

**FIRST AMENDED BYLAWS
OF
PARK VILLAGE ESTATES COMMUNITY ASSOCIATION
a Texas nonprofit corporation**

These First Amended Bylaws (the "Bylaws") will govern the affairs of PARK VILLAGE ESTATES COMMUNITY ASSOCIATION, a Texas nonprofit corporation (the "Corporation").

**I.
Definitions**

1.01 "Architectural Control Committee" shall mean that committee of the Board of Directors established in Article VI of the Declaration.

1.02 "Articles" shall mean those Articles of Incorporation of the Corporation filed with the Secretary of State of the State of Texas on January 25, 2001, as amended from time to time in the manner provided by law.

1.03 "Declaration" shall mean that Declaration of Covenants, Conditions and Restrictions of Park Village Estates executed by DONMAR DEVELOPMENTS, L.L.C., a Texas limited liability company (now DONMAR DEVELOPMENTS, L.P.) as "Declarant", and recorded in the real property records of Brazoria County, Texas under Instrument No. 00-039183 on September 12, 2000.

1.04 "Lot" shall mean a lot shown in the plat of the Subdivision, as that term is defined below, which is restricted to use for residential purposes.

1.05 "Subdivision" shall mean Park Village Estates, a subdivision in Brazoria County, Texas according to the map or plat thereof recorded in Volume 21, Page 105 of the Map Records of Brazoria County, Texas.

**II.
Members**

2.01 The Corporation shall have Members, and the qualifications of Membership are set forth in Article IX of the Articles.

2.02 Members of the Corporation shall be divided into the Classes of Membership set forth in Article IX of the Articles, which shall govern the voting and other rights of the Members of each Class.

2.03 Members shall be assessed any regular and special assessments and other charges as set forth in Article VII of the Declaration which shall be set from time to

time by the Directors of this Corporation, as provided in and subject to the limits set forth in the Declaration.

2.04 Each Member is entitled to vote on matters set before the Membership and to cast the number of votes as provided in the Articles for a Member of his Class.

2.05 The Directors may impose reasonable sanctions on any Member for failure to pay an annual assessment or to abide by the provisions of the Declaration or any directive of the Architectural Control Committee. These possible sanctions shall include a suspension by the Directors of the right of the Member to vote on matters coming before meetings of the Members in the event that the Member has failed to pay an annual assessment within the time specified by the Directors in the assessment notice, which suspension shall continue until the Member has brought the account current. Reasonable sanctions also include the remedies for non-payment of assessments set forth in Section 7.6 of the Declaration for foreclosure or enforcement of the lien of the Corporation for assessments.

2.06 No Member may resign from Membership while the Member owns a fee interest in any Lot in the Subdivision.

III. Meetings of Members

3.01 The provisions of Paragraphs 7.3 and 7.5 of the Declaration shall govern the notice, quorum requirements and voting at any meeting of Members at which an increase in an annual assessment in excess of ten (10%) percent of the previous year's assessment is to be considered.

3.02 The provisions of Paragraphs 7.4 and 7.5 of the Declaration shall govern the notice, quorum requirements and voting at any meeting of Members at which a special assessment for capital improvements is to be considered.

3.03 The annual meeting of the Members shall take place at such hour on such date between November 1 and December 15 in each year and at such place within Brazoria County, Texas as the Directors shall appoint. At the annual meeting, the Members shall elect Directors of the Corporation to serve until the following annual meeting, and shall entertain and vote upon such other matters as shall for the next year. The Members shall also meet at such times and places within Brazoria County, Texas as the Directors shall from time to time and by majority vote determine; the Members entitled to cast not less than ten (10) percent of the votes may call a meeting by presenting to the President or Secretary of the Corporation a petition signed by such Members and specifying the time and place of the meeting. The Secretary of the Corporation shall give written notice of the time and place of a meeting of members by first class mail addressed to each Member entitled to vote at the meeting at the address of the Member shown in

the records of the Corporation; in cases in which a Lot is owned by more than one Member, notice of the meeting need only be given to one joint owner who is a Member. Any such notice shall be mailed, hand delivered, faxed or mailed electronically (i.e., "emailed") not more than sixty (60) nor less than fifteen (15) days prior to the meeting and shall, in the case of a meeting other than an annual meeting, set forth the purpose of the meeting. In the case of an annual meeting, the Secretary shall furnish a ballot by which the Members may vote for Directors by mail together with the meeting notice, admonishing the Members that votes received after the last business day prior to the meeting will not be counted; the Secretary need not furnish a return envelope or postage for voting by mail.

3.04 In the event that a Lot is owned by more than one Member, all such joint owners shall jointly have only one vote on each matter submitted to the Members, and shall determine prior to a meeting how such vote shall be cast; provided, in the event votes are to be cumulated, that the joint owners shall jointly have the right to cast as many votes as are allocated to their Lot. If the joint Members are unable to determine how their vote is to be cast by the time that the closing of the vote of Members is announced, the joint owners will be deemed to have waived their right to vote.

3.05 Except as otherwise provided in the Declaration, the presence at any meeting in person, by proxy, and by telephone connection of Members controlling more than ten (10%) percent of the votes entitled to be cast at the meeting shall satisfy the requirement for a quorum, and the actions taken and resolutions passed by a majority of the Members participating in the meeting shall bind and be the acts of the Members. In the event of an annual meeting at which Directors are to be elected, the ballots received not later than the last business day prior to the meeting by the Secretary from Members wishing to vote for the Directors by mail shall be considered as Members present for the purpose of determining whether the requirement of a quorum has been met, but only for the purpose of electing the Directors.

3.06 Except as otherwise provided in the Declaration, a Member may vote in person or by proxy on any matter at any meeting. A proxy must be in writing executed by the Member and appoint a duly authorized attorney-in-fact to vote on his or her behalf. Unless specifically provided in the proxy, each proxy shall be revocable by the Member and shall not be valid more than eleven months from the date of the proxy. Each person intending to vote by or as a proxy shall provide the Secretary with a copy of the proxy document at the beginning of the meeting. Any Member's written proxy may contain such limits on the authority of the attorney-in-fact as the Member deems appropriate, but the exceeding of the bounds of authority by a proxy shall not be grounds for setting aside a vote in which the proxy participated.

IV. Directors

4.01 The business and affairs of this Corporation shall be conducted by a Board of Directors, subject to the limitations contained in the Articles, the Declaration, and these Bylaws.

4.02 The number of Directors of this Corporation, until amendment of these Bylaws, is five (5). Directors need not be Members.

4.03 The annual meeting of the Directors shall take place immediately following and in the same place as the annual meeting of the Members, without further notice other than this provision of the Bylaws.

4.04 The Board may provide for regular meetings by resolution state the time and place of such meetings. Any such meeting shall be held in the registered office of the Corporation. No notice shall be required other than this provision of the Bylaws and the resolution itself.

4.05 A special meeting of the Board may be called by the President or any two members of the Board. The persons calling the meeting shall inform the Secretary of the date, time, place and purpose of the special meeting, and the Secretary shall prepare a notice containing such information and provide a copy to all Directors, not less than five (5) business days nor more than thirty (30) calendar days prior to the special meeting. Notice shall be deposited in the United State mail, first class postage affixed, addressed to each Director.

4.06 The presence of more than fifty (50%) percent of the Directors at any meeting will constitute a quorum.

4.07 A Director may be removed only at a special meeting specifically called for the purpose. A Director may be removed without cause by a vote of not less than sixty-seven (67%) percent of the disinterested Directors; a Director may be removed with cause by a vote of more than fifty (50%) percent of the disinterested Directors.

4.08 The Board may fill any vacancy which shall occur in its membership for the unexpired portion of the Director's term.

4.09 A Director is not entitled compensation for services rendered as a Director; a Director is entitled to reimbursement of expenses incurred by the Director on behalf of the Corporation if authorized by the disinterested Directors in advance or if, prior authorization was not reasonably obtained, the expenditures are ratified by the disinterested Directors at the next meeting of the Directors. Failure of a notice of such

meeting to specify reimbursement as a reason for the meeting shall not bar the Directors from considering a request for reimbursement.

V. Officers

5.01 The Corporation shall have a president, a vice president, a secretary, and a treasurer. The Board may create such additional officer positions as it deems necessary, delegate to the positions such authority and duties as the Board deems appropriate, and elect or appoint persons to fill newly created offices. The same person may hold more than one office, except that the president may not also serve as secretary.

5.02 Officers shall be elected by the Board at the annual meeting of the Board and, unless removed, shall serve until successor officers are elected and qualified.

5.03 Any officer elected or appointed may be removed by the Board with or without cause upon a vote of more than two-thirds of the Directors at any meeting called for the purpose of removing the officer.

5.04 The Board may select a person to fill a vacancy in any office for the unexpired portion of the officer's term.

5.05 The president of the Corporation must be a Director. The president will supervise all the affairs of the Corporation, subject to the control of the Board, and will preside at all meetings of the Members and the Board. The president shall execute any deed, mortgage, bond, contract or other instrument that the Board authorizes and directs the president to execute, unless execution of such instrument is delegated in a statute, the Articles, Declaration or these bylaws to another officer. The president will perform such other duties as the Board shall prescribe and all duties incident to the office of president of a Texas non-profit corporation.

5.06 When the president is absent or is unable or refuses to act, the vice president will perform the duties of president of this Corporation.

5.07 The treasurer will have charge and custody of the funds and securities of the Corporation, maintain the financial books and records of the Corporation and prepare a financial report for submission to the Members not less often than annually, oversee the preparation of all returns and reports which are required to be filed by this Corporation with any governmental entity, deposit all funds of the Corporation in such bank accounts as the Board may establish and direct, prepare and deliver checks disbursing funds in discharge of the obligations of the Corporation, give bond to secure the faithful discharge of the duties of the treasurer if required by the Board, and perform such other duties as the Board may assign.

5.08 The secretary will give all notices as required by law and these Bylaws, keep and prepare minutes of the meetings of the Members and the Board, maintain custody of the records of the Corporation (apart from the financial records maintained by the treasurer) and the seal. The secretary shall maintain a register of the mailing addresses of the Members, Directors, Officers and employees of the Corporation and prepare a roster of Members entitled to vote at meetings of the Members, not more than five (5) days prior to the giving of notice of any such meeting, shall give the notices and certifications required by the provisions of the Declaration, and shall review any proxy or mailed ballot for compliance with the requirements of these Bylaws prior to a vote in which the proxy or mailed ballot is counted. The secretary shall also perform such additional duties as the Board shall assign the secretary, and such other duties as are incident to the office of secretary of a Texas non-profit corporation.

VI. Committees

6.01 The Architectural Control Committee shall have the composition, the duration, the duties and authority set forth in Article IV of the Declaration.

6.02 The Board may establish by resolution one or more committees for such purposes as the Board may deem appropriate, may delegate to such committees such authority and duties as the Board may deem appropriate, and appoint or remove the members of the committees. Any such committee shall be comprised of at least one Director and such number of Members as the Board shall deem appropriate. The Board shall fix the quorum requirement for action by any such committee. No such committee shall have the authority to amend the Articles, the Declaration or these Bylaws or to take any action which contravenes any provision of them, to authorize any action not specifically authorized by the Board of Directors in connection with the merger, consolidation, or dissolution of this Corporation, to authorize any sale or lease or other disposition of any assets of this Corporation, to elect, appoint or remove any member of a committee, any officer or any Director, or to take any action outside the scope of the authority delegated to it by the Board.

6.03 The members of any committee shall serve until the earlier of the dissolution of the committee or until their successors shall have been elected or appointed by the Board.

6.04 The Board will appoint the chairperson and vice chairperson of the committee. The chair will call and preside over each meeting of the committee, and the vice chair will perform the duties of the chair when the chair is absent or unable or unwilling to perform the duties of the chair. The vice chair will prepare and keep minutes of committee meetings and such other records of committee actions as the Board or chair shall direct.

6.05 Written notice of a committee meeting will be presented to each member of the committee by the vice chair not less than five days prior to the meeting. The notice will state the place, the time and date and the purpose of the meeting.

6.06 Each committee may adopt rules for conduct of committee proceedings which are not inconsistent with these Bylaws or with other rules that may be established by the Board.

VII. Required Books and Records

7.01 The officers of this Corporation shall keep correct and accurate books of its accounts and affairs. These books shall include the following:

(a) A copy of all documents filed with the Texas Secretary of State relating to the Corporation bearing the file-endorsement stamp of the Secretary;

(b) A copy of these Bylaws, including any amended versions;

(c) A list of the names and addresses of the Members, Directors and officers and any committee members of the Corporation;

(d) Minutes of the meetings of the Members, Directors and any committees having any of the authority of the Board;

(e) True and accurate accounts of the receipts and disbursements of the Corporation for a period not less than six (6) years;

(f) True and accurate copies of all correspondence received by the Corporation or sent on behalf of the Corporation by the officers or Directors of the Corporation for, at a minimum, six (6) years;

(g) True and accurate financial statements prepared not less often than annually for the six (6) most recent fiscal years;

(h) All rulings, applications and other documents pertaining to the federal, state or local tax status of the Corporation and all returns and reports filed by the Corporation with any taxing authority, without limitation on the duration of time any such record must be preserved, unless the Board receives advice from a tax professional (e.g., certified public account) that such record may safely be discarded; and

(i) Such other records as the Board shall direct.

7.02 Any Member or Director may inspect and request a copy of any record or book of the Corporation, either in person or through his attorney or other duly authorized representative. The inspection may take place at any reasonable time, no later

than five (5) working days after the Corporation shall receive a written request; copies of records will be provided within five (5) days after receipt of the request, except that the Board may establish reasonable copying fees for any such request in order to defray the labor and material expenses of compliance, in which case the copies will be provided not less than five (5) days after the Board receives a deposit to cover the expenses.

7.03 Any Member or Director may, not more often than once a year, audit the books of the Corporation at the expense of the Member, either in person or through the certified public accountant or other duly authorized representative.

VIII.

Notice and Procedures Pertaining to Meetings

8.01 Any notice called for in these Bylaws may be sent by U. S. first class mail, postage prepaid, to the address of the person to receive the notice as shown in the records of the Corporation and deemed delivered as of the time the notice is placed in a receptacle for the mail. Any Member or Director may change the address at which notice is to be received by delivery of written notice of change delivered to the secretary of the Corporation, provided, that in the event the Member owns a Lot in conjunction with other Members, the other Members must join in the notice of change of address. The secretary will keep a record of the persons receiving such notice and the dates on which notice was mailed.

8.02 Any notice called for in these Bylaws may be hand delivered to the addressee in lieu of mailing. The delivery service will request the addressee to sign a receipt therefor and the secretary will keep the receipt as a part of the records of the Corporation.

8.03 Any notice called for in these Bylaws may be sent by telephonic document transfer to the telephone number designated in writing by the addressee as the number at which such notices are to be sent. The secretary will keep a record of addressees, the telephone numbers to which notice by telephonic document transfer is sent, and dates and times of the transmission and receipt of any such notice as a part of the records of the Corporation. Notice will be complete at the time such notice is received by the fax machine which answers the telephone number for the addressee as shown in the records of the Corporation.

8.04 Any notice called for in these Bylaws may be sent by electronic mail (i.e., "e-mail") using the email address established for the Corporation to addressees who have authorized such notice to be given in writing and designated an email address at which such notices are to be received. The notice so sent will be deemed to have been transmitted to the email address of the addressee as shown in the records of the Corporation. The secretary will download copies of all such transmissions and preserve hard copies thereof as part of the records of the Corporation.

8.05 Any person entitled to notice of any meeting of the Members, Directors or of any committee of this Corporation may waive notice of that meeting in the manner provided by law for Texas non-profit corporations or may participate in such meeting by telephone in the manner provided by law for Texas non-profit corporations.

8.06 Any action which is required or permitted to be made by the Members, Directors, or the members of any committee of this Corporation may be made without a meeting if a written consent to the action is signed by all the persons entitled to vote on the matter. Any such signed original consent shall be preserved in the minute book of the Corporation as a part of the records of the Corporation.

IX. Amendment of Bylaws

9.01 These Bylaws may be altered, amended, or repealed and new bylaws adopted by the Directors at a meeting duly called by written notice which specifically sets out the text of the then-existing provisions of the Bylaws which are proposed to be affected and the text of any proposed changes to the then-existing provisions.

X. Miscellaneous

10.01 These Bylaws shall be governed in accordance with the laws of the State of Texas. All obligations of the parties are performable in Brazoria County, Texas.

10.02 If any of the provisions of these Bylaws is for any reason held to be invalid or unenforceable, such holding shall not affect the validity of any other provision of this Agreement, which shall be construed and enforced as if the invalid, illegal, contravening or unenforceable provision had never been included; if any governmental authority shall rule that any provision of these Bylaws contravene any provision of law governing the exempt status of this Corporation under the provisions of the Texas Non-Profit Corporation Act or Section 501(c) (3) of the Internal revenue Code of 1986, as amended, or any other such law, then such provision shall be deemed invalid and unenforceable and these Bylaws shall be construed and enforced as if the provision had never been included.

10.03 These Bylaws may only be amended in writing in the manner provided herein.

10.04 These Bylaws shall bind and inure to the benefit of the respective successors and assigns of the Members, Directors of officers; provided, however, that no Member may assign the rights conferred in these Bylaws without the written permission of the disinterested members of the Board.

CERTIFICATE OF SECRETARY

I, David W. Prince, do hereby certify that I am the duly elected secretary of PARK VILLAGE ESTATES COMMUNITY ASSOCIATION, a Texas non-profit corporation, and that these First Amended Bylaws constitute the Bylaws of the Corporation. These First Amended Bylaws were adopted by Unanimous Written Consent of the Directors of the Corporation on February 20, 2002.


David W. Prince