
RULES AND REGULATIONS

of

MUSGRAVE MEWS CONDOMINIUMS

The following rules and regulations are provided to clarify and supplement the use restrictions delineated in the Musgrave Mews Declaration of Condominium and Bylaws. In the event of any conflict between rules and regulations and the provisions of the Declaration and/or Bylaws, the latter will prevail.

Violation of any of these rules and regulations shall be grounds for appropriate action by the Musgrave Mews Association of Owners, as authorized in the Declaration and Bylaws.

Definitions:

Balcony, Patio, and Terrace will be used interchangeably to mean area surrounding a Unit's doorway and just front of the large window, including the exterior wall, exterior ceiling, and exterior flooring.

Courtyard means the large area surrounding the fountain.

Common Area means all exterior, including Balconies, the courtyard, the roof, and parking lot, in which belongs to the Association and can be shared by all owners.

Unit Use:

All units shall be used for residential purposes only. Except for the leasing or rental of any unit, no units are to be used for commercial, business, or professional purposes.

Personal Conflict:

No offensive activity of any sort, which results in any annoyance or nuisance to other residents, shall be permitted.

Noise:

No owner or tenant shall operate any equipment of any kind in a manner as to disturb the other occupants.

State of Maintenance

Each owner or tenant shall keep balcony or terrace to which the owner or tenant has sole access to in a good state of preservation and cleanliness. Do not litter in common areas.

Insurance:

Each owner and renter is responsible for obtaining a "homeowner's" or "tenant's" policy to cover all personal property in his or her unit, the furnishings, the interior walls and wall coverings, the appliances, all parts of the unit that are not common elements, and all personal property (i.e. automobiles and contents) parked in the owner's assigned parking spaces. Homeowner will be

responsible for repairing any damage to another unit caused by appliances, commodes, air conditioning units, icemakers, plumbing, etc.

Electrical Installations:

Radio or television antennas, wires, or cables, air conditioning units, etc. may not be installed, except as approved in writing by the Council.

Balconies:

An owner may not use his or her balcony in any manner that will detract from the uniform appearance of the building exterior, as follows:

- a. The balcony shall not be repainted, remodeled, or enclosed.
- b. Storage of materials is not allowed on balconies, patios, or storage closets.
- c. Laundry, towels, etc. are not to be hung out to dry on balconies.

Courtyard Area:

No furniture or barbeque shall be established in the courtyard area, excluding balcony areas, without written consent of the Association.

Unightly Object:

No advertising signs, billboards, or unsightly window coverings, such as aluminum foil or other mirrored or reflective material, shall be permitted.

Alterations:

Any owner may paint, repaint, paper, or otherwise furnish or decorate any interior surfaces of walls partitions, ceilings, or floors within his or her unit. No alterations shall be made to any of the common elements without the prior approval of the Association. This includes front doors.

Lightweight Vehicles:

No bicycles, scooters, motorcycles, or similar vehicles shall be taken through the main entrance. No baby carriages or any of the vehicles mentioned above shall be allowed to stand in common areas.

Parking:

Assigned covered parking spaces are for resident use only. Visitors and delivery/service vehicles may not park in parking spaces. Other specific restrictions to use of parking areas are as follows:

- a. No boats, trailers, campers, or motor homes shall be kept in the parking area.
- b. Inoperable or wrecked autos, including those vehicles displaying expired license plates and/or inspection stickers, will not be permitted on the premises for longer than 48 continuous hours.
- c. Residents must park in their assigned parking spaces, one vehicle per unit allowed on property. Other vehicles must be parked off property.
- d. Auto repairs, other than changing flat tires, are not permitted on the premises.
- e. Cars may not be washed or detailed on premises.
- f. Noncompliance with these regulations and restrictions can result in unauthorized vehicles being towed away at owner's or operator's expense.

Landscaping:

Any owner may garden within the patio areas appurtenant to his/her unit or as approved by the Board, so long as pots and plants do not block or obstruct walkways. All other areas will be landscaped and maintained under a maintenance contract paid from the common expense fund.

Pets:

Pets are allowed, provided the pet owner adheres to the following:

- a. No more than one (1) dog or (2) cats shall be kept in a unit.
- b. Pets may not exceed 18 inches in height or 48 pounds.
- c. Pets must be on a leash, if outside the unit.
- d. Dogs must be "walked" outside the perimeter wall. Owners shall be responsible for immediately cleaning up after pets that defecate on the common areas within the fence or parking area. A \$50.00 cleanup fee will be assessed for each incident of noncompliance.
- e. No "exotic" pets may be kept.
- f. No pet shall be allowed to disturb any unit or occupant thereof.
- g. No pet shall be housed or chained temporarily or permanently in the patio or balcony areas.
- h. Pets may not be kept, bred, or maintained for any commercial purpose.

Fountain Regulations:

- a. Fountain area is aesthetics only, and therefore restricted.
- b. Do not put foreign objects in fountain.
- c. No pets allowed.

Trash Removal:

All trash is to be placed in trash; trash is not to be left for extended periods of time on balcony areas. Do not place large solid articles, e.g., old furniture, appliances, wood boxes, etc., in trashcans. Large articles are to be removed from the property at the owner's expense.

Barbecues:

City ordinance states that barbecues must be used at least ten (10) feet from any building.

Soliciting:

No soliciting allowed.

Loitering:

No loitering allowed. Any guest found standing idly about or lingering aimlessly will be treated as a trespasser and appropriate measures will be taken.

Storage Closet:

The storage closet is for Association purposes only.

Use of Condominium Employees:

No occupant shall use any employee of the Association for private business or chores.

Passkeys:

The Association may retain a key to each and all units. The owner or tenant shall not alter any locks or install a new lock on any door without the prior consent of the Association. If such consent is given, a new key must be provided.

Roof:

The roof is prohibited for recreational purposes. Obtain consent of the Association to allow access for air conditioning maintenance.

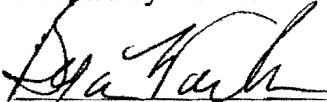
Inflammables:

No owner, tenant, guest, servant, or employee shall at any time bring into or keep in a unit or common area, any flammable, combustible, or explosive fluid, material, chemical, or other substance, except for normal household use.

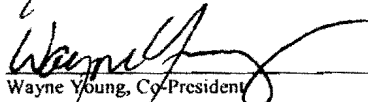
Illegal Activities:

No owner, tenant, guest, servant, or employee shall perform illegal activities within the Project.

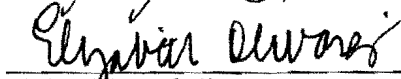
Adopted by the Board of Directors on July 1, 2004.



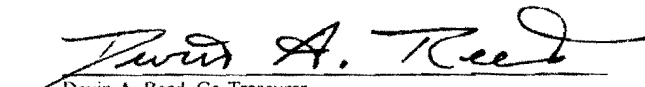
Brian Walker, Co-President



Wayne Young, Co-President



Elizabeth Olivares, Co-Treasurer



Devin A. Reed, Co-Treasurer

BYLAWS OF MUSGRAVE MEWS ASSOCIATION OF OWNERS

ARTICLE 1 DEFINITIONS

Project Defined

- 1.01 *Project* shall mean "Musgrave Mews Condominiums," including all of the real property located in the City of Houston, County of Harris, State of Texas, including land; all improvements and structures on the land; and all easements, rights, and appurtenances to the land, as defined in the Declaration.

Declaration Defined

- 1.02 *Declaration* shall mean the Declaration applicable to the Project and to be filed in the Office of the County Clerk of Harris County, State of Texas, in the Condominium Records, including any amendments to the Declaration as may be made from time to time in accordance with the terms of the governing statute.

Governing Instruments Defined

- 1.03 *Governing Instruments* mean the Declaration, the Articles of Incorporation, and Bylaws of the Association.

Other Terms Defined

- 1.04 Other terms used in these Bylaws shall have the meaning given them in the Declaration, incorporated by reference and made a part of these Bylaws.

ARTICLE 2 APPLICABILITY OF BYLAWS

Corporation

- 2.01 The provisions of these Bylaws constitute the Bylaws of the nonprofit corporation known as Musgrave Mews Condominium Association of Owners, Inc., referred to as the "Association."

Project Applicability

- 2.02 The provisions of these Bylaws are applicable to the Project as defined in Paragraph 1.01 of these Bylaws.

Personal Application

- 2.03 All present or future owners, present or future tenants, their employees, or other persons that use the facilities of the Project in any manner are subject to the regulations set forth in these Bylaws. The acquisition or rental of any of the Units of the Project, or the act of occupancy of any of the Units, will signify that these Bylaws are accepted and ratified and will be complied with by the purchaser, tenant, or occupant.

ARTICLE 3 OFFICES

Principal Office

- 3.01 The principle office of the Association shall be located in the City of Houston, County of Harris, State of Texas.

Registered Office and Registered Agent

3.02 The Association shall have and shall continuously maintain in the State of Texas a registered office and a registered agent, whose office shall be identical with the registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principle office of the corporation, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE 4
QUALIFICATIONS FOR MEMBERSHIP

Membership

4.01 The membership of the Association shall consist of all of the Owners of the Units within the Project.

Proof of Membership

4.02 The rights of membership shall not be exercised by any person until satisfactory proof has been furnished to the Secretary of the Association that the person is qualified as a Member. Such proof may consist of a copy of a duly executed and acknowledged deed or title insurance policy evidencing ownership of a Unit in the Project. Such deed or policy shall be deemed conclusive in the absence of a conflicting claim based on a later deed or policy.

No Additional Qualifications

4.03 The sole qualification for membership shall be the ownership of a Unit in the Project. No initiation fee, costs, or dues shall be assessed against any person as a condition of membership except such assessments, levies, and charges as are specifically authorized under the Articles of Incorporation or the Declaration.

Certificates of Membership

4.04 The Board of Directors may provide for the issuance of certificates evidencing membership in the Association that shall be in such form as may be determined by the Board. All certificates evidencing membership shall be consecutively numbered. The name and address of each Member and the date of issuance of the certificate shall be entered on the records of the Association and maintained by the Secretary at the registered office of the Association.

ARTICLE 5
VOTING RIGHTS

Voting

5.01 Voting rights shall be allocated among the Members on the basis of the formulas and allocations set forth in the Declaration.

Proxies

5.02 At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease on conveyance by the Member of the Member's Unit or on receipt of notice by the Secretary of the Death or judicially declared incompetence of such Member. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise specifically provided in the proxy.

Quorum

5.03 The presence, either in person or by proxy, at any meeting, of the Members entitled to cast at least Sixty Percent (60%) of the total voting power of the Association shall constitute a quorum for any action, except as otherwise provided in the Governing Instruments. In the absence of a quorum at a meeting of Members, a majority of those Members present in person or by proxy may adjourn the meeting to a time not less than Ten (10) or more than Thirty (30) days from the meeting date.

Required Vote

5.04 The vote of the majority of the votes entitled to be cast by the Members present, or represented by proxy, at a meeting at which a quorum is present shall be the act of the meeting of Members, unless the vote of a greater number is required by statute or by the Declaration, by the Articles of Incorporation of this Association, or by these Bylaws.

Cumulative Voting

5.05 Cumulative voting is not permitted.

Proxy Vote by Mail

5.06 Under the condition in which a quorum is not met, as described in Paragraph 5.03 of these Bylaws, a proxy vote may be acquired via mail and/or electronically. A detailed and non-bias description, provided by the Secretary of the Association, of the issue will be sent no more than three (3) days after the adjourned meeting. The Proxy Vote by Mail must be signed, indicating a position on the issue, and returned to the Secretary no more than thirty (30) days after the adjourned meeting.

ARTICLE 6
MEETING OF MEMBERS

Annual Meetings of Members

6.01 The annual meeting of the Members of the Association shall be held on the second Tuesday of the ninth (9th) month (September) of each succeeding calendar year at the hour of Seven o'clock (7:00) P.M. If the day for the annual meeting of the Members is a legal holiday, the meeting shall be held at the same hour on the first day following that is not a legal holiday, a Saturday, or a Sunday.

Welcoming Meetings of Members

6.02 A Welcoming Meeting of the Members of the Association shall be held within sixty (60) days after the closing of the sale of any Unit. A copy of the Governing Instruments of the Project and the Rules and Regulations must be provided to the new Owner(s) of that Unit at least fifteen (15) days before the Welcoming Meeting.

Special Meetings of Members

6.03 Special meetings of the Members may be called by the President, the Board of Directors, or by Members representing at least twenty (20) percent of the total voting power of the Association.

Place

6.04 Meeting of the Members shall be held within the Project or at a meeting place as close to the Project as possible, as the Board may specify in writing.

Notice of Meetings

6.05 Written notice of all Members' meetings shall be given by or at the direction of the Secretary of the Association or such other persons as may be authorized to call the

meeting, by mailing or personally delivering a copy of such notice at least ten (10) but no more than fifty (50) days before the meeting to each Member entitled to vote at the meeting. The notice must be addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting and, in the case of a special meeting, the nature of the business to be undertaken.

Order of Business

6.06 The order of business at all meetings of the Members shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of Minutes of preceding meeting.
- (d) Report of officers.
- (e) Report of committees.
- (f) Election of directors.
- (g) Unfinished business.
- (h) New business.

Action Without Meeting

6.07 Any action required by law to be taken at a meeting of the Members or any action that 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 and filed with the Secretary of the Association.

ARTICLE 7
BOARD OF DIRECTORS

Number

7.01 The affairs of this Association shall be managed by a Board of Directors consisting of three (3) persons, all of whom must be Members of the Association.

Term

7.02 At the first meeting of the Association, the Members shall elect the initial Directors who shall hold office until the first annual election of Directors by the Members. After the first meeting of the Association, Directors shall be elected at the annual meeting of the Members and shall hold office for a term of one (1) year and until their successors are elected and qualified.

Removal

7.03 Directors may be removed from office without cause by a majority vote of the Members of the Association.

Vacancies

7.04 In the event of a vacancy on the Board caused by the death, resignation, or removal of a Director, the remaining Directors shall, by majority vote, elect a successor who shall serve for unexpired term of the predecessor. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting of the Members or at a special meeting of Members called for that purpose.

Compensation

7.05 With the prior approval of a majority of the voting power of the Association, a Director may receive compensation in a reasonable amount for services rendered to the

Association, as defined in the Declaration. A Director may be reimbursed by the Board for actual expenses incurred by the Director in the performance of the Director's duties.

Powers and Duties

7.06 The Board shall have the powers and duties, and shall be subject to limitations on such powers and duties, as enumerated in the Governing Instruments of the Project.

ARTICLE 8
NOMINATION AND ELECTION OF DIRECTORS

Nomination

8.01 Nomination for election to the Board of Directors shall be made from the floor at the annual meeting of the Members.

Election

8.02 Directors are elected at the annual meeting of Members of the Association. Members, or their proxies, may cast, in respect to each vacant directorship, as many votes as they are entitled to exercise under the provisions of the Declaration. The nominees receiving the highest number of votes shall be elected. Each Member may cumulate votes and give one candidate a number of votes equal to the number of Directors to be elected multiplied by the number of votes to which the Member is entitled, or may distribute the votes on the same principle among as many candidates as the Member thinks fit. Any Member who intends to cumulate votes shall give written notice of such intention to the Secretary of the Association on or before the day preceding the election at which the Member intends to cumulate votes.

ARTICLE 9
MEETINGS OF DIRECTORS

Regular Meetings of Directors

9.01 Regular meetings of the Board of Directors shall be held monthly at a place within the Project and at a time as may be fixed from time to time by resolution of the Board. Notice of the time and place of regular meetings shall be posted at a prominent place or places within the Common Elements.

Special Meetings of Directors

9.02 Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any two (2) Directors other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of a special meeting must be given to each Director not less than three (3) days or more than fifteen (15) days prior to the date fixed for such meeting by written notice either delivered personally, sent by mail, or sent electronically to each Director at the Director's address as shown in the records of the Association. A copy of the notice shall be posted in a prominent place or places in the Common Elements of the Project not less than three (3) days prior to the date of the meeting.

Quorum

9.03 A quorum for the transaction of business by the Board of Directors shall be the lesser of either a majority of the number of Directors constituting the Board of Directors as fixed by these Bylaws or sixty percent (60%).

Voting Requirement

9.04 The act of the majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless any provision of the Declaration, the Articles of Incorporation of this Association or these Bylaws requires the vote of a greater number.

Open Meetings

9.05 Regular and special meetings of the Board shall be open to all Members of the Association, provided, however, that Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly authorized to do so by the vote of a majority of a quorum of the Board.

Executive Session

9.06 The Board may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, contract negotiations, enforcement actions, other business of a confidential nature involving a Member, and matters requested by the involved parties to remain confidential. The nature of any and all business to be considered in executive session shall first be announced in open session.

Reading of The Governing Instruments

9.07 When a new position is filled among the Directors, the first meeting must include the reading of the Governing Instruments of the Association.

ARTICLE 10
OFFICERS

Enumeration of Officers

10.01 The Officers of this Association shall be a President, a Secretary, and a Treasurer, who shall at all times be members of the Board of Directors. The Board of Directors may, by resolution, create such other offices as it deems necessary or desirable.

Term

10.02 The Officers of this Association shall be elected annually by the Owners according to the Voting Rights defined in the Declaration, and each shall hold office for one (1) year, unless the Officer shall sooner resign, be removed, or be otherwise disqualified to serve.

Resignation and Removal

10.03 Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect at the date of receipt of the notice or at any later time specified in the notice. Any Officer may be removed from office by the Board whenever, in the Board's judgment, the best interests of the Association would be served by such removal.

Multiple Offices

10.04 Any two or more offices may be held by the same person; except the offices of President, Treasurer, and Secretary.

Compensation

10.05 Officers shall receive such compensation for services rendered to the Association as determined by the Board of Directors and approved by a majority of the voting power of the Association, as defined in the Declaration.

ARTICLE 11
PRESIDENT

Election

11.01 At the annual meeting of the Members, the Owners shall elect one Member to act as President.

Duties

11.02 The President shall perform the following duties:

- (a) Preside over all meetings of the Members and of the Board.
- (b) Sign as President all deeds, contracts, and other instruments in writing that have been first approved by the Board, unless the Board, by duly adopted resolution, has authorized the signature of another Officer.
- (c) Call meetings of the Board whenever he or she deems it necessary, in accordance with rules, and on notice, agreed to by the Board. The notice period shall, with the exception of emergencies, in no event be less than three days.
- (d) Have, subject to the advice of the Board, general supervision, direction, and control of the affairs of the Association and discharge such other duties as may be required of him or her by the Board.
- (e) Prepare, execute, certify, and have recorded all amendments to the Declaration required by statute to be recorded by the Association.

ARTICLE 12
VICE-PRESIDENT

Election

12.01 At the annual meeting of the Members, the Owners shall elect one Member to act as Vice-President.

Duties

12.02 The Vice-President may perform the following duties:

- (a) Act in the place and in the stead of the President in the event of the President's absence, inability, or refusal to act.
- (b) Exercise and discharge such other duties as may be required of the Vice-president by the Board. In connection with any such additional duties, the Vice-president shall be responsible to the President.

ARTICLE 13
SECRETARY

Election

13.01 At the annual meeting of the Members, the Owners shall elect one Member to act as Secretary.

Duties

13.02 The Secretary shall perform the following duties:

- (a) Compose minutes of all meetings. Keep a record of all meetings and proceedings of the Board and of the Members.
- (b) Keep the seal of the Association, if any, and affix it on all papers requiring the seal.
- (c) Serve notices of meetings of the Board and the Members required either by law or by these Bylaws.
- (d) Keep appropriate current records showing the Members of the Association together with their addresses and contact numbers.
- (e) Sign as Secretary all deeds, contracts, and other instruments in writing that have been first approved by the Board if the instruments require a second Association signature, unless the Board has authorized another Officer to sign in the place and stead of the Secretary by duly adopted resolution.
- (f) Prepare, execute, certify, and have recorded all amendments to the Declaration required by statute to be recorded by the Association.

ARTICLE 14
TREASURER

Election

14.01 At the annual meeting of the Members, the Owners shall elect one Member to act as Treasurer.

Duties

14.02 The Treasurer shall perform the following duties:

- (a) Receive and deposit in a bank or banks, as the Board may from time to time direct, all of the funds of the Association.
- (b) Be responsible for and supervise the maintenance of books and records to account for the Association's funds and Association's assets.
- (c) Disburse and withdraw funds as the Board may from time to time direct, in accordance with prescribed procedures.
- (d) Prepare and distribute the financial statements for the Association required by the Declaration.

ARTICLE 15
SECRETARY OF BOOKS AND RECORDS

Election

15.01 At the annual meeting of the Members, the Owners shall elect one Member to act as Secretary of Books and Record.

Duties

15.02 The Secretary of Books and Records shall perform the following duties:

- (a) Maintain correct and current records of account and minutes of proceedings of meetings of Members, Directors, and committees and insure that a record containing the names, addresses, and contact information of all Members; information obtained from the Secretary.

- (b) Maintain a record of all Unit mortgages and leases.
- (c) Maintain a current copy of the Articles of Incorporation, the Governing Instruments, and Rules and Regulation, and distribute copies to Members accordingly.
- (d) Act in the place and in the stead of the Secretary in the event of the Secretary's absence, inability, or refusal to act.
- (e) Exercise and discharge such other duties as may be required by the Board. In connection with any such additional duties, the Secretary of Books and Records shall be responsible to the Secretary.

ARTICLE 16
INSPECTION OF BOOKS AND RECORDS

- 16.01 The Governing Instruments of the Project, the membership register, the books of account and the minutes of proceedings shall be available for inspection and copying by any Member of the Association or any Director for any proper purpose at any reasonable time, and will be audited at least annually.

ARTICLE 17
INSURANCE

Responsibility of Association

- 17.01 An insurance policy will be purchased by the Association for the benefit of the Association. This policy will insure the Common Elements, as defined in the Declaration. All premiums will be expenses of Association administration.

Responsibility of Owners

- 17.02 All Units in the Project are to be insured. All Owners are to maintain financial responsibility of individually owned Units, and obtain and maintain an owner's insurance policy covering the interior of the Owner's Unit.

ARTICLE 18
ASSESSMENTS

Limitations of Acquiring Assessment

- 18.01 No action or activity designed to acquire assessment shall conflict with the Declaration and/or these Bylaws.

Determination of Assessments

- 18.02 Assessments will be determined in accordance with the following provisions:
- (a) Budget: The Board of Directors of the Association will establish an annual budget in advance for each fiscal year; an annual budget shall be created and implemented no earlier than the Annual Meeting of Members and no later than sixty (60) days prior to the beginning of each calendar year. Such budget will project all expenses for the forthcoming year, which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis will be established in the

budget and should be funded as part of the regular annual assessment rather than by special assessments. The Association should carefully analyze the Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes. Upon adoption of an annual budget by the Board of Directors, copies of the budget will be delivered to each Member and the assessment for the year will be established based upon the budget, although the failure to deliver a copy of the budget to each Member will not affect or in any way diminish the liability of any Member for any existing or future assessments.

- (b) **Change of budget:** Should the Board of Directors at any time determine: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide replacements of existing Common Elements, (3) or that an event of emergency exists, the Board of Directors will propose an increase to the regular assessment or to levy such additional assessment or assessments as it will deem to be necessary. The Board of Directors, through a Special Meeting of the Member, will propose this increase, and allow a vote of the Members to dictate the change in regular assessments. The Board of Directors does not have the authority to change regular assessments once the budget has been created and implemented, without Member consent.
- (c) **Special Assessments:** Special assessments, in addition to those established in subsection (a) above or elsewhere in the Governing Instruments, may be proposed by the Board of Directors from time to time and approved by the Members as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions and/or repairs to the Common Elements, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments will not be levied without the prior approval of more than sixty percent (60%) of all Owners. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and the Members thereof and will not be enforceable by any creditors of the Association, and the lien upon the Unit against which a special assessment is charged shall be deemed a mortgage lien.

Penalty for Default

18.03 Any payment of an assessment will be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. A late fee may be applied to any assessment if payment in full is not received within ten (10) days of the due date. Each payment of any assessment in default for ten (10) or more days will bear interest from the initial due date thereof at the rate of seven percent (7%) per annum (or such higher rate allowed by law as the Board of Directors will determine) until each installation is paid in full.

Waiver of Use or Abandonment of Unit

18.04 No Owner may exempt himself or herself from liability for his or her contribution toward the expenses of administration by waiver of the use or enjoyment of any or all Common Elements or by the abandonment of his or her Unit.

ARTICLE 19

LEASING AND RENTAL

General Restrictions

19.01 As described in the Declaration, no Unit shall be used for any purpose other than private residence, and is not to be used for transient or hotel purposes. All tenants and visitors are subject to the Association's Governing Instruments and Rules and Regulations.

Right to Lease

19.02 An Owner may lease the Owner's Unit, provided that written disclosure of such lease transaction is submitted to the Association. The terms of all leases, occupancy agreements, and occupancy arrangements must comply with the Governing Instruments and Rules and Regulation.

Leasing Procedure

19.03 The leasing of Units in the Project will confirm to the following provisions:

- (a) An Owner desiring to rent or lease a Unit, will disclose that fact in writing to the Association at least ten (10) days before presenting a lease form or otherwise agreeing to grant possession of a Unit to a potential tenant and, at the same time, will supply the Association with a copy of the exact lease form for its review for its compliance with the Governing Instruments and Rules and Regulations.
- (b) Tenants or non-Owner occupants will comply with all of the conditions of the Governing Instruments and Rules and Regulations of the Condominium Project and all leases and rental agreements will so state. If the Association determines that the tenant or non-Owner occupant has failed to comply with these conditions, the Association may take the following action:
 - i. The Association will notify the Co-owner by certified mail advising of the alleged violation by the tenant.
 - ii. The Owner will have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.
 - iii. If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Owners on behalf of the Association, an action for eviction against the tenant or non-Owner occupant and simultaneously for money damages in the same action against the Owner and tenant or non-Owner occupant for breach of the conditions of the Governing Instruments and Rules and Regulations. The relief provided for in this subsection may be by summary proceedings. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium Project.
- (c) When an Owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying an Owner's Unit under a lease or rental agreement, and the tenant, after receiving the notice, will deduct from rental payments due the Owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions will not constitute a breach of the rental agreement or lease by the tenant. If the tenant, after being notified, fails or refuses to remit rent otherwise due the Owner to the Association, then the Association may do the following:

- i. Issue a statutory notice to quit for non-payment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.
- ii. Initiate proceedings pursuant to subsection 19.03(b)(iii).

ARTICLE 20
GENERAL PROVISIONS

Amendment of Bylaws

20.01 These Bylaws may be amended, altered, or repealed at a regular or special meeting of the Members of the Association by the affirmative vote in person or by proxy of Members representing a majority of a quorum of the Association. Notwithstanding the above, the percentage of affirmative votes necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

Rules and Regulations

20.02 The rules in the current edition of the Rules and Regulations of Musgrave Mews Condominiums shall govern the Association, the Board of Directs, all Members and Owners, and tenants equally without prejudice, in all cases to which they apply and do not conflict with the Declaration and/or Bylaws of the Association.

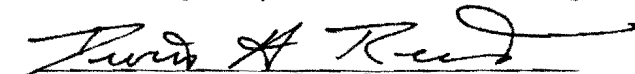
Conflicting Provisions


20.03 In the event of a conflict between the Governing Instruments, these Bylaws, the Rules and Regulations, or other Association documents, the following order of priority shall prevail and having the highest priority shall govern:

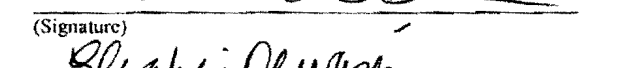
- (1) Declaration;
- (2) These Bylaws;
- (3) the Articles of Incorporation of the Association; and
- (4) the Rules and Regulations of the Association.

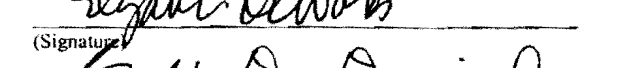
Attestation

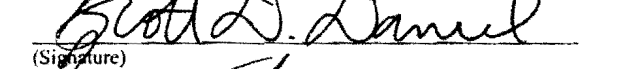
16.04 Adopted by the Owners of the Musgrave Mews Condominium on July 1, 2004.

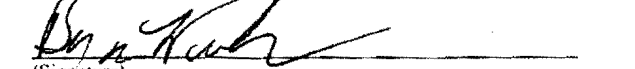

(Signature)



(Signature)


(Signature)


(Signature)


(Signature)


(Signature)


(Signature)

Devin A. Reed
(Printed Name)

Charles R. Walker
(Printed Name)

Elizabeth Olivares
(Printed Name)

Scott D. Daniel
(Printed Name)

BRIAN WALKER
(Printed Name)

H. Wayne Young
(Printed Name)

DOMINIC ALEXANDER
(Printed Name)