THE LAKE FOREST COMMUNITY ASSOCIATION, INC.

AMENDED AND RESTATED BYLAWS

ARTICLE I

DEFINITIONS

The following words when used in these Bylaws, or in any amended or supplementary bylaws, shall have the following meanings (unless a different meaning or intent clearly appears from the context).

"Act" shall mean and refer to the Texas Non-Profit Corporation Act, Articles 1396-1.01 through 1396-11.01, Vernons Tex. Ann. Civil Statutes, and all amendments and additions thereto.

"Addition" shall mean and refer to the tracts or parcels of real property in the City of Dallas, County of Dallas, State of Texas, as more particularly described in the Declaration.

"Association" shall mean and refer to THE LAKE FOREST COMMUNITY ASSOCIATION, INC., an existing non-profit Texas corporation which has the power, duty and responsibility of maintaining and administering certain portions of the Addition and all of the Common Properties, administering and enforcing the Covenants and otherwise maintaining and enhancing the quality of life within the Subdivision.

"Articles" shall mean and refer to the Articles of Incorporation of the Association.

"Board" shall mean and refer to the Board of Directors of the Association.

"City" shall mean and refer to the City of Dallas, Texas.

"Common Properties" shall have the same meaning ascribed to it under the Declaration.

"Declarant" shall mean and refer to FOREST/HILLCREST PARTNERS, a Texas joint venture, and any or all successor(s) and assign(s).

"Declaration" shall mean and refer to that certain Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens on and for Lake Forest Addition applicable to the Properties, and recorded in Volume 96191, Page 538 of the Records, together with any and all amendments or supplements thereto and restatements thereof.

"Development Period" shall mean a period commencing on September 27, 1996, and continuing thereafter until and ending on the earlier of (a) the date of the sale by the Declarant of the last Lot owned by Declarant in the Development Tract, or (b) the date the Declarant voluntarily terminates its Class C Member status by recording a written notice of such termination in the Records.

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"Development Tract" shall mean and refer to those portions of the Addition, which (a) have been (i) platted into Lots and made a part of the Subdivision pursuant to a Plat filed and recorded in the Records, and (ii) assessed by any one or more of the Taxing Authorities, and (b) are not intended to constitute any portion of the Office Tract or the Common Properties.

"Director" or "Directors" shall mean a member or members of the Board.

"Lot" or "Lots" shall mean and refer to a Residential Lot or the Office Tract or any other type of lot reflected on any Plat or all of the Residential Lots together with the Office Tract and such other lots as defined in the Declaration.

"Member" shall mean and refer to (a) each Resident, who is in good standing with the Association, who has filed a proper statement of residency with the Association and who has complied with all directives and requirements of the Association, (b) the Owner or Owners of the Office Tract and (c) the Declarant.

"Office Tract," shall have the meaning ascribed to it in the Declaration.

"Owner" or "Owners" shall mean and refer to the holder(s) of record title to the fee simple interest of any Lot whether or not such holder(s) actually reside(s) on and part of the Lot.

"Person" shall mean an individual, partnership, joint venture, corporation, limited liability company, joint stock company, trust (including a business trust), unincorporated association or other entity, or a government or any political subdivision or agency thereof.

"Person Affiliated to an Owner of a Residential Lot" shall mean (i) the spouse of an Owner of a Residential Lot who is not otherwise an Owner, (ii) a domestic partner residing in the home of an Owner of a Residential Lot who is not otherwise an Owner and (iii) as to an Owner of a Residential Lot that is an entity, any person or entity directly or indirectly controlling, controlled by or under direct or indirect common control with such specified entity. For purposes of this definition, "control," when used with respect to an entity, means (x) the power to direct the management and policies of such entity, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and (y) the primary beneficiaries of an entity that is a trust, "Controlling" and "controlled" shall have meanings correlative to the foregoing.

"Plat" or "Plats" shall mean and refer to the final subdivision plat or plats of the Subdivisions, which have been approved by the City and filed and recorded in the Records.

"Records" shall mean the Public Real Estate Records of Dallas County, Texas, including the Map and Plat Records of Dallas County, Texas.

"Resident" shall mean and refer, without duplication, to:

(a) each Owner of the fee simple title to any Residential Lot within the Development Tract; and

(b) each Person residing within any part of the Development Tract who is a bona-fide lessee pursuant to a legally enforceable lease agreement with an Owner; and

(c) each individual lawfully domiciled in a Dwelling Unit other than an Owner or bona-fide lessee.

"Residential Lot" shall mean and refer to each separately identifiable portion of the Addition which is platted into individual single-family, residential Lots and becomes a part of the Subdivision pursuant to a Plat filed and recorded in the Records.

"Subdivision" or "Subdivisions" shall mean and refer to a subdivision or subdivisions of all or a portion of the Addition, in accordance with the maps and plats thereof hereafter filed of record in the Records, as well as any and all revisions, modifications, corrections or clarifications thereto.

All words appearing herein with initial capital letters, and not defined above, shall have the meaning or intent given such words in the Declaration, unless a different meaning or intent clearly appears from the context.

ARTICLE II

OFFICES

Section 2.1 Registered Office. The registered office of the Association shall be located in the City of Dallas, County of Dallas, State of Texas.

Section 2.2 Other Offices. The Association may also have offices at such other places, within and without the State of Texas, as the Board may from time to time determine or as the business of the Association may require.

ARTICLE III

MEMBERSHIP

Section 3.1 Membership.

(a) Each and every Owner of each and every Lot within the Subdivision shall automatically be, and must at all times remain, a Member of the Association in good standing. Each and every Resident (who is not otherwise an Owner) may, but is not required to, be a non-voting Member of the Association. Membership of an Owner in the Association shall be appurtenant to and may not be separated from the interest of such Owner in and to any portion of a Lot. Ownership of any Lot shall be the sole qualification for being a Member; however a Member's privileges to use the Common Properties may be regulated or suspended as provided in the Declaration, these Bylaws or the rules and regulations promulgated by the Board. Any Person who holds an interest in and to all or any part of a Lot merely as security for the performance of an obligation shall not be a Member. The Association may (but shall not be required to) issue certificates evidencing membership therein.

(b) During the Development Period, the Association shall have three (3) classes of Members:

Class A: The Class A Members, who shall include:

(i) all Owners (other than the Declarant) of Residential Lots;

(ii) all Residents (not otherwise Owners) who have properly and timely fulfilled all registration and related requirements prescribed by the Association.

Class B: The Class B Members who shall be the Owner or Owners of the Office Tract.

Class C: The Class C Member who shall be the Declarant.

(c) From and after the expiration of the Development Period, the Class C membership shall terminate, and thereafter the Association shall have two (2) classes of Members, as follows:

Class A: The Class A Members, who shall include all Owners of Residential Lots.

Class B: The Class B Member(s), who shall be the Owner or Owners of the Office Tract.

(d) No Member of the Association shall be personally liable for the debts, liabilities or obligations of the Association.

Section 3.2 Suspension of Membership. To the extent permitted by applicable law, during any period in which a Member shall be in default in the payment of any portion of an Assessment or Assessments levied by the Association (including any late charges, interest and costs of collection thereof), the voting rights and right to use of the Common Properties of such Member may be suspended by the Board until all portions of such Assessment or Assessments has or have been paid. The rights of a Member may also be suspended, after notice and hearing for a period not to exceed thirty (30) days, for violation of any rules and regulations established by the Board governing the use of the Common Properties.

ARTICLE IV

PROPERTY RIGHTS; RIGHTS OF ENJOYMENT

Each Member shall be entitled to the use and enjoyment of the properties and facilities owned by the Association from time to time as provided in the Declaration. Any Member may delegate his or her rights of enjoyment of properties and facilities to the members of his or her family or his or her tenants who reside on his Lot. Such Member shall notify the Secretary in writing of the name of any such delegee. The rights and privileges of such delegee are subject to suspension to the same extent as those of the Member.

ARTICLE V

BOARD OF DIRECTORS; MEMBERSHIP; SELECTION; TERM OF OFFICE

Section 5.1 Board Membership.

(a) Prior to the expiration of the Development Period, the affairs of the Association shall be managed by a Board consisting of not less than three (3) individuals and not more than seven (7) individuals, one (1) of whom shall be appointed by the Class B Member(s), and the remaining individuals shall be appointed by the Declarant.

(b) From and after the expiration of the Development Period, the affairs of the Association shall be managed by a Board consisting of not less than five (5) individuals and not more than seven (7) individuals, one (1) of whom (the "Class B Director") shall be appointed by the Class B Member, and the remaining individuals (the "Class A Directors") shall be elected by the Class A Members entitled to vote for the election of Class A Directors. The authorized number of Directors shall be initially set at seven (7), and may be changed from time to time (but not more than once per year) by the Board within the range stated above; provided, however, that no decrease in the number of Directors shall reduce the term of any Director, and the Class B Member shall always have the right to appoint the Class B Director.

(c) Prior to the expiration of the Development Period, Directors shall not be required to be Members of the Association. From and after the expiration of the Development Period, all Class A Directors must be (i) Members of the Association and Owners of Residential Lots or (ii) Persons Affiliated to an Owner of a Residential Lot who is a Member of the Association (the Class B Director need not be a Member of the Association).

(d) Class A Directors shall be divided, as evenly as possible, into two (2) groups, "Group 1 Directors," whose terms shall expire in odd numbered years, and "Group 2 Directors," whose terms shall expire in even numbered years. At any time that the Board is increased pursuant to Section 5.1(b), the new directorships shall be equally divided (as nearly as possible) between Group 1 Directors and Group 2 Directors so as to keep the number of Group 1 Directors and Group 2 Directors as equal as possible. At any time that the Board is decreased pursuant to Section 5.1(b), the directorships being eliminated shall be equally divided (as nearly as possible) between Group 1 Directors and Group 2 Directors so as to keep the number of Group 1 Directors and Group 2 Directors as equal as possible; provided, however, that no decrease in the number of Directors shall reduce the term of any Director.

Section 5.2 Nomination; Election; Appointment.

(a) During the period ending upon the expiration of the Development Period, Class B Member(s) shall appoint one Director to the Board, and the Class C Member shall appoint the remaining Directors to the Board.

(b) Prior to the expiration of the Development Period, the Declarant shall determine which members of the Board shall be Group 1 Directors, whose terms will expire at the annual meeting of Members in 2005, and which members of the Board shall be Group 2 Directors, whose terms will expire at the annual meeting of Members in 2006.

(c) At the first annual meeting of Members following the date hereof, and at each annual meeting of Members thereafter, the Class A Members(s) shall elect that number of Class A Directors whose terms are expiring at such annual meeting and, if the size of the Board is being increased effective at an annual meeting, the number of Class A Directors being added. If the size of the Board is being increased effective at the annual meeting, one-half (1/2) (or as near as may be) of the number of new Class A Directors to be elected to the new directorships shall be elected to terms of one (1) year, and the remaining new directorships shall be elected to terms of two (2) years consistent with Section 5.1(d).

(d) At the first annual meeting of Members following the date hereof, and at each annual meeting thereafter, the Class B Member(s) shall appoint one (1) Class B Director to the Board.

(e) A Nominating Committee may be appointed by the Board prior to each annual meeting of Members. If a Nominating Committee is appointed by the Board, nominations of Class A Members and Persons Affiliated to an Owner of a Residential Lot for election to the Board may be made by the Nominating Committee consisting of a chairman, who shall be a Director, and two or more natural Persons who are Class A Members or Persons Affiliated to an Owner of a Residential Lot. Such Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may also be made from the floor at an annual meeting. If appointed by the Board, a Nominating Committee will serve from the time of appointment until the close of the annual meeting for which such committee is appointed.

(f) Following the expiration of the Development Period, election to the Board shall be by secret written ballot. At such election the Class A Members or their proxies may cast, with respect to each Class A directorship to be filled, as many votes as they are entitled to cast under the provisions of the Declaration. The Persons nominated as Class A Directors who receive the highest number of votes shall be elected. Cumulative voting is not permitted. If there are differing terms for any Class A Directors being elected at an annual meeting, the candidate(s) receiving the highest number of votes shall be elected to the Board seats with the longer terms.

Section 5.3 Term of Office. Each Class A Director elected shall hold office for the term for which he or she is appointed pursuant to Section 5.1(d) above and until his or her successor shall have been elected and qualified or until his or her earlier death, resignation, disqualification or removal. The Class B Director shall serve an initial term of two (2) years and until his or her successor shall have been appointed by the Class B Member(s) or until his or her earlier death, resignation, disqualification or removal. A Class A Director shall automatically cease to be qualified to serve on the Board at such time that he or she ceases to be an Owner of a Residential Lot or ceases to be a Person Affiliated to an Owner of a Residential Lot. In such event, the term of the directorship of such Person shall automatically terminate, and any such vacancy shall be filled pursuant to Section 5.5, at such time as a Person ceases to be an Owner of a Residential Lot or ceases to be a Person Affiliated to an Owner of a Residential Lot.

Section 5.4 Removal of Directors. At any regular or special meeting of the Class A Members duly called at which a quorum consisting of those entitled to cast not less than twenty-five percent (25%) of all votes of the Class A Members is present in person or by proxy, any

Class A Director may be removed with or without cause by a majority vote of such Class A Members present in person or by proxy, and a successor may then and there be elected to fill the vacancy thus created. Any Class A Director whose removal has been proposed by the Class A Members shall be given an opportunity to be heard at the meeting.

Section 5.5 Vacancy. Any vacancy which occurs in the Board, by reason of death, resignation, disqualification, removal or otherwise of a Director elected by the Class A Members may be filled at any meeting of the Board by the affirmative vote of a majority of the remaining Directors representing the Class A Members. Any vacancy which occurs on the Board by reason of death, resignation, removal or otherwise of a Director appointed by the Class B Member(s) shall be filled by the Class B Member(s). Any Class B Director elected or appointed to fill a vacancy shall serve as such until the expiration of the term of the Director whose position he or she was elected to fill, or his or her earlier death, resignation, disqualification or removal. Any Class A Director appointed to fill a vacancy shall serve as such until the next annual meeting of the Members, or his or her earlier death, resignation, disqualification or removal. At such annual meeting of the Members, such Class A Directorship shall be filled by a vote of the Class A Members as set forth in Section 5.2(f).

Section 5.6 Compensation. No Director shall receive compensation from the Association for any service that he or she may render to the Association. However, any Director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 6.1 Regular Meetings. Regular Board meetings shall be held at such place and hour as may be fixed from time to time by resolution of the Board. Should a scheduled meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday or otherwise set by the Board.

Section 6.2 Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, by any two Directors, or by the Class B Director, in each case after not less than three (3) days written notice delivered to each Director.

Section 6.3 Quorum. A majority of the number of Directors 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 the act of the Board.

Section 6.4 Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors. A telecopy, electronic mail or other electronic transmission by a Director is considered written, signed and dated for the purposes of this section if the transmission sets forth or is delivered with information from which the Association can determine that the transmission was transmitted by the Director and the date on which the

Director transmitted the transmission. Such consent shall be filed with the minutes of the proceedings of the Board. Such consent shall have the same force and effect as a unanimous vote at a meeting.

Section 6.5 Meeting by Use of Conference Telephone. The members of the Board may participate in and hold a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such a meeting shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. The Board may, in its discretion, determine that the meeting may be held solely by means of remote communication.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1 Powers. The Board shall have the right, power and duty:

(a) To adopt and publish rules and regulations governing the use of Common Properties and the personal conduct of the Members and their guests thereon;

(b) To establish penalties for the infraction of published rules and regulations;

(c) To exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Members by other provisions of these Bylaws, the Articles or the Declaration;

(d) To declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

(e) To employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

(f) To execute all declarations of ownership for tax assessment purposes with regard to any of the Common Properties owned by the Association;

(g) To enter into agreements, or contracts, with insurance companies, Taxing Authorities, the holders of first mortgage liens on individual Lots and utility companies with respect to (i) any taxes on the Common Properties, (ii) monthly escrow and impound payments by a mortgagee regarding the assessment, collection and disbursement process envisioned by Article V of the Declaration, (iii) utility, installation, consumption and service matters, and (iv) the escrow or impounding of monies sufficient to timely pay the Annual Assessment applicable to any Residential Lot;

(h) To borrow funds to pay costs of operation, secured by such assets of the Association as deemed appropriate by the lender and the Association;

(i) To enter into contracts, maintain one or more bank accounts and, generally, to have all the powers necessary or incidental to the operation and management of the Association;

(j) To protect or defend the Common Properties from loss or damage by suit or otherwise, to sue or defend in any court on behalf of the Association;

(k) To provide adequate reserves for repairs and replacements;

(l) To make reasonable rules and regulations for the operation of the Common Properties and to amend them from time to time and to enter into concession agreements regarding food, beverage, vending and other products and services within the Common Properties;

(m) To prepare an annual operating budget and to make available for review by each Owner, upon the written request of the Owner desiring such review, at the Association offices within ninety (90) days after the end of each Fiscal Year an annual report;

(n) Pursuant to Article VII of the Declaration, to adjust the amount, collect and use any insurance proceeds to repair damaged or replace lost property; and if proceeds are insufficient to repair damaged or replace lost property, to assess the Owners in proportionate amounts to cover the deficiency;

(o) To provide adequate reserves for maintenance, repairs, operations, taxes and assessments for the Common Properties;

(p) To engage the services of attorneys and accountants (including an annual audit) in connection the business of the Association; and

(q) To enforce the provisions of the Declaration, these Bylaws and any rules or regulations made by the Board and to enjoin and seek damages from any Owner, Member or Resident for violation of such provisions, rules or regulations.

Section 7.2 Duties.

(a) The affairs of the Association shall be conducted by the Board. The Board, for the benefit of the Association, the Owners, the Members and the Residents, may provide and may pay for, out of the Assessment fund(s) provided for in Article V of the Declaration, one or more of the following:

(i) Care, preservation and maintenance of the Common Facilities (including, without limitation, the proper maintenance of lake water quality and lake shorelines), the furnishing and upkeep of any desired personal property for use in or on the Common Properties and the performance of Front Yard Maintenance;

(ii) Recreational and social programs and activities for the general benefit of the Residents and programs which are designed only for separately identifiable sub-groups of Residents, such as (but not limited to) infants, adolescents, teenagers, students, mothers, fathers and senior citizens;

(iii) Supplementing (to the extent, if any, deemed necessary, appropriate and affordable by the Board) the police, fire, ambulance, garbage and trash collection and similar services within the Addition traditionally provided by local governmental agencies;

(iv) Taxes, insurance and utilities (including, without limitation, electricity, gas, water, sewer and telephone charges) which pertain to the Common Properties;

(v) The services of any Person to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by the manager of the Association, including the hiring and employment of one or more managers, secretarial, clerical, staff and support employees;

(vi) Such fidelity bonds, as the Board may determine to be advisable;

(vii) Legal and accounting services (including audit fees) and all costs and expenses reasonably incurred by the Board; and

(viii) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, taxes or Assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration, or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of the Declaration.

(b) The Board is specifically authorized and empowered to establish (and to revise and amend from time to time) a monetary "fines" system which may include component steps such as warning citations, ticketing, due process hearings and appeals and a flat rate or discretionary range or geometric progression of fine amounts, which, when pronounced, shall constitute a permitted Individual Assessment as provided for in the Declaration.

ARTICLE VIII

COMMITTEES

Section 8.1 Committees. The Board shall appoint a Residential Architectural Review Committee and an Office Tract Architectural Review Committee as provided in Article VIII of the Declaration. In addition, the Board may appoint other committees as deemed appropriate in carrying out its purposes, such as:

(a) A Nominating Committee, as set forth in Section 5.2(e);

(b) A Social Committee which shall advise the Board on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines;

(c) A Landscape and Grounds Committee which shall advise the Board on all matters pertaining to the maintenance, repair or improvement of the Addition, and shall perform such other functions as the Board in its discretion determines;

(d) A Communications Committee which shall inform the Members of all activities and functions of the Association through the Association's newsletter, website, electronic mail and other means determined to be appropriate by such committee or the Board and shall, after consulting with the Board, make such public releases and announcements as are in the best interests of the Association; and

(e) A Finance and Audit Committee which shall supervise the annual audit of the Association's books and review and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, as provided in Section 9.2 below. The Treasurer of the Association, if one shall be elected, shall be a member of, and chair, the Finance and Audit Committee.

(f) A Safety Committee which shall advise the Board on all matters pertaining to the safety of the Addition, including monitoring the guard service retained by the Association or its manager and, if deemed advisable, overseeing a neighborhood watch committee.

Section 8.2 Eligible Members of Committees. Members of committees may include any Member of the Association, including Owners of Residential Lots, representatives of the Owner or Owners of the Office Tract, and Persons who reside within any part of the Addition who are bona-fide lessees pursuant to a legally enforceable lease agreement with an Owner of a Residential Lot (a "Lessee"). A Lessee shall not be permitted to chair a committee.

Section 8.3 Status of Committees. Each committee described in Sections 8.1(a)-(f) shall exist at the pleasure of the Board, which shall have the right and power to terminate its authorization thereof. All members of all committees shall serve at the pleasure of the Board, which shall have the right and power to remove any member of a committee.

ARTICLE IX

MEETINGS OF MEMBERS

Section 9.1 Place of Meetings. Meetings of the Members for the election of Directors shall be held at such location within the City of Dallas, State of Texas, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. Meetings of Members for any other purpose may be held at such place, within or without the State of Texas, and at such time as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 9.2 Annual Meetings. Annual meetings of Members shall be held on a date and at a time set by the Board, at which Members shall elect a Board, and transact such other business as may properly be brought before the meeting. If an annual meeting is not held within any 18-month period, any court of competent jurisdiction in the county in which the principal office of the Association is located may, on the application of any ten (10) Members, summarily order a meeting to be held.

Section 9.3 Special Meetings. Special meetings of the Members may be called by the President and shall be called by the Secretary of the Association upon written request of Members entitled to cast at least twenty-five percent (25%) of all of the votes of the entire membership or who are entitled to cast at least twenty-five percent (25%) of the votes of the Class A Members.

Section 9.4 Notice. Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the day of the meeting, either personally or by mail, by or at the direction of the Association's President, Secretary, or the officer or person calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the Member at his or her address as it appears on the records of the Association, with postage thereon prepaid.

Section 9.5 Purpose. Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

Section 9.6 Quorum. The presence at any meeting of Members entitled to cast at least ten percent (10%) of the votes of the Class A Members, represented in person or by proxy, shall constitute a quorum at meetings of Members except as otherwise provided in the Declaration or the Articles. If, however, a quorum shall not be present or represented at any meeting of the Members, the Members present in person or represented by proxy shall have the power to adjourn the meeting from time to time, without notice, other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified.

Section 9.7 Majority Vote. Except as set forth in Sections 5.2 and 5.4 with respect to the election and removal of Directors or as otherwise provided herein, the vote of Members entitled to cast a majority of the votes thus represented at a meeting at which a quorum is present shall be the act of the Members meeting, unless the vote of a greater number is required by law, the Declaration or the Articles.

Section 9.8 Voting Rights. Each Member entitled to vote at such meeting may cast as many votes as he or she is entitled to cast under the terms and provisions of the Declaration or the Articles on each matter submitted to a vote at a meeting of Members, except to the extent that the voting rights of any Member have been suspended in accordance with these Bylaws. At each election for Directors every Member entitled to vote at such election shall have the right to cast as many votes as he is entitled to exercise under the terms and provisions of the Declaration or the Articles, in person or by proxy, for as many persons as there are Directors to be elected and for whose election he has a right to vote, and Members of the Association are expressly prohibited from cumulating their votes in any election for Directors.

Section 9.9 Proxies. A Member may vote in person or by proxy executed in writing by the Member or by his duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Each proxy

shall be revocable unless expressly provided therein to be irrevocable, and in no event shall it remain irrevocable for a period of more than eleven (11) months from the date of its execution.

Section 9.10 Voting. All voting with respect to the election or removal of Directors shall be taken by written ballots, each of which shall state the name of the Member or proxy voting and such other information as may be required under the procedures established for the meeting. Voting with respect to other matters may be taken by written ballots, each of which shall state the name of the Member or proxy voting and such other information as may be required under the procedures established for the meeting.

Section 9.11 Inspectors of Election. In advance of any meeting of Members, the Board may appoint any persons, other than nominees for Director, as inspectors of election to act at such meeting or any adjournment thereof. If inspectors of election are not so appointed, the chairman of any such meeting may, and on the request of any Member or his or her proxy shall, appoint the Association's management company as inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If appointed at a meeting at the request of one (1) or more Members or proxies, the majority of Members present shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed as inspector fails to appear or refuses to act, the vacancy may be filled by appointment by the Board in advance of the meeting, or at the meeting by the person acting as chairman. The inspectors of election shall (a) determine the number of Members represented at the meeting, the existence of a quorum, and the authenticity, validity and effect of proxies; (b) receive votes, ballots or consents; (c) hear and determine all challenges and questions in any way arising in connection with the right to vote; (d) count and tabulate all votes or consents and determine the result; and (e) do such acts as may be proper to conduct the election or vote with fairness to all Members. The inspectors of election shall perform their duties impartially, in good faith, to the best of their abilities and as expeditiously as is practical. If there are three (3) inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all inspectors of election. On request of the chairman of the meeting or any Member or his or her proxy, the inspectors shall make a report in writing of any challenge or question or matter determined by them and execute a certificate of any fact found by them. Any report or certificate made by them is *prima facie* evidence of the facts stated therein. At every meeting of the Members, the President, or in his or her absence, the Vice President designated by the President, or, in the absence of such designation, a chairman (who shall be one of the Vice Presidents, if any is present) chosen by a majority in interest of the Members of the Association present in person or by proxy and entitled to vote, shall act as chairman of such meeting. The Secretary, or in his or her absence, an Assistant Secretary, shall act as secretary of all meetings of the Members. In the absence at such meeting of the secretary or Assistant Secretary, the chairman may appoint another person to act as secretary of the meeting.

Section 9.12 List of Members. The officer or agent having charge of the Association books shall make, no later than two (2) business days after the date notice is given of a meeting of Members, a complete list of the Members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of each, which list shall be kept on file at the principal office of the Association and shall be subject to inspection by any Member at any time during usual business hours. Such list shall also be produced and kept open at the time and

place of the meeting and shall be subject to the inspection of any Member during the whole time of the Meeting.

Section 9.13 Record Date. The Board may fix in advance a date, not exceeding fifty (50) days preceding the date of any meeting of Members, as a record date for the determination of the Members entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, and in such case such Members and only such Members as shall be Members of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting and any adjournment(s) thereof, notwithstanding any change of membership on the books of the Association after any such record date fixed as aforesaid.

Section 9.14 Action Without Meeting. Any action required by the statutes 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 whose vote is required for the approval of the subject matter thereof, and such consent shall have the same force and effect as a vote of Members.

ARTICLE X

OFFICERS AND THEIR DUTIES

Section 10.1 Enumeration of Offices. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board, a Secretary, and may include a Treasurer and such other officers as the Board may from time to time by resolution create.

Section 10.2 Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 10.3 Term. The officers of this Association shall be elected annually by the Board, and each shall hold office for one (1) year unless he or she shall sooner die, resign, or shall be removed, or otherwise disqualified to serve.

Section 10.4 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 10.5 Resignation and Removal. Any officer may be removed from office with or without cause by the Board. 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 any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10.6 Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 10.7 Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 10.4.

Section 10.8 Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board and of the Members at which the President is present, 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.

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

(c) Secretary. 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 perform such other duties as required by the Board.

(d) Treasurer. If appointed, the Treasurer shall be chair of the Finance and Audit Committee and shall exercise and discharge such duties as may be required of him or her by the Board.

ARTICLE XI

ASSESSMENTS

Section 11.1 Payment of Assessments. The rights of membership in the Association are subject to the payment of Annual Assessments and Special Group Assessments levied by the Association, the obligation of which Assessments is imposed against the Owner of, and becomes a lien upon, the real property against which such Assessments are made as provided by Article V of the Declaration, which is incorporated herein by reference and made a part hereof for all purposes. As more fully provided in the Declaration, the Board has the duty to (i) fix the amount of the Annual Assessment against each Owner in advance of each Annual Assessment period, and fix the amount of all Special Group Assessments and other Assessments, as provided in Article V of the Declaration; and (ii) send written notice of each Annual Assessment to every Owner subject thereto at least thirty (30) days in advance of each Annual Assessment period, and send notice of Special Assessments to every Owner subject thereto at least thirty (30) days prior to the due date thereof.

Section 11.2 Confirmation of Payment. The Board shall issue, or cause an appropriate officer to issue, upon demand by any Person, a certificate setting forth whether or not any assessment has been paid and other documents that may be required by applicable law. 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.

ARTICLE XII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles and the Bylaws of the Association shall be available for inspection by any Member for a proper purpose at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIII

CORPORATE SEAL

The corporate seal shall have inscribed thereon the name of the Association, the year of its organization and the words "Corporate Seal, State of Texas." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

ARTICLE XIV

AMENDMENTS; CONFLICTS

Section 14.1 Amendments. These Bylaws may be amended, at a regular or special meeting of the Board, by a vote of a majority of a quorum of the Board present in person or by proxy; provided, however, that (i) any amendment with respect to the range of the authorized number of Class A Directors shall be approved by the Class A Members in the manner provided herein, and (ii) any amendment with respect to the authorized number of Class B Directors shall be approved by the Class B Members; and provided, further, that no amendment may modify any provision herein that would adversely affect the rights of the Class B Member or Members without proportionately affecting the rights of all Members, unless the Association receives the written consent of the Class B Member or Members whose rights would be so affected thereby.

Section 14.2 Conflicts. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; in the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles, the Declaration shall control.

ARTICLE XV

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 fiscal year shall begin on September 25, 1996, the date of incorporation.

DESCRIPTION OF THE ADDITION

BEING part of Block 7462 of ELECTRONIC DATA SYSTEMS ADDITION, an Addition to the City of Dallas as recorded in Volume 73183, Page 1184, Map Records, Dallas County, Texas, and part of Block 7463 of RIVERSIDE ESTATES, an Addition to the City of Dallas as recorded in Volume 12, Page 321, Map Records, Dallas County, Texas, and part of Block 7461, and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod set for corner situated at the intersection of the North line of Forest Lane (variable R.O.W.) and the East line of Hillcrest Road (100 foot R.O.W.);

THENCE along the East line of Hillcrest Road the following:

North 00 degrees 09 minutes 28 seconds West a distance of 1721.82 feet to a 5/8-inch iron rod set for corner;

North 00 degrees 57 minutes 21 seconds West a distance of 421.10 feet to a 5/8-inch iron rod set for corner situated at the Southwest corner of a tract of land conveyed to the City of Dallas in Volume 93155, Page 2387, Deed Records, Dallas County, Texas;

THENCE North 89 degrees 28 minutes 20 seconds East departing the said East line of Hillcrest Road, and along the South line of said City of Dallas tract, a distance of 313.18 feet to a 5" :h iron rod set for corner;

THENCE North 00 degrees 09 minutes 54 seconds East along the East line of said City of Dallas tract a distance of 114.25 feet to a 1/2-inch iron rod found for corner at the Southwest corner of DAVID D. BULLER ESTATES, Volume 94006, Page 4032, Map Records, Dallas County, Texas;

THENCE North 89 degrees 31 minutes 28 seconds East departing the East line of said City of Dallas tract and along the South line of said DAVID D. BULLER ESTATES, a distance of 296.20 feet to a capped iron rod found for corner at the Southeast corner of said DAVID D. BULLER ESTATES;

THENCE North 05 degrees 02 minutes 24 seconds East along the East line of said DAVID D. BULLER ESTATES, a distance of 235.16 feet to a 1/2-inch iron rod found for corner situated in the South line of Churchill Way (60 foot R.O.W.);

THENCE along the South line of Churchill Way the following:

South 65 degrees 26 minutes 11 seconds East a distance of 494.44 feet to a 5/8-inch iron rod set at the point of curvature to the right;

Along said curve having a central angle of 14 degrees 20 minutes 00 seconds, a radius of 636.24 feet, and an arch length of 159.16 feet to a 5/8-inch iron rod set for corner at the point of reverse curvature to the left;

Along said curve having a central angle of 25 degrees 27 minutes 05 seconds, a radius of 254.09 feet, an arch length of 112.87 feet, and a chord bearing of South 65 degrees 44 minutes 08 seconds East a chord distance of 111.94 feet to a 5/8-inch iron rod set for corner;

South 78 degrees 27 minutes 40 seconds East a distance of 550.38 feet to a 5/8-inch iron rod set for corner;

North 44 degrees 02 minutes 20 seconds East along the East line of said Churchill Way a distance of 71.14 feet to a 5/8-inch iron rod set for corner;

North 78 degrees 27 minutes 40 seconds West along the Northerly line of said Churchill Way a distance of 135.00 feet to a 5/8-inch iron rod set situated in the Easterly line of Grove Dale Drive (50 foot R.O.W.);

THENCE North 11 degrees 32 minutes 20 seconds East along the Easterly line of said Grove Dale Drive a distance of 69.30 feet to a 5/8-inch iron rod set for corner at the point of curvature to the right;

THENCE along said curve with the Easterly line of said Grove Dale Drive having a central angle of 13 degrees 51 minute 56 seconds, a radius of 50.00 feet, and an arc length of 12.10 feet to a 5/8-inch iron rod set for corner;

THENCE North 13 degrees 18 minutes 29 seconds East along the Easterly line of that certain tract of land conveyed to Robert L. Woolfolk et ux by Deed recorded in volume 73144, Page 2039, Deed Records, Dallas County, Texas, and, beginning at 102.90 feet, along the Southeast line of a tract of land conveyed to Robert Woolfolk et ux in Volume 94037, Page 1792, Deed Records, Dallas County, Texas, in all, a total distance of 152.72 feet to a 5/8-inch iron rod set for corner;

THENCE North 23 degrees 42 minutes 54 seconds West along the Easterly line of said Robert Woolfolk et ux tract, a distance of 100.00 feet to a point for corner;

THENCE North 52 degrees 27 minutes 08 seconds West along the Northeasterly line of said Robert Woolfolk et ux tract a distance of 62.40 feet to a point for corner situated in the Easterly line of Block A/7463 of RIVERSIDE ESTATES NO. 2;

THENCE South 89 degrees 32 minutes 20 seconds West departing the Northeast line of said Robert Woolfolk et ux tract and along said RIVERSIDE ESTATES NO. 2 a distance of 141.01 feet to a point for corner;

THENCE North 00 degrees 27 minutes 40 seconds West along the East line of said RIVERSIDE ESTATES NO. 2 a distance of 626.29 feet to a 5/8-inch iron rod set for corner;

THENCE North 89 degrees 28 minutes 20 seconds East along the South line of Block E/7464 of WATERFORD ON THE PARK a distance of 584.72 feet to a 5/8-inch iron rod set for corner situated in the meanders of White Rock Creek;

NCE along the meanders of said White Rock Creek the following:

South 00 degrees 27 minutes 40 seconds East, 332.22 feet to a point for corner;

South 14 degrees 36 minutes 00 seconds East, 71.20 feet to a point for corner;

South 65 degrees 55 minutes 00 seconds East, 90.20 feet to a point for corner;

North 86 degrees 13 minutes 00 seconds East, 84.50 feet to a point for corner;

North 89 degrees 32 minutes 20 seconds East, 300.00 feet to a point for corner;

South 29 degrees 20 minutes 00 seconds East, 140.30 feet to a point for corner;

South 14 degrees 19 minutes 00 seconds West, 99.10 feet to a point for corner;

South 12 degrees 47 minutes 00 seconds East, 76.90 feet to a point for corner;

South 73 degrees 14 minutes 00 seconds East, 151.40 feet to a point for corner;

North 52 degrees 16 minutes 00 seconds East, 100.00 feet to a point for corner;

South 81 degrees 44 minutes 00 seconds East, 50.00 feet to a point for corner;

South 65 degrees 38 minutes 20 seconds East, 8.25 feet to a point for corner;

South 25 degrees 11 minutes 30 seconds East, 155.72 feet to a point for corner;

South 00 degrees 26 minutes 30 seconds East, 145.90 feet to a point for corner;

South 25 degrees 09 minutes 30 seconds West, 547.44 feet to a point for corner;

South 23 degrees 08 minutes 30 seconds East, 167.92 feet to a point for corner;

South 22 degrees 48 minutes 30 seconds East, 91.80 feet to a point for corner;

South 03 degrees 29 minutes 30 seconds West, 106.80 feet to a point for corner;

South 28 degrees 33 minutes 30 seconds West, 282.80 feet to a point for corner;

South 05 degrees 55 minutes 30 seconds West, 172.80 feet to a point for corner;

South 13 degrees 31 minutes 30 seconds East, 88.10 feet to a point for corner;

South 28 degrees 52 minutes 30 seconds East, 129.40 feet to a point for corner;

South 51 degrees 47 minutes 30 seconds East, 123.90 feet to a point for corner;

South 40 degrees 50 minutes 30 seconds East, 187.20 feet to a point for corner;

South 14 degrees 19 minutes 30 seconds East, 189.30 feet to a point for corner;

South 47 degrees 17 minutes 30 seconds East, 144.95 feet to a point for corner;

South 58 degrees 16 minutes 30 seconds East, 176.10 feet to a point for corner;

South 07 degrees 23 minutes 00 seconds East, 103.00 feet to a point for corner situated in the North line of said Forest Lane;

THENCE along the North line of said Forest Lane the following:

South 89 degrees 38 minutes 30 seconds West, a distance of 232.09 feet to a 5/8-inch iron rod set for corner;

North 84 degrees 01 minutes 15 seconds West, a distance of 90.55 feet to a 5/8-inch iron rod set for corner;

South 89 degrees 38 minutes 30 seconds West, a distance of 180.00 feet to a 5/8-inch iron rod set for corner;

South 00 degrees 21 minutes 30 seconds East, a distance of 10.00 feet to an "X" cut set for corner;

South 89 degrees 38 minutes 30 seconds West, a distance of 823.66 feet to a 5/8-inch iron rod set for corner at the point of curvature to the right;

Along said curve having a central angle of 07 degrees 20 minutes 04 seconds, a radius of 1472.80 feet, an arc length of 188.53 feet to a 5/8-inch iron rod set for corner at the point of reverse curvature to the left;

Along said curve having a central angle of 07 degrees 20 minutes 04 seconds, a radius of 1582.80 feet, and an arc length of 202.61 feet to a 5/8-inch iron rod set for corner at the point for corner;

South 89 degrees 38 minutes 30 seconds West a distance of 991.35 feet to a 5/8-inch iron rod set for corner at the point of curvature to the left;

Along said curve having a central angle of 01 degrees 53 minutes 14 seconds, a radius of 4055.00 feet, and an arc length of 133.56 feet to a 5/8-inch iron rod set for corner;

South 87 degrees 45 minutes 16 seconds West a distance of 261.77 feet to a 5/8-inch iron rod set for corner;

HENCE North 85 degrees 11 minutes 30 seconds West a distance of 99.47 feet to a 5/8-inch on rod set for corner;

NCE South 88 degrees 37 minutes 01 seconds West a distance of 131.49 feet to a 5/8-inch iron rod set for corner at the beginning of a curve to the right;

THENCE along said curve to the right having a central angle of 74 degrees 50 minutes 58 seconds, a radius of 57.00 feet, and an arc length of 74.46 feet to the POINT OF BEGINNING and containing 171.9759 acres of land, more or less.

CONFORMED COPY

OFFICIAL PUBLIC RECORDS

Cynthia Figueroa Calhoun

Cynthia Figueroa Calhoun County Clerk

Dallas County TEXAS

October 20, 2005 02:37:51 PM

FEE: $24.00 200503551400