. All committees of the Association shall be vested with advisory powers only and is not authorized to act on behalf of the Association.

Article VI Miscellaneous

- A. Fiscal Year. The fiscal year of the Association shall be January 1st to December 31st of each year.
- B. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Texas law, the Article of Incorporation, the Restrictions, or these By-Laws.
- C. Conflicts. If there are conflicts between the provisions of Texas law, the Articles of Incorporation, the Restrictions, and/or these By-Laws, then the provisions of Texas law, the Restrictions, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.
- D. Books and Records.
1. Inspection by Members and Mortgagees. The Restrictions, By-Laws, and Articles of Incorporation, and amendments to the foregoing, the rules and regulations of the Association, the Membership register, books of account, and the minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any holder, insurer or grantor of a first Mortgage on a Lot, Member of the Association, or by the duly appointed representative of any of the foregoing at any reasonable time and for a proper purpose during normal business hours at the office of the Association or at such other place within the Property as the Board shall prescribe, by appointment.
 2. Rules for Inspection. The Board shall establish reasonable rules with respect to:
 - (i) notice to be given to the custodian of records;
 - (ii) hours and days of the week when such an inspection may be made by appointment for a proper purpose; and
 - (iii) payment of the cost of reproducing copies of documents requested.
 3. Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical Property owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association.
- E. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first-class postage pre-paid:
- (a) if to a Member, at the address that the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot, of such Member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

F. Amendment. These By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of a majority of the Board of Directors. Notwithstanding the above, the percentage of votes or other approval necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

G. Transfer of Functions of the Developer. The Developer has caused this Association to be organized for the purpose of exercising all of the duties and prerogatives of the Developer under the Restrictions (including the matters relating to the Architectural Control Committee, Maintenance Fund and the standby water and sewer charge). The delegation of such authority and duties serve to release the Developer from further liability with respect to the Architectural Control Committee and the Maintenance Fund and vest such duties and prerogatives in this Association. The delegation by the Developer of its duties and prerogatives under the Restrictions is evidenced by an amendment to the Restrictions placed of record in the deed records of Brazoria County, and is joined in by the Developer and the Association.

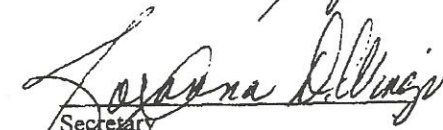
CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Columbia Lakes Homeowners Association, a Texas non-profit corporation;

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof held on the 8th day of September, 2005.

IN WITNESS WHEREOF I have hereunto subscribed my name and affixed the seal of said Association this 8th day of September, 2005.


Secretary
Roxanna D. Wingo

Doc# 2005062032
Pages 17
10/31/2005 10:13AM
Official Records of
BRAZORIA COUNTY
JOYCE HUDMAN
COUNTY CLERK
Fees \$0.00

