

EXHIBIT "C"

BY-LAWS

OF

RIVER OAKS TOWNHOMES OWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is RIVER OAKS TOWNHOMES OWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the Association shall be located at 4040 San Felipe, Houston, Texas 77027, but meetings of Members and Directors may be held at such places within the State of Texas, County of Harris, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. All terms used herein shall have the meaning given thereto in the Declaration unless expressly stated to the contrary herein.

Section 2. "Articles of Incorporation" shall mean the articles of incorporation of the Association, as amended from time to time.

Section 3. "By-Laws" shall mean the By-Laws of the Association, as amended from time to time.

Section 4. "Declaration" shall mean the declaration, as amended from time to time, establishing River Oaks Townhomes as a condominium regime in Houston, Harris County, Texas pursuant to Article 1301a of the Texas Revised Civil Statutes, a copy of which Declaration is recorded in the Official Public Records of Real Property of Harris County, Texas, under Film Code No. _____.

Section 5. "Director" shall mean a member of the Association's Board of Directors.

Section 6. "Member" shall mean those persons entitled to membership in the Association as provided in the Declaration.

Section 7. "Nominating Committee" shall mean a committee formed for the purpose of nominating candidates for election to the Board of Directors as contemplated by Article IV, Section 2 of the By-Laws.

Section 8. "Property" shall mean that real property described in the Declaration.

ARTICLE III

MEMBERS, MEETINGS, AND VOTING RIGHTS

Section 1. Composition and Powers. Every owner shall be a Member of the Association and shall continue to be a Member for so long as he owns an Apartment, all as more fully set out in the Declaration. If more than one person or entity owns an Apartment, only one of such owners shall be a Member, which designation shall be made by a majority vote of all such owners, and shall be specified in a written notice to the Board of Directors of the Association by such owners. The foregoing is not intended to include persons or entities holding an interest in an Apartment merely as security for the performance of an obligation. Membership shall be appurtenant to, and may not be separated from, the ownership of any Apartment. Except as otherwise provided in these By-Laws or in the Declaration, all action to be taken or authorized by the Members shall be deemed validly taken or authorized upon adoption by vote of a majority of the Members present, in person or by proxy, at any properly called meeting at which a quorum is present, in person or by proxy.

Section 2. Annual Meetings.

(a) The first annual meeting of the Members shall be held when called, upon ten (10) days' prior written notice to the Members, by the initial Board of Directors of the

Association. Such meeting shall be called no later than the earlier to occur of (i) January 1, 1979, or (ii) within sixty (60) days after one hundred thirty (130) of the Apartments have been conveyed by a deed duly executed, acknowledged, delivered, and recorded.

(b) Thereafter, the annual meeting of the Members shall be held on the second Monday in the month of January of each year at 8:00 P.M.. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of ten (10) Members.

Section 4. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) 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 in writing by such Member to the Association for the purpose of notice. Such notice shall specify the place, date, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum and Adjournment. The presence at any meeting, in person or by proxy, of Members entitled to cast twenty-five percent of the votes in the Association shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. Any meeting of the Association, whether annual or special, may be adjourned from time to time, whether a quorum be present or not, without notice other than the announcement at the meeting, and such adjournment may be to such time, date, and place as may be determined by a majority of the votes cast at such meeting. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting as originally called.

Section 6. Proxies. 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. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Apartment.

Section 7. Voting. Each Member shall have a vote or votes in the Association according to the Percentage Interest appurtenant to the Apartment owned by such Member, as set forth in Section 5 of Article 3 of the Declaration.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Composition. Until the earlier to occur of (i) January 1, 1979 or (ii) sixty (60) days after Developer has conveyed, by deeds duly executed and recorded, one hundred thirty (130) Apartments, the affairs of the Association shall be managed by a Board of three (3) Directors appointed by Developer. After such date the affairs of the Association shall be managed by a Board of five (5) Directors elected by the Members. Directors need not be Members of the Association. At the first annual meeting, the Members shall elect one (1) Director for a term of one (1) year, two (2) Directors for terms of two (2) years each, and two (2) Directors for terms of three (3) years each; and at each annual meeting thereafter the Members shall elect one (1) or two (2) Directors, as the case may be, for a term of three (3) years.

Section 2. Nomination. Nominations for election to the Board of Directors shall be made by the 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 other persons who shall be either Directors or Members of the Association, but a majority of which shall be Directors. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, 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.

Section 3. Election. Election to the Board of Directors shall be by secret written ballot. 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 and these By-Laws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 4. Removal. Prior to the election of the Board of five (5) Directors provided for in Section 1 of Article IV hereof, no Director shall be subject to removal by the Members. Thereafter, any Director may be removed from the Board of Directors, with or without cause, by an affirmative vote of a majority of all votes in the Association represented at a special meeting called for such purpose. In the event of death, resignation, or removal of a Director, his successor shall be elected by the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor.

Section 5. 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 6. Quorum. A majority of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of such Board of Directors. A vote of the Directors shall be valid if concurred in by a majority present at a meeting.

Section 7. Action Taken Without a Meeting. The Directors shall have the right to take any action without a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 8. Meetings. Regular meetings of the Board of Directors shall be held at such times and places as the Board of Directors may determine. Special meetings of the

Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days' written notice to each Director, which notice may be waived by attendance at the meeting or by written waiver.

Section 9. Powers and Duties. The Board of Directors, for the benefit of the Members, shall have the following powers and duties:

(a) To exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, Articles of Incorporation, or the Declaration.

(b) To take all such lawful action as the Board of Directors may determine to be necessary, advisable or convenient to effectuate the purposes and provisions of the Declaration, the Articles of Incorporation, and by By-Laws.

(c) To perform any and all duties imposed on or powers allowed to the Board of Directors by applicable law.

ARTICLE V

OFFICERS AND THEIR DUTIES

Section 1. Election of Officers. The officers of the Association shall be the President, one or more Vice Presidents, Secretary, and Treasurer, and, in addition thereto, in the discretion of the Board of Directors, such other officers with such duties as the Board of Directors shall from time to time determine. All officers shall be elected annually by the Board of Directors as the Board of Directors may determine. All officers shall serve until their successors shall have been elected or until they have been removed or have resigned. All officers shall be subject to removal at any time by the Board of Directors.

The Board of Directors may, in its discretion, elect acting or temporary officers and elect officers to fill vacancies occurring for any reason whatsoever, and may, in its discretion, limit or enlarge the duties and powers of any officer elected by it. Any person may simultaneously hold more than one of any of the offices, except the offices of President and Secretary.

Section 2. The President. The President shall preside at all meetings of the Board of Directors and the Members; see that orders and resolutions of the Board of Directors are carried out; and, unless otherwise provided by the Board of Directors, sign all leases, mortgages, deeds, and other written instruments that have been approved by the Board of Directors or pursuant to the authority granted by the Board of Directors.

Section 3. The Vice Presidents. Each Vice President shall have such power and duties as may be assigned to him by the Board of Directors. If more than one Vice President is elected, the Board of Directors shall designate who is the First Vice President, who is the Second Vice President, etc. In the absence of the President, the First Vice President shall perform the duties of the President. Such authority to act for the President shall vest to the Vice Presidents in the order of their numerical designation by the Board of Directors.

Section 4. The Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings in conformity with these By-Laws; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties assigned by the Board of Directors.

Section 5. The Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all money of the Association and shall disburse such funds as directed by resolution of the Board of Directors; provided, however,

that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of account; cause an annual statement of the Association's books to be made at the completion of each fiscal year; prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members; and perform all other duties assigned to him by the Board of Directors.

ARTICLE VI

COMMITTEES

In addition to the committees provided for in the Declaration and the By-Laws, the Board of Directors may appoint such other committees as may be deemed appropriate by the Board.

ARTICLE VII

CORPORATE SEAL

The Association may have a seal in the form prescribed by the Board of Directors.

ARTICLE IX

MISCELLANEOUS

Section 1. Covenant to Obey Laws, Rules, and Regulations. Each Member shall be subject to the Declaration and shall abide by the By-Laws and Rules and Regulations as the same are or may from time to time be established by the Board of Directors. Each Member shall observe, comply with, and perform all rules, regulations, ordinances, and laws made by any governmental authority of any municipal, state, and federal government having jurisdiction over the Property or any part thereof.

Section 2. Fiscal Year. 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.

Section 3. Amendment. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds (2/3) of the members present, in person or by proxy, so long as notice of the proposed By-Law change was given to the Members at least ten (10) days in advance of the meeting.

Section 4. Conflicts. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws or the Articles of Incorporation, the Declaration shall control.

EXHIBIT "D"

RIVER OAKS TOWNHOME OWNER'S ASSOCIATION, INC.

RULES AND REGULATIONS CONCERNING USE AND OCCUPANCY OF RIVER OAKS TOWNHOMES

1. No sidewalk, driveway, parking area, public hallway, walkway, or stairway, or any other Common Area shall be obstructed in any manner, nor shall any Owner store or place or cause to be stored or placed any object in such areas.
2. Owners may place upon balconies or patios appurtenant to such Owner's Apartment patio furniture and such decorative items as such Owner may deem desirable, provided, however, that the Board shall have the right at any time to direct removal of any item which the Board determines, in its sole discretion, detracts from the general appearance from the Project.
3. No animal shall be permitted on the Project except normal household pets. No such pet shall exceed 25 pounds in weight, and there shall be allowed only two such pets per Apartment. The Board shall have the right to direct the removal of any pet which is disturbing to any other Owners in the Project. All pets must be restrained by a leash when outside of an Apartment, and no pet shall be allowed to run loose within the confines of the Project.
4. Children under the age of 14 shall not be permitted as permanent residents of the Project, nor shall any child other than a member of an Owner's immediate family occupy any Owner's Apartment.
5. No sign, notice, or advertisement of any type shall be posted within the confines of the Project without the prior written consent of the Board.
6. No radio or television antennas shall be attached to any of the Buildings or maintained outside of an Apartment without the prior written consent of the Board.
7. Each Owner shall keep his Apartment in good order and repair.
8. Water faucets, dishwashers, garbage disposals, and similar apparatus shall not be left running for an unreasonable or unnecessary length of time.
9. Owners shall not permit their family, guests, or invitees to use parking spaces of other Owners. Vehicles not properly parked shall be subject to removal at the Owner's expense.
10. No vehicle shall be left standing in a Parking Space in a nonoperative condition, nor shall any repair work be done to vehicles in a Parking Space. No trailers, boats, structures, or out-buildings will be permitted on the Project except as may be parked or stored in an area specifically designated in writing by the Board.

11. The swimming pools and other Common Areas are for use by all Owners. Owners will abide by the rules for recreational facilities and public facilities as posted in such areas from time to time by the Board. Such rules and regulations will be deemed to be a part of these Rules and Regulations and will be enforceable in the same manner as provided for in the Declaration therefor. These Rules and Regulations may be amended at any time, and from time to time, by the Board.

EXHIBIT "E"

INSURANCE TRUST AGREEMENT

THIS TRUST AGREEMENT executed this ____ day of _____, 1976, between RIVER OAKS TOWNHOMES OWNERS' ASSOCIATION, INC., a Texas non-profit corporation (the "Association"), and _____, a banking association with offices and principal place of business in Houston, Harris County, Texas, as Trustee ("Trustee");

W I T N E S S E T H:

WHEREAS, a signed counterpart of the Condominium Declaration for River Oaks Townhomes Condominium Declaration has been delivered to Trustee and is incorporated herein for all purposes; and

WHEREAS, the Declaration provides that certain insurance policies shall be purchased by the Association and that payment of losses thereunder, and the proceeds of condemnation awards shall be made to the Trustee subject to the following conditions and limitations; and

WHEREAS, this Trust Agreement is entered into to effectuate the intents and purposes of the Declaration with respect to such proceeds of insurance and condemnation awards;

NOW, THEREFORE, for Ten Dollars (\$10) and other good and valuable consideration each to the other in hand paid, the receipt of which is hereby acknowledged, and the further consideration of the mutual covenants herein contained, the Association and the Trustee agree as follows:

1. Minimum Proceeds Requiring Intervention by Trustee. Insurance proceeds and/or condemnation awards by the Association, if any, shall be made payable to the Trustee if, but only if, the estimated cost of reconstruction and repair of the damage to the Project resulting in the payment of such proceeds or awards is greater than Fifty Thousand and No/100 Dollars (\$50,000), as determined by the Board. In all other events the proceeds or awards shall be payable directly to the Association and applied in accordance with the Declaration. As hereinafter used, the terms "Qualified Insurance Proceeds" and "Qualified Condemnation Awards" shall mean only such proceeds and awards as are required under the terms of this section to be paid to the Trustee.

2. Proceeds to be Paid to Insurance Trustee. All Qualified Insurance Proceeds payable on account of damage to or destruction of the Project and all proceeds of any Qualified Condemnation Award payable for any taking or any damage to the Project, and the proceeds of any assessment ("Qualified Assessment") made pursuant to the Declaration due to the insufficiency of any insurance proceeds or condemnation

award, shall be paid to the Trustee for the benefit of the Association, the Members, and their mortgagees, as their respective interests may appear.

3. Use of Proceeds. The funds received by the Trustee pursuant to this Trust Agreement shall be disbursed to or for the benefit of the said beneficial owners in the following manner:

(a) First, all reasonable expenses and fees of the Trustee shall be paid or provision made therefor.

(b) If the damage for which the funds are paid is to be repaired or reconstructed, the remaining proceeds shall be applied toward the cost thereof as hereinafter provided. Any funds remaining after paying such costs shall be paid to the Association and disposed of by the Association in accordance with the Declaration.

(c) If it is determined that the damage for which the proceeds or awards are paid shall not be reconstructed or repaired, the remaining proceeds, together with the proceeds from the sale of the Project shall be disbursed to or for the account of said beneficial owners, in the respective Percentage Interests appurtenant to each Apartment, in the following order:

(i) For the payment of all taxes and assessments to the State of Texas or any political subdivision thereof.

(ii) For the payment of all sums unpaid on any duly recorded first lien deed of trust or mortgage on such Apartment.

(iii) For the payment of unpaid Maintenance Expense Charges.

(iv) For the payment of all sums unpaid on any other duly recorded deeds of trust or mortgages on such Apartment.

(v) The balance remaining, if any, shall be paid to the Owner of each Apartment.

The remittances to Owners and their mortgagees for items (ii), (iv) and (v) may be paid jointly to them and the Trustee shall not be responsible for determining the respective amounts owed to each such party.

(d) The determination as to whether the Project is to be repaired or reconstructed shall

be made in the manner set forth in the Declaration. The Trustee shall have no responsibility to make such determination. The Trustee may rely upon a certificate by the Association made by its President and Secretary as to such determination, as to the procedures for making such determination having been duly followed, and as to the names of the Owners and their respective mortgagees and respective shares of any distribution, as well as the amounts owing to the Association for unpaid Maintenance Expense Charges and the amounts owing to the State of Texas and political subdivisions thereof for taxes and assessments.

4. Construction Advances. If the Qualified Insurance Proceeds, Qualified Condemnation Awards or Qualified Assessments received by the Trustee are to be used to defray the costs of repairing or reconstructing the Project, such funds shall be disbursed for such purposes as follows:

(a) The work shall be in charge of an architect or engineer acceptable to the Trustee and the Association. Before the Association may commence any work other than temporary work to protect property, the Association shall be required to submit all plans and specifications to the Trustee for its approval, which approval shall not be unreasonably withheld or delayed. The approval of the Trustee may be predicated upon the written opinion of an architect selected by the Trustee and approved by the Association, which approval shall not be unreasonably withheld. To the extent feasible, said plans and specifications shall provide for such work that, upon completion thereof, the Project shall be at least equal in value and general utility to the Project as it existed prior to the damage, destruction or taking.

(b) Unless otherwise approved by the Board, the contract or contracts for the work shall be awarded by the Trustee on the basis of competitive bidding.

(c) Each request for payment shall be made on seven days' prior notice to the Trustee and shall be accompanied by a certificate to be made by an officer of the Association, and by such architect or engineer, stating (i) that all of the work completed has been done in compliance with the approved plans and specifications if any be required under paragraph (a); (ii) that the sum requested is justly required to reimburse the Association for payment by the Association to or as justly due to the contractors, subcontractors, materialmen, laborers, engineers, architects, or other persons rendering services or materials for the work (giving a brief description of such services and materials), and that when added to all sums previously paid out by the Association,

does not exceed the value of the work done to the date of such certificate; (iii) that the amount of such proceeds remaining in the hands of the Trustee will be sufficient upon completion of the work to pay for the same in full (giving in such reasonable detail as the Trustee may require an estimate of the cost of such completion); and (iv) such other pertinent matters as the Trustee may reasonably require.

(d) If demanded by the Trustee, each request shall be accompanied by waivers of lien satisfactory to the Trustee covering that part of the work for which payment or reimbursement is being requested and by a search prepared by a title company or licensed abstractor or by other evidence satisfactory to the Trustee that there has not been filed with respect to the Project any mechanics' or materialmen's lien or other lien or any instrument for the retention of title in respect of any part of the work not discharged of record.

(e) The request for any payment after the work has been completed shall be accompanied by a copy of any certificate or certificates required by law to render occupancy of the Project legal.

(f) The Association shall furnish to the Trustee such additional certificates, approvals and evidence of completion, in whole or in part, bills and invoices as the Trustee may reasonably request prior to making any disbursement.

(g) The Trustee may, at its election, make disbursements to the Association or to any contractor or other person furnishing labor, materials, or services in connection with the work.

(h) The Trustee may, and if requested by the Board shall, require that the contractor or contractors obtain performance bonds and payment bonds.

5. Trustee May Participate. The Trustee may, but shall not be obligated to, participate with or act in the place of the Association in settling any losses with insurance companies or condemning authorities and may appear as a party in any judicial proceedings for such purposes either with or in the place of the Association; provided, however, the Trustee shall be obligated to appear if and only if the court finds that the Trustee is a necessary party or if its presence as a party is necessary for the successful maintenance of the action.

6. Responsibility and Liability of Trustee. The Trustee shall have no duty or responsibility to perform any act or to take any action unless same is specifically or by necessary implication set forth herein. Without limiting the generality of the foregoing, the following shall control:

(a) The Trustee shall have no responsibility for and consequently no liability or obligation whatsoever or howsoever in connection with the work of repair or reconstruction of the Project, except its obligation to the Association and the Owners (but to no other party) to advance proceeds received by it as set forth herein. The Trustee shall have no obligation to inspect such work (although it may do so) nor shall the Trustee be liable for the performance or default of any contractor or subcontractor nor for the failure to construct, complete, protect or insure said improvements or for the payment of any cost or expense incurred in connection therewith, and nothing, including, without limitation, any disbursement hereunder or the deposit or acceptance of any document or instrument, shall be construed as a representation or warranty, express or implied, upon the part of the Trustee.

(b) The Trustee shall have no responsibility for and consequently no liability for any inadequacy of insurance coverage or any insufficiency of proceeds available to repair or reconstruct the Project.

(c) The Trustee shall have no liability for any error in judgment in the course of any settlement or judicial proceedings entered into by the Trustee under Article 5 hereof provided same be conducted in good faith.

(d) The Trustee shall be protected in acting upon any written notice; request; waiver; consent; certificate; receipt; authorization; power of attorney; attorneys', accountants', engineers' or architects' opinion, or other paper or document which the Trustee in good faith believes to be genuine and what it purports to be.

(e) In the event of a conflict between the provisions of the Declaration or By-Laws and the provisions of this Trust Agreement with respect to the duties, responsibility or liability of the Trustee, the provisions of this Trust Agreement shall control.

(f) The Trustee shall not be obligated to take any action that would require the expenditure of a sum of money or the incurring of any expense or obligation unless it has on hand adequate funds to cover such expenditure.

(g) The Trustee shall not be liable for anything which it may do or refrain from doing in connection herewith except its own gross negligence or willful misconduct.

7. Trustee Compensation. The Association shall pay to the Trustee reasonable compensation for its services hereunder and shall reimburse the Trustee for its expenses incurred in connection herewith. If the Association fails to pay the said fees and expenses of the Trustee, the Trustee may assess same against the Owners in the Project in proportion to each Owner's Percentage Interest and such assessment shall constitute a lien on each Apartment, superior and prior to all other liens and encumbrances except Tax Liens and sums unpaid on any first lien deed of trust or mortgage on such Apartment duly recorded in Harris County, Texas. Such lien shall be enforced by the Trustee in the manner set forth in the Declaration for the enforcement of liens by the Association, except that any officer of the Trustee shall take the action which the By-Laws specify shall be taken by the Association and the Trustee shall perform the acts to be performed by the Association.

8. Beneficiaries. This Trust Agreement is entered into in part for the benefit of the holders of the deeds of trust now or hereafter placed on the individual Apartments in the Project ("Mortgagees"), and the Owners, and this Agreement may be enforced by each such Mortgagee, Owner and the Association itself and the respective heirs, legal representatives, successors and assigns of each such party.

9. Termination. This Agreement shall continue so long as the members of the Association or the Owners have an insurable interest in the Project unless sooner terminated upon reasonable notice by either party hereto and the payment of all compensation and expenses of Trustee to the date of the termination; provided that such sooner termination shall not become effective prior to the appointment of a successor insurance trustee reasonably acceptable to Mortgagees and the Owners of such Apartments, or if such notice is given by the Trustee, the expiration of sixty (60) days following the date of such notice, whichever is first to occur; provided, that if notice of termination is given by the Trustee prior to the appointment of a successor insurance trustee, a copy of such notice shall be mailed by registered or certified mail by the Trustee to each Owner and each Mortgagee. A successor insurance trustee shall be deemed to be acceptable to any Mortgagee or Owner which fails to give written notice of objection to the Association within ten (10) days after receipt of a written request by the Association or Trustee for the approval of such successor insurance trustee.

10. Miscellaneous. The article headings used herein are for convenience and reference purposes only and shall not be construed to limit, modify or supplement the provisions of this Agreement.

11. Definitions. Any term used herein which is defined elsewhere in the Declaration of which this Trust Agreement is a part shall have the same meaning herein as in the Declaration.

12. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Executed as of the day and year above set forth.

This Agreement shall be performable in Houston, Harris County, Texas.

_____ BANK
By _____
Title _____

ATTEST:

Cashier

RIVER OAKS TOWNHOMES OWNERS'
ASSOCIATION, INC.

By _____
President

ATTEST:

Secretary

