

**BYLAWS
OF
NORTHBROOK PROPERTY OWNERS ASSOCIATION**

ARTICLE I

DEFINITIONS

Unless otherwise herein expressly provided, all terms used in these Bylaws shall have the same meanings as in the Declaration of The Charter Associates, Inc. Covering Fondren Southwest Northbrook Section One (the "Declaration") dated March 29, 1972, and recorded under Film Code No. 142-28-0899 of the Official Public Records of Real Property of Harris County, Texas.

ARTICLE II

MEMBERS AND VOTING RIGHTS

Section 1. Membership.

The Association shall have one (1) class of Members. The Owner of each Assessable Tract, during the period of his ownership, shall automatically be a Member of the Association. No person or entity (including without limitation Charter) shall be a Member of the Association unless he is the Owner of an Assessable Tract.

Section 2. Annual Meeting.

The Annual Meeting of Members shall be held at 8:00 P.M. on the third Tuesday In October of each year, if not a legal or religious holiday, and if a legal or religious holiday, then on the next succeeding business day, for the purpose of electing the President, the Vice President and the District Representatives and transacting any other business of the Association; provided, however, that the first Annual Meeting of the Members shall be held as soon as practical after the termination of the Class B Membership described in the Declaration.

Section 3. Special Meetings.

A Special Meeting of Members may be called at any time by the Board of Directors, by the President or by at least 10% of the Members.

Section 4. Notice and Place of Meetings.

Written notice stating the place, day and hour of each Meeting of Members and the purpose or purposes for which the meeting is called shall be delivered not less than thirty (30) days before the date of the meeting, either personally or by mail, to each Member. A notice shall be effective when delivered in person or when deposited in the U.S. mail, postage paid, properly addressed to the person to whom it is to be sent. Unless otherwise specified in the notice, all Meetings of Members shall be held in the Clubhouse.

Section 5. Quorum.

At the first Meeting of Members called to act on any matter(s) requiring a vote of Members by the provisions of the Declaration or these Bylaws, the presence at the meeting in person and/or by proxies of Members entitled to cast sixty percent (60%) of all the votes shall constitute a quorum. If the required quorum is not present at any meeting called to act on any such matter(s), another meeting may be called to act on the same matter(s), subject to the notice requirement, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, except that such reduction in the quorum requirement shall not be applicable if the subsequent meeting is held more than sixty (60) days following the preceding meeting.

Section 6. Majority Rule.

Except as otherwise required by law, these Bylaws (with respect to elections or otherwise) or the Declaration, the affirmative vote of greater than 50% of the voting Members present at any meeting in person or by proxies will be the act of the Meeting of Members.

Section 7. Proxies.

At all Meetings of Members, a Member, may vote either in person or by proxy executed in writing by the Member. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. Each proxy shall be valid only for the particular meeting referred to therein and, in the case of a proxy for the election of the President, Vice President or District Representatives, shall specify either (i) the candidates for whom the proxy holder is empowered to vote or (ii) that the proxy holder is empowered to vote for whichever candidates the proxy holder wishes to elect. The proxy holder must be a Member of the Association. Each proxy shall be revocable unless expressly provided therein to be irrevocable or unless otherwise made irrevocable by law.

Section 8. Voting Rights.

The Owner of each Assessable Tract shall be entitled to one vote in the Association; provided, however, that the President shall vote only in the event of a tie vote on any matter or election. There shall be no fractional votes. When the Owner of an Assessable Tract consists of more than one person or entity, they shall designate one of their number to cast the one vote with respect to such Assessable Tract.

Section 9. Nonassignment

Membership in the Association is not transferable or assignable to any person not eligible for membership under the provisions of these Bylaws.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Powers, Number, Removal and Term of Office.

The property and affairs of the Association shall be managed and controlled by the Board of Directors, and subject to the restrictions imposed by law, the Declaration or these Bylaws, the Board of Directors shall determine the amount to be levied as the annual assessment against each Assessable Tract for each calendar year, perform all its duties set forth in the Declaration and exercise all of the powers of the Association. Each director must be a Member.

The number of directors shall be nine (9). but the number of directors may be increased or decreased (providing such decrease does not shorten the term of any incumbent director) from time to time by amendment to these Bylaws, provided the number of directors shall never be less than three. Vacancies in the Board of Directors created by an increase in the number of directors shall be filled by the affirmative vote of a majority of the directors in office at the time such increase is effected or otherwise as may be determined by the Board of Directors.

Any director may be removed from office, but only for just cause, by a majority vote of all of the directors of the Association or by a majority vote of the Members at any meeting at which a quorum is present.

The Board of Directors shall consist of the President, the Vice President, the Treasurer and the District Representatives.

The directors shall hold office for a term of one (1) year commencing December 15, of each year, or until their successors have been duly elected.

Section 2. Place of Meetings.

The directors may hold their meetings and may have an office and keep the books of the Association at such place or places in Northbrook Section One as the Board of Directors may from time to time determine. In the absence of any such determination by the Board of Directors, the meetings shall be held at the Clubhouse.

Section 3. Annual Meeting.

The annual meeting of the Board of Directors shall be held at 8:00 P.M. on December 15,

of each year, if not a legal or religious holiday, and if a legal or religious holiday, then on the next succeeding business day, for the purpose of transacting such business as may be brought before the meeting.

Section 4. Regular Meetings.

Regular meetings of the Board of Directors shall be held at such times as shall be designated from time to time by resolution of the Board of Directors; provided, however, that the Board of Directors shall hold at least four (4) meetings each year, including the annual meeting.

Section 5. Special Meetings.

Special meetings of the Board of Directors shall be held whenever called by the President or by a majority of directors then in office.

Section 6. Notice of Meetings.

Notice stating the place, day and hour of each meeting of the Board of Directors shall be delivered not less than ten (10) days before the date of the meeting, either personally or by mail to each director. Unless otherwise indicated in the notice, any and all matters pertaining to the purposes of the Association may be considered and acted upon at any meeting of the Board of Directors. A notice shall be effective when delivered in person or when deposited in the U.S. mail, postage paid, properly addressed to the person to whom it is to be sent.

Section 7. Quorum.

A majority of the directors fixed by the Bylaws shall constitute a quorum for the consideration of matters pertaining to the purposes of the Association. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, except as otherwise provided by these Bylaws.

Section 8. Attendance.

Any Member of the Association shall have the right to attend any meeting of the Board of Directors to discuss matters relevant to the business and affairs of the Association.

Section 9. Compensation of Directors.

Directors shall receive no salary or other compensation for their services; provided, however, that all reasonable and necessary expenses incurred by such persons on behalf of the Association in carrying out their duties shall be reimbursed by the Association.

Section 10. Election of Directors.

The President, the Vice President and the District Representatives shall be elected at the Annual Meeting of Members as herein provided. Notice shall be given in the manner provided In Article II. Section 4, to each Member, at least sixty (60) days prior to the Annual Meeting of the Members, requesting nominations for President, Vice President and District Representatives. Any

Member may nominate himself or any other Member for any such position; provided, however, that only Members residing in a particular District shall have the right to nominate the District Representative for such District. Nominations shall be made in writing to any member of the Charter and Elections Committee within the fifteen (15) day period following the effective date of such notice. Members of the Charter and Elections Committee shall then verify with each nominee his willingness to serve in the position for which he has been nominated and prepare for distribution with the notice of the Annual Meeting of the Members a brief biographical sketch of each nominee and a ballot for the election of such positions. The ballot shall contain spaces for write-in candidates for each position, a space for the appointment of a proxy and a space for the signature of the Member casting such ballot. Nominations for President and Vice President may also be made at the Annual Meeting of Members but any person nominated must be present at such meeting to verify his willingness to serve and to give a brief biographical sketch. The ballots shall be deposited in a ballot box at such meeting upon roll call vote by the Secretary or under other procedures approved by the Board of Directors to assure that no Member casts more than one ballot (other than ballots for which he is the proxy holder) and that only the Members residing in a particular District cast ballots for the District Representative for such District. Upon depositing the ballot in the ballot box the Member may remove the space containing his signature. The Secretary shall distribute an extra ballot to any Member who has not received his ballot or who has failed to bring his ballot to such meeting. The ballots shall be tabulated at such meeting by the members of the Charter and Elections Committee and the results announced at such meeting. The candidate receiving more votes than any other candidate, regardless of whether he receives a majority of the votes cast, shall be the winner of the election for each position. In the event of a tie vote, the President shall break the tie. One ballot shall be provided for the President and Vice President, and a separate ballot shall be provided for the District Representatives. The ballots for President and Vice President shall be tabulated and results announced prior to the acceptance of floor nominations for and balloting for District Representatives. Any election dispute shall be resolved by the Board of Directors whose decision will be binding and conclusive except in the case of fraud. No member may hold more than one position at any given time. No Member may serve more than two successive years in any one position. Notwithstanding anything to the contrary contained in this Section 10, such election shall not be effective unless the quorum requirement set forth in Article 11, Section 5, has been satisfied. The Committee Chairmen shall be elected in the manner provided In Article V hereof.

ARTICLE IV

OFFICERS

Section 1. Titles.

The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer (who shall be Chairman of the Finance & Assessment Committee), and a District

Representative from each District. A vacancy in the office of President shall be filled by the Vice President. A vacancy in the office of Vice President shall be filled by a vote of a majority of the directors then in office. A vacancy in the office of any District Representative shall be filled by a vote of a majority of the Members residing in the applicable District. A vacancy in the office of any Chairman shall be filled by a vote of a majority of the members of the applicable Committee. A vacancy in the office of Treasurer shall be filled by a majority vote of the Board of Directors. The President and the Vice President shall not be residents of the same household.

Section 2. President.

The President shall be the chief officer of the Association and, subject to the Board of Directors, shall be in general charge of the properties and affairs of the Association. He shall preside at all meetings of the membership and of the Board of Directors. In furtherance of the purposes of this Association, he may sign and execute all bonds, deeds, conveyances, franchises, assignments, mortgages, notes, contracts and other obligations in the name of the Association.

Section 3. Vice President.

The Vice President shall have such powers and duties as may be assigned to him by the Board of Directors and shall exercise the powers of the President during that officer's absence or inability to act. Any action taken by a Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

Section 4. Treasurer.

The treasurer shall have custody of all the funds and securities of the Association which come into his hands. When necessary or proper, he may endorse, on behalf of the Association for collection, checks, notes and other obligations and shall deposit the same to the credit of the Association in such bank or banks or depositories as shall be designated in the manner prescribed by the Board of Directors. He may sign all receipts and vouchers for payments made to the Association, either alone or jointly with such other officer as is designated by the Board of Directors. Whenever required by the Board of Directors he shall render a statement of the Association's cash account. He shall enter or cause to be entered regularly in the books of the Association to be kept by him for that purpose full and accurate accounts of all monies received and paid out on account of the Association. He shall perform all acts incident to the position of Treasurer subject to the control of the Board of Directors. He shall also be the Chairman of the Finance & Assessment Committee and shall be elected by the Board of Directors from among the members of the Finance & Assessment Committee.

Section 5. Secretary.

The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the membership in books provided for that purpose. If the Secretary is not present at any meeting, the President shall appoint some person to act as secretary of the

meeting. He shall attend to the giving of all notices. In furtherance of the purposes of this Association, he may sign with the President in the name of the Association, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Association. He shall have charge of the corporate books, records, documents and instruments, except the books of account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to the inspection of any director. He shall in general perform all duties incident to the office of Secretary subject to the control of the Board of Directors. The Secretary shall be elected by the Board of Directors from among the District Representatives.

ARTICLE V

COMMITTEES

Section 1. Standing Committees.

The Association shall have the following Standing Committees:

(a) Communications - to inform the Members of the Association as to the activities of the Association, including the giving of all notices of meetings, and the publication each year of a directory of names, addresses, phone numbers and other pertinent information with respect to Members of the Association.

(b) Pool - to supervise the operation of the swimming pool and clubhouse, including the approval of rules and regulations for the use and enjoyment thereof and recommend any contract for the maintenance and operation thereof.

(c) Finance & Assessment - to plan the annual budget of the Association and oversee the collection, expenditure and management of the funds of the Association and to otherwise review all financial affairs of the Association.

(d) Greenways - to supervise the maintenance of all greenways in Northbrook Section One and all other common facilities other than the pool and clubhouse.

(e) Social - to plan and coordinate all social gatherings and other social activities of the Members, including at least one party per year.

(f) Traffic, Trash and Security - to coordinate with governmental authorities in the enforcement of traffic and safety laws and to supervise and recommend contracts with contractors for trash

removal and security patrols.

(g) Restrictions - to supervise the enforcement, preservation and interpretation of the Declaration, to act as the Architectural Control Committee, to aid the Board of Directors in making such changes as may be necessary in the Declaration and to aid the Board of Directors in all other legal matters.

(h) Charter and Elections - to hold and supervise the election of the President, Vice President and District Representatives and to aid the Board of Directors in making such changes as may be necessary in these Bylaws.

Section 2. Additional Committees.

The Board of Directors may establish from time to time such additional committees as they deem necessary and may appoint the members of such committees, provided, however, that no such committee shall continue after the next Annual Meeting of Members unless approved at such Annual Meeting.

Section 3. Committee Membership.

Each Standing Committee shall be composed of a Member from each District selected by the District Representative. Each year prior to November 15, but after the Annual Meeting of the Members, each Member interested in serving on a Committee shall submit his name to the District Representative of his District. If more than one person desires to serve on a Committee from a District, the District Representative shall determine which one Member shall serve on such Committee, with preference given to those Members who have not previously served on that Committee.

Section 4. Meetings.

Each newly constituted Committee shall hold a meeting between November 16, and December 5, of each year at such place within Northbrook Section One as set forth in a notice to each member of the Committee sent by the incumbent Chairman. At such meeting, the members of the Committee shall elect a Chairman to serve during the following year, with the exception of the Finance & Assessment Committee, as noted in Article IV, Section 4. The Committee shall hold other meetings at times and places designated by the Chairman or any three (3) members of the Committee. Ten (10) days advance notice of the time, place and purpose of each meeting shall be given to each member of the Committee. Each member of a Committee shall attempt to inform his District Representative of the time and place of such meeting. Any Member of the Association shall have the right to attend any Committee meeting to discuss matters relevant to the business and affairs of the Association.

ARTICLE VI

DISTRICTS

Section 1. Districts.

Northbrook Section One shall be divided into the following districts:

- District I - 6100 and 6200 Blocks of Creekbend and Hummingbird and 10614-10622 on Bob White.
- District II - 6100 and 6200 Blocks of Rollingbrook, 10626 - 10814 on Bob White and 10635-10819 on Albury.
- District III - 6100 and 6200 Blocks of Bankside and 10822-10930 on Bob White.
- District IV - 6100 and 6200 Blocks of Vickijohn and 6100 Block of Claridge.
- District V - 6200 Block of Claridge, 6100 and 6200 Blocks of Portal.
- District VI - 6100 and 6200 Blocks of Sanford and 11025-10907 on Albury.

Section 2. Realignment.

Each year prior to June 1, the Board of Directors shall review the composition of the Districts and, if necessary, revise the boundaries of the Districts to achieve as nearly as practical Districts containing the same numbers of Assessable Tracts. As nearly as practical the Districts shall contain contiguous Lots. If the Board of Directors has revised the boundaries of the Districts, the new boundaries will be used for voting purposes at the Annual Meeting of the Members and for the purposes of selecting members of Committees, but otherwise the new boundaries shall not be effective until December 15, of the year.

Section 3. District Meetings.

Each District may hold meetings at such times and places within the District as set forth in a notice to each Member residing in such District sent ten (10) days in advance of such meeting by the District Representative.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 1. Fiscal Year.

The fiscal year of the Association shall be the calendar year.

Section 2. Seal.

The seal of the Association shall be such as from time to time may be approved by the Board of Directors.

Section 3. Notice and Waiver of Notice.

Whenever any notice whatever is required to be given under the provisions of these Bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his post office address, as it appears on the books of the Association, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 4. Resignations.

Any director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. Spouses.

In each instance in which an individual is a District Representative or Chairman or member of a Committee, his spouse shall also serve in such capacity; provided, however, that the spouses together shall have only one vote and together shall constitute only one person for the purpose of the quorum requirements.

ARTICLE VIII

AMENDMENTS

These Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the Members in person or by proxy at any Meeting of Members at which a quorum is present.

May, 1976