

- 5.3 Removal. Any officer or agent elected or appointed by the Board may be removed by the Board, with or without cause; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.
- 5.4 Compensation. No officer shall receive any compensation from the Condominium for acting as such.
- 5.5 Chairman of the Board. The Chairman of the Board shall be the principal executive officer of the Condominium; and, subject to the control of the Board, shall supervise and control the management of the Condominium. The chairman shall, when present, preside at all meetings of the Board and of the Unit Owners and, in general, shall perform all duties incident to the office of chairman of the Board, and such other duties as may be prescribed from time to time by the Board.
- 5.6 Vice Chairman. The vice chairman, and if there be more than one, the vice chairmen, designated by the Board, shall, in the absence or disability of the chairman, have the powers and perform the duties of said office. In addition, each vice chairman shall perform such other duties and have such other powers as shall be prescribed by the Chairman of the Board.
- 5.7 Secretary. The secretary shall keep accurate records of the acts and proceedings of all meeting of the Unit Owners and directors. He shall give, or cause to be given, all notice required by law and by these Bylaws. He shall have general charge of the minute books and records of both the Association and the board. He shall sign such instruments as may require his signature, and, in general, shall perform all duties incident to the office of secretary, and such other duties as may be assigned from him from time to time by the chairman of the Board or by the Board.
- 5.8 Treasurer. The treasurer shall have custody of all Condominium funds and securities, and shall receive, deposit or disburse the same under the direction of the Board. He shall keep full and accurate accounts of the finances of the Condominium in books especially provided for that purpose. He shall cause a true statement of its assets and liabilities as of the close of each fiscal year, and of the results of its operations and changes in surplus for each fiscal year, all in reasonable detail, to be prepared and distributed to all Unit Owners and members of the Board on or before the 15th day of the second month following the close of each fiscal year. The statement so filed shall be kept available for inspection by an Unit Owner for a period of three (3) years. The treasurer shall also prepare and file all reports and returns required by federal, state or local law, and shall generally perform all other duties as may be assigned to him from time to time by the chairman of the Board.
- 5.9 Assistant Secretaries and Treasurers. The assistant secretaries and assistant treasurers, if any, shall, in the absence of the secretary and treasurer, respectively, have all the

powers and perform all of the duties of those officers, and they shall in general perform such other duties as shall be assigned to them by the secretary or the treasurer, respectively, or by the chairman of the Board or the Board.

ARTICLE VI.
Operation of the Property

- 6.1 Initial Assessment. At its organizational meeting the Board shall adopt a proposed budget for the Condominium and shall levy assessments against the Units for Common Expenses based upon said budget, which assessments shall commence in accordance with the provisions of Section 6.4 of the Declaration. The assessments so levied shall remain in effect until future assessments are determined in accordance with the provisions of Section 6.2 of these Bylaws.
- 6.2 Assessment and Determination of Common Expenses. The Board shall from time to time, and at least annually, prepare a budget for the Condominium, for the purpose of determining the amount of the Annual Assessments to be collected from the Unit Owners in order to provide for the Common Expenses of the Condominium, and allocate and assess such Common Expenses amount to the Unit Owners, according to their Percentage of Interest in the Common Elements as set forth in the Declaration, taking into consideration any expected income and any surplus from the prior year's operation. The Common Expenses shall include, without limitation, the expenses, costs and charges incurred in connection with the administration, operation and management of the Condominium property; the cost of maintenance, repair, replacement and restoration of the Common Elements, or any part thereof; the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board pursuant to the provisions of the Declaration; such amounts as the Board may deem proper for the convenience, comfort and well-being of the Unit Owners, and for the operation, management and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year; in proper cases, the cost of administration and of maintenance and repair of the Limited Common Elements; and any other expenses lawfully agreed upon.

In establishing a reserve fund for replacements, the board shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall then set the required capital contribution in an amount sufficient to permit meeting the projected capital needs of the Association with respect to both amount and timing by equal annual installments over the applicable period.

Within thirty (30) days after adoption by the Board of any proposed budget for the Condominium, the Board shall provide a summary of the budget to all Unit Owners and shall give notice of a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing of the summary and notice. A quorum need not be present at the meeting. The budget is ratified unless at the meeting a majority of all the Unit Owners votes to reject the budget. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Board. Provided, however, the requirements of this Section relating to budget adoption shall not be applicable to the adoption of the initial budget or the levy of the initial assessment by the Board at its organizational meeting as provided for in Section 6.1 hereof.

- 6.3 Payment of Assessments. All Unit Owners shall be obligated to pay (1) Annual Assessments to Common Expenses assessed by the Board pursuant to the provisions of this Article VI; (2) special assessments to be established and collected as provided herein, and (3) specific assessments against any Unit which are established pursuant to the terms of these Bylaws. Annual Assessments shall be due and payable in monthly installments on the first day of every month. A later payment charge in an amount to be determined by the Board shall be assessed for any installment not paid by the tenth of the month. Any installment not paid during the month in which it is due shall be subject to the late payment charge and shall accrue interest as provided in Section 6.5, and shall constitute a lien on the Unit as provided in Section 6.6 of this Article VI.

No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of the Declaration and applicable restrictions of record) of such Unit, together with his interest in the Common Elements. A purchaser of a Unit shall be jointly and severally liable with the seller for the payment of Assessments assessed against such Unit prior to the acquisition by the purchaser of such Unit only if the purchaser expressly assumes such obligation in writing; provided, however, the lien assessed against such unit shall remain in full force and effect. Any such purchaser shall be entitled to a statement from the Board setting forth the amount of the unpaid Assessments against the seller, and the Unit conveyed shall not be subject to a lien for any unpaid assessments in excess of the amount shown on the statement. Provided, however, that a First Mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit or a First Mortgagee who takes a deed in lieu of foreclosure shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Expenses assessed prior to the foreclosure sale or deed in lieu of foreclosure. Such unpaid Common Expenses shall be deemed to be Common Expenses collectible from all of the Unit Owners, including such purchaser, his successors or assigns.

6.4 Special Assessments. The Association may levy Special Assessments for Common Expenses not covered by the Annual Assessment, applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements, including fixtures and personal property related thereto, provided that any such Assessment shall have the assent of two-thirds (2/3) of the Voting Members at a meeting duly called for this purpose. Such Special Assessments shall be charged to the Units according to their Percentage Interest in the Common Elements. In addition, the Board may levy Special Assessments against one or more, but less than all, of the Units to cover repairs or maintenance for which such Unit Owner or Owners are responsible and which they have failed to make, or for repairs or maintenance required of a Unit Owner or Unit Owners which impair the value of the Common Elements or the Unit or Units, or expenses which are incurred in the abatement of or as a result of a violation by a Unit Owner or Owners of the provisions of the Declaration, the Bylaws or the rules, regulations, or for fines levied for said violations, or where the Board has purchased a Unit on behalf of one or more Unit Owners. The period of assessment and manner of payment of such assessment shall be determined by the Board.

6.5 Collection of Assessments. The Board shall determine Common Expenses against the Unit Owners from time to time, at least annually, and may, as the Board shall determine, take prompt action to collect any Assessments due from any Unit Owner which remain unpaid for more than thirty (30) days from their due date.

The Board shall notify Eligible Mortgage Holders pursuant to the provisions of the Declaration for which any amount assessed pursuant to these Bylaws remains unpaid for more than sixty (60) days from their due date, and in any other case where the Unit Owner of such Unit is in default with respect to the performance of any obligation hereunder for a period in excess of sixty (60) days.

6.6 Default in Payment of Assessment. In the event of default by any Unit Owner in paying to the Board any amounts assessed by the Board, such Unit Owner shall be obligated to pay a late payment charge of fifteen (\$15.00) dollars or such rate as established by the Board from time to time, and interest at the initial rate of ten percent (10%) per annum on such amounts from their due date or at a rate as established by the Board; together with all expenses, including reasonable attorneys' fees (if permitted by law), incurred by the Board in collecting such unpaid sums. If a Unit Owner shall be in default in payment of an installment of an Assessment, including but not limited to, the monthly installment based on the annual budget, the Board may accelerate the remaining installments upon ten (10) days' written notice to such Unit Owner, whereupon the entire unpaid balance of such Assessment shall become due upon the date dated in such notice.

- 6.7 Lien and Personal Obligation. Each Assessment provided for in this Article, together with late payment charges, interest and expenses, including attorneys' fees (as permitted by law), shall be a charge on and a continuing lien upon the Unit against which the Assessment is made when a notice of such lien has been filed of record in the Office of the County Clerk of Brazos County, Texas, provided such notice of lien shall not be recorded until such sums assessed remain unpaid for a period of thirty (30) days after the same shall become due. Said notice of lien shall also secure all Assessments against the Unit becoming due thereafter until the lien has been satisfied. Said lien may be foreclosed non judicially pursuant to the power of sale created by Section 82.113 of the Act in the manner as a deed of trust on real property. In addition, each Unit Owner shall be personally liable for any Assessment against his Unit becoming due and payable while he is the Owner of such Unit.
- 6.8 Priority of Assessment Lien. The lien of the Assessments provided for in this Article shall be prior and superior to all other liens except (a) ad valorem taxes, and (b) all sums unpaid on first lien deeds of trust, mortgages or other encumbrances against the Unit prior to the docketing of the Assessment lien. The sale or transfer of any Unit shall not affect the Assessment lien against such Unit. Provided, however, the sale of a Unit pursuant to the foreclosure sale or execution sale instituted by a superior lien holder or conveyance to First Mortgagee by deed in lieu of foreclosure shall extinguish the inferior Assessment lien against the subject Unit but no such sale or transfer shall relieve each Unit from liability for any Assessments thereafter becoming due or for any future lien in connection therewith. The Association shall share in the excess, if any, realized by the sale of any Unit pursuant to a foreclosure or action instituted by a superior lien holder, to the extent of its lien.
- 6.9 Foreclosure of Liens for Unpaid Assessments. Following the institution of any action by the Board to foreclose on a Unit because of unpaid Assessments, the Unit Owner shall pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the rental. The Board, acting on behalf of the Association, on behalf of any one or more individual Unit Owners, of so instructed, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same, subject, however, to applicable restrictions of record. A suit to recover a money judgment for unpaid Assessments shall be maintainable without foreclosing or waiver of the Assessment lien. Where a First Mortgagee or the purchaser of a Unit obtains title to the Unit as a result of foreclosure of the First Mortgage, such purchaser, its successors and assigns, shall not be liable for the share of the Common Expenses or Assessments by the Board chargeable to such Unit which become due prior to the acquisition of title to such Unit by such purchaser. Such unpaid share of Common Expenses or Assessments shall be deemed to be a Common Expense collectible from all Unit Owners, including such purchaser, its successors and assigns.

- 6.10 Statement of Common Expenses. The Board shall promptly provide any Unit Owner so requesting the same in writing with a written statement of all unpaid charges due from such Unit Owner, for which it may institute a reasonable charge at its discretion.
- 6.11 Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board or the breach of any bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists, and to make any repairs, and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition which may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; or, (b) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach at the expense of the defaulting Unit Owner; (c) in any case of flagrant or repeated violation by a Unit Owner, to require such Unit Owner to give sufficient sureties for his future compliance with such condominium documents; or (d) after notice and an opportunity to be heard, to levy reasonable assessments and fines in accordance with Sections 82.112, 82.113 and 82.117 of the Act for such violations. The failure of the Board to so act with respect to any such violation or breach shall not be deemed a waiver of the Board's right to act with respect to the same or any other breach or violation.
- 6.12 Maintenance and Repair.
- (a) Each Unit Owner shall maintain, repair and replace, at his sole cost and expense, all portions of his Unit which may become in need thereof, including the components of the heating and air conditioning system within and appurtenant to each Unit, if any, all bathroom and kitchen fixtures and appliances, light fixtures, interior, non-loadbearing walls, doors, floors, ceilings, carpeting, drapes and other items within the Unit, whether structural or non-structural, ordinary or extraordinary (other than maintenance of and repairs to any Common Elements not specifically set forth herein contained therein and not necessitated by the negligence, misuse or neglect of the Unit Owner, his family guest, agents, servants, lessees, employees or contractors). Each Unit Owner shall clean the Limited Common Elements appurtenant to his Unit and replace all light bulbs in fixtures (if any) located in such Limited Common Elements. Each Unit Owner shall be responsible for replacing all heating and air conditioning filters, if any, required in his Unit. Each Unit Owner shall further be responsible for all damages to any and all other Units and/or to the Common Elements which his failure to undertake his maintenance responsibility may engender. All damages to the Common Elements or other Units intentionally or negligently caused by the Unit Owner, his family, guests, agent, servants, lessees, employees or contractors shall be promptly repaired by

the Unit Owner at his sole cost and expense; provided that there is excluded from the provisions contained in this section such repairs necessitated by casualties insured against by the Association to the extent the Association receives insurance proceeds for such repairs. In such event, the Unit Owner shall be required to pay such portion of the costs of such maintenance, repair and replacement as shall exceed the amount of the applicable insurance proceeds. If the Unit Owner does not make those repairs to be made by him within thirty (30) days from written demand by the Board, the same may be repaired by the Board, and the cost thereof shall be assessed against the Unit owned by the subject Unit Owner.

- (b) The Association, through its Board, shall maintain, repair and replace all portions of the Common Elements and Limited Common Elements (except as provided in Section 6.12(a) above) which shall require same, whether located inside or outside of the Units (unless necessitated by the negligence, misuse or neglect of a Unit Owner, his family, guests, agents, servants, lessees, employees or contractors, in which case such expense shall be charged to such Unit Owner, or unless herein provided to the contrary), and the cost thereof shall be charged to all the Unit Owners as a Common Expense.
- 6.13 Restrictions on Unit Owners. No Unit Owner shall perform or cause to be performed any maintenance, repair or replacement work which disturbs the rights of the other Unit Owners, jeopardizes the soundness or the safety of the Condominium property, or reduces the value thereof. Each Unit Owner shall cause any work so performed or being performed on the Unit, which, in the sole opinion of the board, violates the terms of this section, to be immediately corrected, and he shall refrain from recommencing or continuing any such work without written consent of the Board.
- 6.14 Duty to Report. Each Unit Owner shall promptly report to the Board or its agent any defect or need for repairs or replacement the responsibility for which is that of the Association.
- 6.15 Additions, Alterations or Improvements by the Association. Whenever in the judgment of the Board the Common Elements shall require additions, alterations or improvements, the Board shall proceed with such additions, alterations or improvements, and shall assess all Unit Owners for the costs thereof, as a Common Expenses, subject, however, to the provisions of Sections 6.2 and 6.3 of this Article.
- 6.16 Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any addition, alteration or improvement in or to his Unit, which impairs the structural integrity or mechanical systems or lessens the support of any part of the Condominium. No Unit Owner shall make any addition, alteration or improvement which affects the exterior portion or outward appearance of such Unit, without the prior written consent

thereof of the Board. The Board shall have the obligation to answer any written request by a Unit Owner for approval of a proposed addition, alteration or improvement in or to such Unit Owner's Unit within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition, alteration or improvement.

- 6.17 Use of Common Elements and Facilities. A Unit Owner shall not interfere with the use of the Common elements by the remaining Unit Owners and their guests.
- 6.18 Right of Access. A Unit Owner shall grant a right of access to his Unit to the managing agent and/or any other person authorized by the Board or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the building, or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance, and that any such entry is at a time reasonably convenient to the Unit Owner. In the case of an emergency, such right of entry shall be immediate, whether or not the Unit Owner is present at the time such request for entry is made, or such entry is at a time reasonably convenient to the Unit Owner.
- 6.19 Rules of Conduct. Rules and regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board. Such rules and regulations shall be equally applicable to all Unit Owners similarly situated and shall be uniform in their application and effect. Copies of such rules and regulations shall be furnished by the Board to each Unit Owner prior to their effective date.
- 6.20 Remedies Cumulative. All right, remedies and privileges granted to the Association or the Owner or Owners of a Unit pursuant to any terms, provisions, covenants or conditions of the Declaration or other above-mentioned documents, shall be cumulative, and the exercise of any one or more shall not constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.
- 6.21 Nonwaiver of Remedies.
- (a) The failure of the Association or any Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration or the other above-mentioned documents shall not constitute a waiver of the right of the Association or of the Unit Owner to enforce such rights, provision, covenant or condition in the future.

- (b) The failure of Declarant to enforce any rights, privilege, covenant or condition which may be granted to it by the Declaration or other above-mentioned documents shall not constitute a waiver of the right of Declarant to thereafter enforce such right, provisions, covenant or condition in the future.
- (c) The failure of a First Mortgagee to enforce any right, provisions, privilege, covenant or condition which may be granted to it or them by the Declaration or other above-mentioned documents, shall not constitute a waiver of the right of said party or parties to thereafter enforce such right, privilege, covenant or condition in the future.

ARTICLE VII.
Records and Audits

- 7.1 Reports. The Board shall keep detailed records of the actions of the Board and the managing agent, minutes of the meeting of the Board, minutes of the meetings of the Association, and financing records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit, which, among other things, shall contain the amount of each Assessment against each Unit, the date when due, the amounts paid and the balance remaining unpaid. The financial records and books of account shall be available for examination by all Unit Owners, their duly authorized agents or attorneys, and all lien holders, their attorneys and authorized agents, at convenient hours that shall be set and announced for general knowledge. A written annual summary of all receipts and expenditures of the Condominium shall be rendered by the Board to all Unit Owners on or before the 15th day of the second month following the close of each fiscal year. In addition, an annual report of the receipts and expenditures of the Condominium shall be rendered by the Board to all Unit Owners and to all Eligible Mortgage Holders who have requested the same, promptly after the end of each fiscal year.
- 7.2 Common Expense Funds. All sums collected by the Association, either as Assessments for the Common Expenses or Special Assessments may be commingled in a single fund, but they shall be held for the Owners for the purposes for which they are paid, and shall, subject to the right of withdrawal or refund provided herein, be credited to accounts from which shall be paid the charges for which the Assessments are made. Such accounts shall include the following, or such other and further accounts as the Board from time to time shall determine.
- (a) General Common Expense Account—to which shall be credited collection of that

- (b) Capital Reserve Account—to which shall be credited, all sums collected which are to be allocated for capital expenditures for the reconstruction, repair and replacement of Common Elements at a future date.

All sums collected by the Association, either as assessments of the Common Expenses or special assessments, during any fiscal year and allocated to the General Common Expense Account or to any other account from which non-capital expenditures may be made, in excess of expenditures during such fiscal year made from or chargeable to said account or accounts shall be deemed contributions to capital at the end of said fiscal year, and shall be transferred to the Capital Reserve Account. All amounts credited to said Capital Reserve Account shall be contributions to capital, and shall be held in trust by the Association for future expenditures of a capital nature, and shall serve to reduce the Assessments required for said capital expenditures.

- 7.3 Audits. All books of account and financial records shall be kept in accordance with generally accepted accounting practices. The Board shall have a review of the books of account and financial records of the Association made by an independent accountant immediately following the close of each fiscal year and the report of such accountant shall be received by the Board and made available for inspection upon request by all Units owners and all eligible Mortgage Holders on or before the 15th day of the third month following the close of each fiscal year.

ARTICLE VIII.
Amendments to Bylaws

- 8.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.
- 8.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board or by not less than one-third (1/3) of the members of the Association. Directors and members of the Association not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be by not less than a majority of the votes of all members of the Association represented at a meeting at which a quorum has been attained.
- 8.3 Limitation. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Declarant or eligible Mortgage Holders without the consent of said Declarant and Eligible Mortgage Holders in each instance. No amendment shall be made that is in conflict with the Articles of Incorporation of the Association or Declaration without satisfaction of the requirements therein contained. So long as the Declarant controls the Association and the Veterans Administration

holds or insures any first Mortgage on a Unit in the condominium, the Veterans Administration shall have the right to veto any amendment to the Bylaws. No amendment to this Section shall be valid.

- 8.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment to the Declaration and bylaws, which certificate shall be executed by the Chairman or vice chairman and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Declarant alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Declarant. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the County Clerk's office in Brazos County, Texas.

ARTICLE IX.
Condemnation

- 9.1 General. Whenever all or any part of the condominium Property shall be taken by any authority having the power of condemnation or eminent domain, each Unit Owner and all Eligible Mortgage Holders shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association. Unless otherwise provided by law at the time of such taking, any award made therefor shall be disbursed by the Association as provided in this Article IX.
- 9.2 Common Elements. If the taking is confined to the Common Elements (general or limited) on which improvements shall have been constructed, and at least eighty (80%) percent of the total vote of the members of the Association entitled to vote shall vote within sixty (60) days after such taking to replace the improvements, or any part thereof, on the remaining land included in the Common Elements (general or limited) and according to the plans therefor first approved by the Association, then the Board shall arrange for such replacement and the Association shall disburse the proceeds of such award in the same manner as they are required to disburse insurance proceeds where damage or destruction to the Common Elements (general or limited) is to be repaired or reconstructed as provided for herein; subject, however, to the right hereby reserved to the Association by a majority vote of the Voting Members, to provide for the disbursement by the Association of the remaining proceeds held by it (after the payment of all costs incident to such replacement) to the Unit Owners or any one or more of them or to their First Mortgagees as their interest may appear in amounts disproportionate to their percentages of undivided interest in the Common Elements (general or limited) established herein, which disproportionate amounts shall correspond with the disproportionate damage sustained by the Unit Owners or any one or more of them as the Association may determine. If at least eighty (80%) percent of the Voting Members shall not decide within sixty (60) days after such taking to replace

said improvements of if the taking is confined to the Common Elements (general or limited) on which no improvements shall have been constructed, then the Association shall disburse the proceeds of the award in the manner hereinabove provided for the disbursement of the remaining proceeds of an award after payment of all costs incident to the replacement of improvements taken has been made, including the right reserved to the Association to provide for the disbursement of the remaining proceeds held by it to the Unit Owners in disproportionate amounts. All disbursements made under this Section 9.2 shall be in strict compliance with Section 82.007 of the Act.

9.3 Units. If the taking includes one or more Units, or any part or parts thereof, whether or not there is included in the taking any part of the Common Elements (limited or general), then the award shall be disbursed and all related matters shall be handled pursuant to and in accordance with the consent of all Unit Owners and First Mortgagees affected and the Executive Board of the Association thereafter, expressed in a duly recorded Amendment to the Declaration of Condominium, all in accordance with Section 82.007 and 82.067 of the Act.

9.4 Termination. The Board shall call a meeting of all Unit Owners at least forty-five (45) days prior to any final taking by the condemning authority to determine the action to be taken pursuant to Sections 9.2 and 9.3 above. Except in the event of a taking of all the Units by eminent domain, in the event the condemnation involves more than ten (10%) percent of the value of the Common Elements (limited or general) and/or more than fifteen (15%) percent of the total value of all Units, the Condominium may be terminated at such meeting by written approval of not less than eighty (80%) percent of the Voting Members. Any termination agreement shall be in compliance with 82.068 of the Act.

ARTICLE X.
Miscellaneous

10.1 Ad Valorem Taxes. Each Unit shall be deemed to be a separate parcel and shall be separately assessed and taxed. Each Unit Owner shall be liable solely for the amount of tax assessed against his Unit and shall not be affected by the consequences resulting from the tax delinquency of other Unit Owners. All tangible personal property owned by the Association in connection with the maintenance, upkeep and repair of the Common Elements shall be listed for said taxes in the name of and paid by the Association. Each Unit Owner is also responsible for his pro rata share of taxes assessed on his portion of the Common Elements, if any.

10.2 Notification to Mortgagees. Any Owner who mortgages his Unit shall notify the Association of the name and address of the Mortgagee, and the Association shall maintain such information in a book entitled "Mortgagees of Condominiums". In addition to any other notification provided for in the Declaration or these Bylaws, the

Association, may, at the written request of a Mortgagee of any such Unit, report any unpaid assessments due from the Owner of such Unit. The Association shall notify each Mortgagee appearing in said book the name of each company insuring the Condominium Property under the master policy and the amounts of the coverage thereunder.

- 10.3 Severability. Invalidation of any covenant, condition, restriction or other provision of the Declaration or these Bylaws shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.
- 10.4 Successors Bound. The rights, privileges, duties and responsibilities set forth in the Declaration of these bylaws, as amended from time to time, shall run with the ownership of the Condominium Property and shall be binding upon all persons who own or hereafter acquire any interest in the Condominium Property.
- 10.5 Gender, Singular, Plural. Whenever the context so permits, the use of the singular or plural shall be interchangeable in meaning and the use of any gender shall be deemed to include all genders.
- 10.6 Principal Office—Registered Office. The initial principal office and registered office of the Association shall be located at 1289 N. Harvey Mitchell Parkway, Bryan, Texas 77803.
- 10.7 Other Offices. The Association may have other offices at such other places within Texas as the Board may from time to time determine or as the affairs of the Association may require.
- 10.8 Seal. No seal shall be required for the Association.
- 10.9 Fiscal Year. The fiscal year of the Association shall be the calendar year.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of GATEWAY VILLAS, A CONDOMINIUM HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the initial Executive Board thereof held on the _____ day of _____, 20____.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association, this _____ day of _____, 20____.

Secretary

Filed for Record in:
BRAZOS COUNTY

On: Jan 13, 2004 at 04:31P

As a
Recording

Document Number: **00842628**

Amount 167.00

Receipt Number - 234085

By,
Teresa Ramirez

STATE OF TEXAS **COUNTY OF BRAZOS**
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the named records of:
BRAZOS COUNTY
as stamped hereon by me.

Jan 13, 2004

HONORABLE KAREN MCQUEEN, COUNTY CLERK
BRAZOS COUNTY