

**BYLAWS OF
CHAMPIONS TRAIL HOMEOWNERS ASSOCIATION, INC.
A NONPROFIT CORPORATION**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is CHAMPIONS TRAIL HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association"). The principal office of the Association shall be located at such place as may be designated from time to time by the Association's Board of Directors. Meetings of Members and directors may be held at such places within the State of Texas as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 1. "Association" shall mean and refer to CHAMPIONS TRAIL HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation, its successors and assigns.

Section 2. "Common Area" shall mean and refer to all properties, real or personal, owned, leased or used by the Association for the common use and enjoyment of the Members of the Association and may include one (1) or more Lots.

Section 3. "Declarant" shall mean and refer to RH of Texas Limited Partnership, a Maryland limited partnership, its successors and assigns, provided that an assign is designated in writing by such partnership as an assign of all, or part, of its rights under the Declaration.

Section 4. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Champions Trail recorded or to be recorded in the Official Public Records of Real Property of Harris County, Texas, and as the same may be amended from time to time as therein provided.

Section 5. "Lot" shall mean and refer to any of the numbered lots shown on the recorded plats of the subdivisions within the Properties intended for the construction of a residence, excluding all reserve tracts shown on a plat, but including lots created by a re-plat of a reserve tract.

Section 6. "Member" shall mean and refer to every person or entity which holds a Membership in the Association.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation or those owning an easement right, a mineral interest, or a royalty interest.

Section 8. "Properties" shall mean and refer to the real property within the jurisdiction of the Association.

ARTICLE III MEETINGS OF MEMBERSHIP

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year after the date of the conveyance of the first completed residence in the Properties to a home buyer on a date designated by the Association's Board of Directors, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter on date and at a time designated by the Board of Directors.

Section 2. Special Meetings. Special meeting of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-third (1/3) of the aggregate votes of the Members.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary of person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of the Members entitled to cast, or of proxies entitled to cast, one-fifty (1/5th) of the votes of each class of the Members shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 5. Proxies. At all meeting of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV BOARD OF DIRECTORS

Section 1. Number. The affairs of this Association be managed by a board of directors containing a minimum of three (3) and a maximum of five (5) members. Prior to the expiration of the Class "B" Membership in the Association, members of the Board need not be Members of the Association but must be Members thereafter. The number of directors may be changed at any time by the Board of Directors, subject to the above specified minimum and maximum numbers, provided that a reduction in the number of directors shall not shorten the term of any director.

Section 2. Term of Office. Prior to the expiration of the Class "B" Membership in the Association, all directors shall be appointed by the Declarant. At the first annual meeting after the expiration of the Class "B" Membership, the Members shall elect one (1) director for a

term of two (2) years and at the second annual meeting after the expiration of the Class "B" Membership the Members shall elect two (2) directors for a term of two (2) years. At each annual meeting of the Members thereafter, the Members shall elect the number of directors equal to the number of directors whose terms expire at such time for a term of two (2) years.

Section 3. Removal. The Declarant may remove any director without cause prior to the expiration of the Class "B" Membership. Thereafter, the Members may remove any director with or without cause by a majority vote at a meeting of the Members called for such purpose provided, however, the removal of a member of the Board without cause prior to the date the Declarant has sold and conveyed all of its Lots in the Properties shall require approval by the Declarant. In the event of the death, resignation or removal of a director, his successors shall be selected by Declarant prior to the expiration of the Class "B" Membership and thereafter by the remaining members of the Board, and shall serve for the unexpired term of this predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action, which they could take at a meeting by execution of a written consent instrument signed by all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nominations for election to the Board of Directors after the expiration of the Class "B" Membership on the Association shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members after the expiration of the Class "B" Membership., to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members elect.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot at the annual meeting. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI
MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place and with such frequency as the Board from time to time deems necessary.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after no less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities located thereupon, and the personal conduct of the Members or their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of the Association's facilities of a Member during any period in which such Member shall be delinquent in the payment of any assessment levied by the Association in excess of 30 days. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, an independent contractor, or such other employees as the Board of Directors deems necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-third (1/3) of the Members who are entitled to vote;

- (b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (1) fix the amount of the annual assessment against each Lot as set forth in the Declaration;
 - (2) send written notice of each assessment to every Owner subject thereto as set forth in the Declaration; and
 - (3) foreclose the lien against any property for which the assessments are not paid or to bring an action at law against the owner personally obligated to pay the same.
- (d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) Procure and maintain adequate liability and hazard insurance on property owned by the Association and, at the option of the Board of Directors, directors and officers liability Insurance;
- (f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) Cause the Common Area to be maintained; and
- (h) Perform the other duties of the Association set forth in the Declaration.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

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

Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 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 he replaces.

Section 7. Multiple Offices. The offices of the secretary and treasurer or president 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 the Article.

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

President

- (a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice President

- (b) 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 of him by the board.

Secretary

- (c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as may be required by the Board.

Treasurer

- (d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association;

keep proper books of account; if requested by the Board, shall cause an audit of the Association books to be made by a public accountant 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 Membership at its regular annual meeting.

ARTICLE IX
COMMITTEES

The Association shall appoint a Nominating Committee as provided in these Bylaws. The Board of Directors may appoint other committees, as it deems appropriate in carrying out its purposes.

ARTICLE X
BOOKS AND RECORDS

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

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual assessments and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the date, the assessment shall bear interest from the due date at a rate determined by the Board of Directors from time to time not in excess of the maximum lawful rate. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. Interest as provided above, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for in the Declaration by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XII
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the name of the Association.

ARTICLE XIII
AMENDMENTS

Section 1. These Bylaws may be amended at any time by the majority vote of the Board of Directors.

11-1-2006

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Association, have hereunto set our hands as of the 13 day of Dec., 2005.

Ernest Loeb

Steve Becker

Brian Williams

RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID 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

DEC 19 2005



COUNTY CLERK
HARRIS COUNTY, TEXAS

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*Notice
4/8/06
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CHAMPIONS TRAIL HOMEOWNERS ASSOCIATION, INC.

SECRETARY'S CERTIFICATE

I, the undersigned, do hereby certify:

- (1) I am the duly elected and acting secretary of Champions Trail Homeowners Association, Inc., a Texas non-profit corporation, and
- (2) Attached hereto is a true and correct copy of the By Laws of said Association.

IN WITNESS WHEREOF, I have hereunto subscribed my name on this 14 day of December 2005.

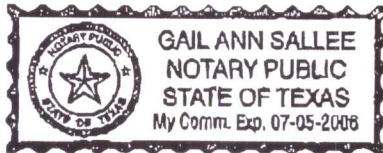
Steve Becker

Steve Becker Secretary

THE STATE OF TEXAS §
 §
 §
COUNTY OF HARRIS §

This instrument was acknowledged on this 14th day of October 2005 by Steve Becker, Secretary of Champions Trail Homeowner Association, Inc., a Texas non-profit corporation.

(SEAL)



Gail Ann Sallee

Notary Public in and for
the State of Texas

*Ret: Ryland Title //
5353 W. Sam Hou. Pkwy. W
Ste. 100
Houston, TX 77041*

FILED
2005 DEC 19 AM 11:28
COUNTY CLERK
HARRIS COUNTY, TEXAS

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