

BY-LAWS
OF
HEATHLAKE COMMUNITY ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is HEATHLAKE COMMUNITY ASSOCIATION, INC., hereinafter referred to as "HCA" or the "Corporation". HCA is a non-profit association incorporated in the state of Texas.

ARTICLE II

DEFINITIONS

Section 1. "Corporation" shall mean and refer to HCA, its' successors and assigns.

Section 2. "Properties" shall mean and refer to Lakeview Forest, Heathwood, and Woods of Lakeside, each a subdivision in Harris County, Texas, and such additions thereto as may hereinafter be brought within the jurisdiction of the Corporation by merger, annexation or otherwise.

Section 3. "Common Area" shall mean all real and personal property owned by the Corporation for the common use and enjoyment of the Members.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Restrictions" shall mean and refer to the Deed Restrictions applicable to the properties recorded in the Office of the County Clerk, Harris County, Texas, and any amendments thereafter or such other restrictions created by additional properties dedicated to the subdivision by the Members.

ARTICLE III

MEMBERS

Section 1. Classes of Members. The Corporation shall have one class of Members. The Members of the Corporation shall be the owners of lots in the Properties as shown in the Deed Records of Harris County, Texas. There shall only be one Member per lot, even though a lot may have more than one owner. In the event of joint ownership of any lot, such joint owners shall select one Member as their representative for all purposes hereunder.

Section 2. Voting Rights. The Members shall only be entitled to vote on matters set forth in the Deed Restrictions and at the election of Directors at the annual meeting of the Members. Only Members in good standing may vote. A Member is only in good standing if all assessments are current as of the date of such meeting. A vote may be cast in person or by proxy. Proxy forms must be received at the HCA Post Office box at least one day prior to the meeting. Such proxy may be granted by any homeowner or lot owner only in favor of another homeowner, the Board Secretary or in

the case of a nonresident owner, his attorney or management agent. A proxy shall be duly executed in writing and shall be valid only for a particular meeting. Such proxy shall be deemed revoked only upon actual receipt by the President of notice or revocation from either of the persons owning the home or lot. Each Member shall be entitled to one vote on each matter submitted to a vote of the Members.

Section 3. Annual Meeting. The annual meeting of the Members shall be held for the purpose of electing Directors and for the transaction of other business. If the election of Directors is not held as directed herein, the Board of Directors shall cause the election to be held at a special meeting of the Members as soon thereafter as possible.

Section 4. Special Meeting. Special meetings of the Members may be called by the President, a majority of the Board of Directors or by Members having not less than one-tenth of the votes entitled to be cast at such meeting.

Section 5. Notice. Notice of the annual meeting or a special meeting shall be required not less than 10 days before the date of the meeting and must be made by at least two (2) of the following methods: U.S. Mail, e-mail, posting on the HCA website or notices at the HCA main entrances on Carriage Hill Drive and Crystal Hills Drive. In case of a special meeting, the purpose or purposes for which the meeting is called shall be included in the notice of such meetings.

Section 6. Quorum. No quorum shall be necessary to vote on any matters submitted to the vote of the Members unless required by the Deed Restrictions. The vote of a majority of the Members in good standing shall be the act of the Members unless the vote of a greater number is required by law, the Deed Restrictions, the

Articles of Incorporation or the By-Laws.

ARTICLE IV
BOARD OF DIRECTORS

Section 1. Powers, Number and Term of Office. The property and affairs of the Corporation shall be managed and controlled by the Board of Directors and subject to the restrictions imposed by law, the Deed Restrictions, the Articles of Incorporation or these By-Laws. The Board of Directors shall exercise all of the powers of the Corporation.

The number of Directors shall be five (5), but the number of Directors may be increased or decreased from time to time by amendment to these By-Laws, provided the number of Directors shall never be less than five (5). Vacancies in the Board of Directors created by an increase in the number of Directors shall be filled by the affirmative vote of a majority of the Directors in office at the time such increase is effected.

The Directors constituting the first Board of Directors shall be those Directors named in the Articles of Incorporation of the Corporation, who shall hold office until their respective deaths or resignations or removal.

Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of the majority of the Directors then in office though less than a quorum of the Board of Directors. The Director appointed to such vacancy shall serve for the remainder of the term of the Director replaced.

Any Director may be removed from the Board by a majority vote of those Members in attendance or by proxy at a regular or annual meeting of the Board or a special meeting of the Members.

Section 2. Meetings of Directors. The Directors may hold their meetings and keep the books of the Corporation at such place or places as the Board of Directors may from time to time determine.

Section 3. Annual Meeting. The Annual Meeting of the Board of Directors shall be held at such place as the Board shall select in Harris County, Texas, in December of each year for the purpose of the election of Directors for the ensuing year and any other business as may be brought before such meeting.

Section 4. Regular Meetings. Regular Meetings of the Board of Directors shall be held at such times and places as shall be designated, from time to time, by the Board of Directors. Notice of all regular meetings shall be posted on the HCA website. Those residents wishing to attend a meeting must notify the Board Secretary of the subject matter that they want to address at least 24 hours prior to the meeting to enable placement on the Meeting Agenda.

Section 5. Quorum. A majority of the Directors fixed by the By-Laws shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation, but if at any meeting of the Board of Directors there be less than a quorum present, a majority of those present may adjourn the meeting from time to time. The act of a majority of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, except as otherwise provided by law, by the Articles of Incorporation, or by these By-Laws.

Section 6. Attendance of Meetings. It shall not be necessary for a Director to be physically present at any meeting specified in Sections 2 through 5 above. Such Director may participate and be counted for purposes of determining a quorum as though present, if such Director participates by telephone device allowing all Directors to hear all proceedings. The Secretary shall note the adequacy of the telephonic device and the location of the Director in the minutes of the meeting. A Director may give their proxy to any other Director for any meeting.

Section 7. Order of Business. At the meetings of the Board of Directors matters pertaining to the purpose of the Corporation shall be considered in such order as from time to time deemed necessary by the Board of Directors.

At all meetings of the Board of Directors, the President shall preside and, in the absence of the President, a chairman shall be chosen by the Board of Directors from among the Directors present.

The Secretary of the Corporation shall act as Secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

Section 8. Compensation of Directors. Directors shall not receive any salary or compensation for their services.

Section 9. Election of Directors and Term of Office. The term of office of each Director shall be two (2) calendar years, commencing on January 1 of the first year of the Directors' term. The terms shall be staggered so that three (3) Directors are elected at the annual meeting of the owners occurring in each even-numbered calendar year, and two (2) Directors are so elected in each odd-numbered year. Thus, three (3)

Directors' terms shall commence on January 1 of each odd-numbered year, and the terms of the other two (2) Directors shall commence on January 1 of each even-numbered year.

ARTICLE V
OFFICERS AND DUTIES

Section 1. Enumeration of Officers. The officers of this Corporation shall be a President and one or more Vice-Presidents, a Secretary, a Treasurer, and other officers as the Board, from time to time, by resolution create. Each officer must be a Member in good standing.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following the annual meeting.

Section 3. Term. Each officer of this Corporation shall be elected annually by the Board and shall hold office for one (1) year unless they shall sooner resign, be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Corporation 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 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 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 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer they replace.

Section 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 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

- (a) **President:** The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes requiring a second signature.
- (b) **Vice-President:** The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board of Directors.
- (c) **Secretary:** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors; serve notice of meetings of the Board of Directors; and perform such other duties as required by the Board of Directors.

(d) Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all promissory notes of the Corporation; and shall sign all checks for contractual services, new contracts/expenditures approved by the Board and recorded in the minutes, and any reimbursements and/or expenses with appropriate back-up. All expenses other than for Board-approved contracts/expenditures that exceed \$1,000.00 shall require a second signature. Any other transactions of the Corporation's funds must receive prior Board approval. The Treasurer shall keep books of accounts; cause a report of the Corporation's books to be made at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures, to be presented to the Board of Directors at its regular annual meeting.

ARTICLE VI

BOOKS AND RECORDS

The books, records and papers of the Corporation shall at all times, during reasonable business hours, be subject to inspection by the Members, the officers, and the Directors. The Articles of Incorporation, By-Laws, and Deed Restrictions shall be posted on the HCA website.

ARTICLE VII
AMENDMENTS

These By-Laws may be altered, amended or repealed by the affirmative vote of the majority of the Members present at either the annual or special meeting of the Members. Notice of such proposal must be included in the meeting agenda or meeting notice.

ARTICLE VIII
FISCAL YEAR

The fiscal year of the Corporation 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 the date of incorporation.

ARTICLE IX
INDEMNIFICATION

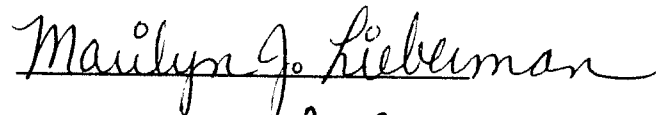
Each Director and officer of the Corporation now or hereafter serving as such, shall be indemnified by the Corporation against any and all claims and liabilities to which they have or shall become subject by reason of serving or having served as such Director or officer, or by reason of any action alleged to have been taken, omitted, or neglected by them as such Director or officer; and the Corporation shall reimburse each

such person for all legal expenses reasonably incurred by them in connection with any such claim or liability, provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with, any claim or liability arising out of their own willful misconduct or gross negligence.

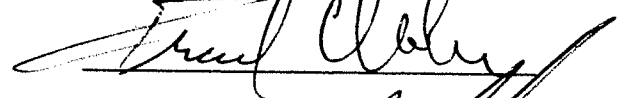
The amount paid to any officer or Director by way of indemnification shall not exceed their actual, reasonable, and necessary expense incurred in connection with the matter involved.

The right of indemnification hereinabove provided for shall not be exclusive of any rights to which any Director or officer of the Corporation may otherwise be entitled by law.

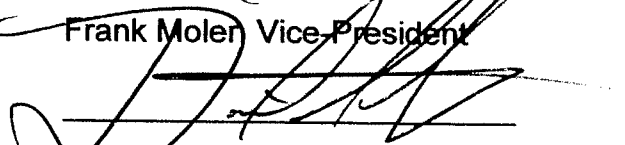
IN WITNESS WHEREOF, we being all of the Directors of HEATHLAKE COMMUNITY ASSOCIATION, INC., have hereunto set our hands this 5th day of November, 2007.



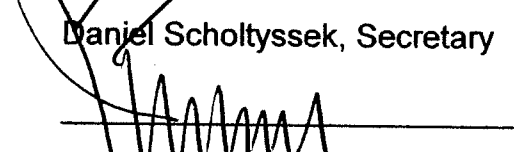
Marilyn Lieberman, President



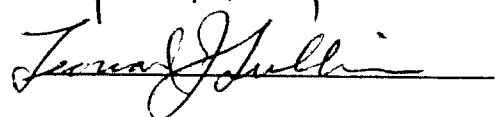
Frank Moler, Vice-President



Daniel Scholtyssek, Secretary

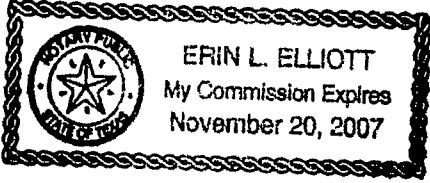


John Phillips, Treasurer



Leonard Sullivan, Director

SWORN TO AND SUBSCRIBED BEFORE ME by the above five named persons
this 5th day of November, 2007.



Erin L. Elliott

NOTARY PUBLIC in and for
Harris County, Texas

My Commission Expires:
11-20-2007

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL
PROPERTY BECAUSE OF COLOR OR RACE IS VOID AND UNENFORCEABLE UNDER FEDERAL LAW.
THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the
date and at the time stamped hereon by me; and was duly RECORDED, in the
Official Public Records of Real Property of Harris County, Texas on

NOV 12 2007



Dorely B. Kaufman
COUNTY CLERK
HARRIS COUNTY, TEXAS

Beverly B. Kaufman
COUNTY CLERK
HARRIS COUNTY, TEXAS

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FILED