

U288554

531-30-1339

INSTRUMENT TO RECORD DEDICATORY INSTRUMENTS

03/22/00 300384233 U288554

\$85.00

This Instrument is being recorded by Condominiums of South End Association, a Texas nonprofit corporation (the "Association") pursuant to Section 202.006 of the Texas Property Code.

Section 202.006 of the Texas Property Code requires a property owners' association to record each dedicatory instrument in the real property records of the County in which the property to which the dedicatory instrument relates is located, if such instrument has not previously been recorded; and

Restrictive covenants and other matters concerning the Condominiums of South End are set forth in the South End Lofts Declaration of Condominium (the "Declaration") recorded on the 8th day of March, 2000, in the Harris Clerk's Clerk's Office, Condominium Records.

The Association is also subject to the following additional dedicatory instruments which have not been previously recorded, to-wit:

1. The Articles of Incorporation for Condominiums of South End Association (with Certificate of Incorporation from the Secretary of State's Office);
2. The Bylaws of Condominiums of South End Association;
3. The Community Rules and Regulations;
4. The Owner's Rental Guidelines;
5. The Guidelines Regarding Satellite Dishes;

Pursuant to Section 202.006 of the Texas Property Code, the Association does hereby record such additional dedicatory instruments, copies of which are attached hereto in the order set forth hereinabove. Each dedicatory instrument attached hereto is subject to amendment pursuant to the amendatory procedures applicable thereto.

Executed on the 29th day of FEBRUARY, 2000.

CONDOMINIUMS OF SOUTH END
ASSOCIATION

By: Patrick Ezzell

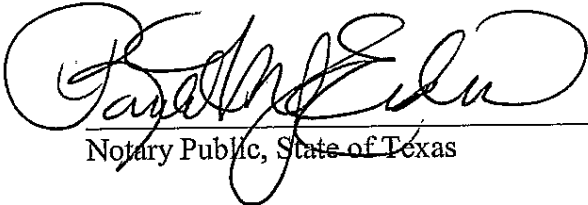
Name: PATRICK EZZELL

Title: Director

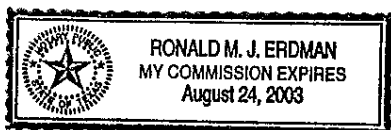
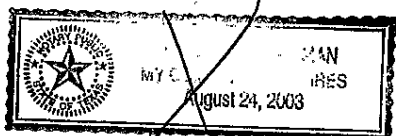
STATE OF TEXAS §
 §
COUNTY OF HARRIS §

531-30-1340

This instrument was acknowledged before me on the 29th day of FEBRUARY, 2000, by Patrick Ezzell, the Director of Condominiums of South End Association, a Texas nonprofit corporation, on behalf of said corporation.



Notary Public, State of Texas



AFTER RECORDING, RETURN TO:
MARK K. KNOP, ESQ.
HOOVER, BAX & SLOVACEK, L.L.P.
POST OFFICE BOX 4547
HOUSTON, TEXAS 77210

531-30-1341



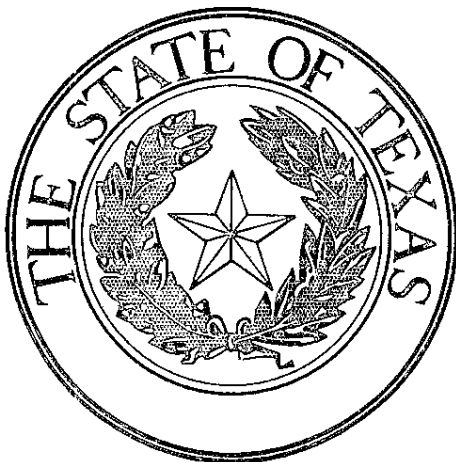
The State of Texas

SECRETARY OF STATE

IT IS HEREBY CERTIFIED that
Articles of Incorporation of

CONDOMINIUMS OF SOUTH END ASSOCIATION
File No. 01555236-01

were filed in this office and a certificate of incorporation was issued to this corporation,
and no certificate of dissolution is in effect and the corporation is currently in existence.



*IN TESTIMONY WHEREOF, I have hereunto
signed my name officially and caused to be
impressed hereon the Seal of State at my office in
the City of Austin, on October 25, 1999.*



Elton Bomer
Secretary of State

MAC



531-30-1342

The State of Texas

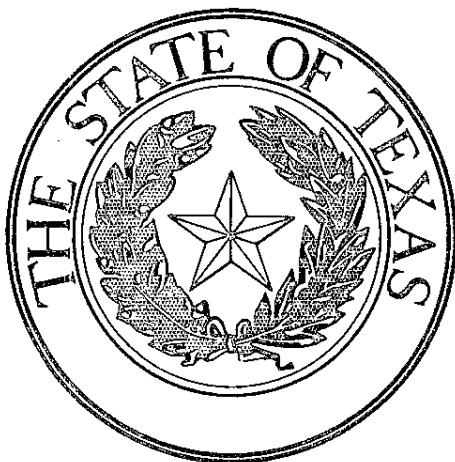
SECRETARY OF STATE

IT IS HEREBY CERTIFIED that the attached is/are true and correct copies of the following described document(s) on file in this office:

CONDOMINIUMS OF SOUTH END ASSOCIATION
File No. 01555236-01

ARTICLES OF INCORPORATION

OCTOBER 25, 1999



IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, on October 25, 1999.


MAC

Elton Bomer
Secretary of State

531-30-1343

ARTICLES OF INCORPORATION

FILED
In the Office of the
Secretary of State of Texas

OCT 25 1999

Corporations Section

ARTICLE I.

NAME OF CORPORATION

The name of the corporation is **Condominiums of South End Association**, hereinafter called the "Association".

ARTICLE II.

REGISTERED OFFICE AND AGENT

The registered office of the Association is 5847 San Felipe, Suite 2200, Houston, Texas 77057, and the name of the registered agent at that address is Howard M. Bookstaff.

ARTICLE III.

DURATION

The period of duration of the Association is perpetual.

ARTICLE IV.

PURPOSES AND POWERS OF THE ASSOCIATION

The Association is organized to be operated for the sole purpose of carrying on as a homeowners association, as that term is defined by Section 528(c) of the Internal Revenue Code of 1986. Specifically, the purposes for which the Association is formed are to provide for the management, maintenance and care of South End Lofts, as described in the Declaration of

Condominium filed for record in the office of the County Clerk of Harris County, Texas (the "Declaration") in accordance with the terms and conditions of the Declaration; to exercise the duties and prerogatives of the Association set forth in the Declaration; to exercise all of the powers and duties set forth in the bylaws of the Association and the Declaration; to have and to exercise any and all powers, rights, and privileges which a corporation organized under the Non-Profit Corporation Act of the State of Texas may now or hereafter have or exercise; and, to the extent permitted by law, to do any and all other things necessary to implement or accomplish the purposes set forth in the bylaws of the Association and the Declaration.

ARTICLE V.

MEMBERSHIP

The Association shall have one class of members. Each Owner, as that term is defined in the Declaration, shall be a member of the Association, and Owners shall be entitled to such voting rights as are set forth in the Declaration.

ARTICLE VI.

BOARD OF DIRECTORS

The number of directors constituting the initial board of directors of the Association is three, and the names and addresses of the persons who are to serve as the initial directors are:

Name

Address

Ronald M. J. Erdman

3401 Louisiana, Suite 130
Houston, Texas 77002

Patrick Ezzell

3401 Louisiana, Suite 130
Houston, Texas 77002

531-30-1345

Mir Azizi

3401 Louisiana, Suite 130
Houston, Texas 77002

ARTICLE VII.

INCORPORATOR

The name and street address of the incorporator is:

Name

Address

Frank B. Mapel III

5847 San Felipe, Suite 2200
Houston, Texas 77057

ARTICLE VIII.

NON-PROFIT CORPORATION

The Association is a non-profit corporation without capital stock, organized solely for the purposes specified in these articles, and no part of its property, whether income or principal, shall ever inure to the benefit of any director, officer, or employee of the Association, or of any individual having a personal or private interest in the activities of the Association, nor shall any such director, officer, employee, or individual receive or be lawfully entitled to receive any profit from the operations of the Association except reasonable compensation for personal services actually rendered in carrying out one or more of its stated purposes, but only to the extent permitted by the bylaws and the Declaration.

ARTICLE IX.

PROHIBITED ACTS

The Association shall not pay dividends or other corporate income to its members, directors, or officers or otherwise accrue distributable profits or permit the realization of private gain. This

prohibition shall not apply to acquiring, constructing, or providing management, maintenance, and care of Association property, or the rebate of excess membership dues, fees, or assessments to the members of the Association. The Association shall have no power to take any action prohibited by the Texas Non-Profit Corporation Act.

ARTICLE X.

INDEMNIFICATION

The Association may indemnify a person who was, is, or is threatened to be named as a defendant or respondent in litigation or other proceedings because the person is or was a director, officer or other person related to the Association, as provided by the bylaws of the Association. The terms and conditions of such indemnification shall be set forth in the bylaws.

ARTICLE XI.

ACTIONS WITHOUT MEETINGS

Any action required by the Texas Non-Profit Corporation Act to be taken at a meeting of the members or directors of the Association or any action that may be taken at a meeting of the members or directors may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members, directors, or committee members as would be necessary to take that action at a meeting at which all of the members or directors were present and voted.

ARTICLE XII.

DISSOLUTION

Upon dissolution of the Association, other than incident to a merger or consolidation, the

assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created or shall be granted, conveyed, and assigned to any non-profit corporation, association, trust, or other organization devoted to purposes similar to those for which the Association was created.

Signed this 22nd day of October, 1999.


Frank B. Mapel III, Incorporator

531-30-1348

**BYLAWS OF
CONDOMINIUMS OF SOUTH END ASSOCIATION**

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BYLAWS OF

CONDOMINIUMS OF SOUTH END ASSOCIATION

The name of this corporation shall be CONDOMINIUMS OF SOUTH END ASSOCIATION (the "Corporation"). The Corporation is a nonprofit corporation organized pursuant to the Texas Nonprofit Corporation Act and the Texas Uniform Condominium Act.

ARTICLE 1

PURPOSE AND PARTIES

1.1 Purpose. The purpose for which the Corporation is formed is to govern the condominium regime known as the South End Lofts ("Project"), situated in the County of Harris, State of Texas, which property is described in that certain Declaration of Condominium filed of record on _____, 2000, under Harris County Clerk's File No. _____ ("Declaration"), and which property has been submitted as a condominium regime created under the Texas Uniform Condominium Act by the recording of the Declaration and the Exhibits thereto. All definitions and terms contained in the Declaration shall apply hereto and are incorporated herein by reference.

1.2 Personal Application. All present or future Owners, tenants, future tenants of any Unit or any other person who might use in any manner the facilities of the project are subject to the provisions and any regulations set forth in these Bylaws. The mere acquisition, lease or rental of any Unit or the mere act of occupancy of a Unit will signify that these Bylaws are accepted, approved, ratified and will be complied with by the purchaser, tenant or occupant.

ARTICLE 2

MEMBERS

2.1 Membership. Except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws (collectively the "Project Documents"), ownership of a Unit is required in order to qualify for membership in the Corporation. Any person or entity on becoming an Owner of a Unit shall automatically become a member of the Corporation and be subject to these Bylaws. Membership shall terminate without any formal Corporation action whenever that person ceases to own a Unit, but termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with the Corporation during the period of ownership and membership in the Corporation or impair any rights or remedies which the Owners have, either through the Board of Directors of the Corporation or directly against such former Owner and member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto.

2.2 Proof of Membership. The rights of membership shall not be exercised by any person until satisfactory proof has been furnished to the Secretary 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.

2.3 Additional Qualifications. The sole qualification for membership shall be ownership of a Unit in the Project. No initiation fees, 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, the Declaration or these Bylaws.

2.4 Certificates of Membership. The Board of Directors may provide for the issuance of certificates evidencing membership which 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 Council and maintained by the Secretary at the principal office of the Corporation.

2.5 Member Voting Rights. Except as otherwise provided in these Bylaws, each member shall be entitled to cast votes as provided in the Declaration. Any corporation, trust, partnership or other unincorporated entity which is an Owner of a Unit shall similarly designate an appropriate person to exercise its voting rights. Only those persons who are Owners on the date preceding the date notice of a meeting is given can vote at that meeting, and as provided in Section 6.3, an Owner who is then in default in the payment of a Common Expense Charge or Special Assessment may not vote.

2.6 Majority of Owners. As used in these Bylaws the term "majority of Owners" shall mean those Owners holding 51% of the votes in accordance with the Percentage Ownership Interests assigned in the Declaration.

2.7 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of at least a majority of Owners shall constitute a quorum.

2.8 Proxies. At any meeting of the members, an Owner may vote in person or by a written proxy which has been signed by the Owner and has been filed with the Secretary prior to or at the meeting at which it is used. Any proxy shall be revocable and shall automatically cease (i) at any time prior to its exercise by written notice similarly filed; (ii) on conveyance by the Owner or the Owner's Unit; or (iii) on receipt of notice by the Secretary of the death or judicially declared incompetence of such Owner. No proxy shall be valid for more than eleven (11) months from its execution date.

2.9 Action by Members Without Meeting. Any action required or permitted to be taken at any meeting of the members may be taken without a meeting if all the members consent to the action in writing and the written consents are filed with the records of the Corporation. In that event, the written consents shall be treated for all purposes as a vote at a meeting. Directors and officers may be elected by vote taken through the mail if the Board of Directors so elects.

2.10 Required Vote. 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 the members, unless the vote of a greater number is required by statute or by the Project Documents.

ARTICLE 3 ADMINISTRATION

3.1 Corporation Responsibilities. The Corporation shall have the general responsibility of administering the Project. Except as otherwise provided as the powers and duties of the Board or as requiring a greater number of votes of the Owners, decisions and resolutions for the Corporation shall require approval by a majority of Owners at a meeting of the members at which a quorum is present in person or by proxy.

3.2 Place of Meeting of Members. The annual and all special meetings of the members shall be held at the Project's office or at such other place as the Board may designate in the notice of that meeting.

3.3 Annual Meetings of Members. The annual meeting of the members of the Corporation shall be held on the 2nd Thursday of December of each year at 6:00 p.m., with the first meeting to occur within the time period identified in the Declaration. Provided, however, the Board may designate such other time and date of the annual meeting in the notice of the meeting as the Board shall deem appropriate. 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 which is not a legal holiday (excluding Saturday and Sunday). The Board of Directors shall be elected, the budget discussed, audit presented and other business stated in the notice of the meeting may be transacted at the meeting. Notice of the first meeting of members shall be given by the Board in accordance with Section 3.5 of these Bylaws.

3.4 Special Meetings of Members. Special meetings of the members shall be called by the Board of Directors, President or upon receipt of a petition signed by members having not less than ten percent (10%) of the total number of votes of all members (except as otherwise limited by Section 3.3 of these Bylaws). Notice of a special meeting shall be given in accordance with Section 3.5 of these Bylaws. Only the business stated in the notice of a special meeting may be transacted at that meeting.

3.5 Notice of Meetings of Members; Waiver of Notice. The Secretary shall give written notice of each annual meeting and of each special meeting to each Owner of record not less than ten (10) days nor more than fifty (50) days prior to the date of the meeting, which notice shall state the purpose of the meeting and the time and place where it is to be held. Whenever notice of a meeting of the members is required to be given, a written waiver, executed by a member before or after the meeting and filed with the Secretary, shall be deemed equivalent to notice. Attendance at a meeting shall constitute a waiver of notice of that meeting.

3.6 Adjournment of Meetings of Members. If any meeting of the members cannot be held because of the absence of a quorum, a majority of the voting interest of the members who are present at such meeting may adjourn the meeting to a later time.

3.7 Order of Business. The order of business at all annual meetings of the members shall be as follows:

- (a) Roll call and certifying proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officer;
- (e) Reports of committees;
- (f) Election of Directors;
- (g) Old business; and
- (h) New business.

ARTICLE 4 BOARD OF DIRECTORS

4.1 Number and Qualification. The affairs of the Corporation shall be governed by a Board of Directors composed of three (3) persons. If a Unit is owned by a corporation, trust, partnership or other entity, a person designated by that entity may serve as a Board member, committee member or officer of the Corporation.

4.2 Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Corporation and may do all such acts and things as are not by law or by the Project Documents directed to be exercised and done by the Owners. All of the powers and duties of the Board shall be exercised by the initial Board of Directors named in the Articles of Incorporation (and their successor and assigns) until the first meeting of the members of the Corporation.

4.3 Other Duties. In addition to the foregoing, the powers and duties of the Board include, without limitation, the powers and duties to:

- (a) Operate, clean, care for, maintain, repair and replace the Common Elements, and purchase materials and equipment and employ personnel (including, without limitation, gardeners, parking attendants, doormen and security guards) or contract for the services

necessary or desirable for these purposes. These operations shall include, without limitation, the furnishing of such common services as the Board may from time to time determine are necessary or economically desirable.

(b) Approve and adopt the annual budget and determine Common Expense Charges and Special Assessments.

(c) Approve and adopt and amend Rules and Regulations, not inconsistent with the Declaration, covering the operation and use of the Project.

(d) Open and maintain bank accounts in the name of the Corporation and to designate the signatories on the accounts.

(e) Manage, control and otherwise deal with the Common Elements, including the power to grant easements and to temporarily interrupt the normal operation of common services in order to facilitate performance of any maintenance or repair or the making of additions, alterations or improvements authorized by the Board.

(f) Protect the title to the Common Elements.

(g) Insure and keep insured all of the insurable common Elements of the Project in an amount equal to their maximum replacement value as provided in the Declaration. Maximum replacement value shall be determined prior to the renewal of any insurance policy or the purchase of a new policy or as the Board shall otherwise determine. Further, to obtain and maintain comprehensive public liability insurance as provided in the Declaration. To insure and keep insured all of the fixtures, equipment and personal property acquired by the Corporation for the benefit of the Corporation and the Owners and their Mortgagees. The limits and coverage shall be reviewed at intervals of not less than one year and adjusted, if necessary, to provide such coverage and protection as the Corporation may deem prudent. Workers' compensation insurance shall at all times be carried to the extent required to comply with any applicable law with respect to the employees, if any, of the Corporation. Each Owner may obtain additional insurance at his own expense for his own benefit. Insurance coverage on the furnishings and other items of personal property belonging to an Owner and casualty and public liability insurance coverage within each Unit are specifically made the responsibility of each Owner.

(h) Enforce by any legal or equitable remedies available all obligations of each Owner to the Corporation.

(i) Appoint auditors and engage legal counsel.

(j) Enter into contracts in connection with the exercise of any of the powers and duties of the Board.

(k) Contract for water, sewer, garbage collection, electrical, gas and other necessary services for the Common Elements.

(l) Take all other actions the Board deems necessary and proper for the sound management of the Project and fulfillment of the terms and provisions of the Declaration, including, without limitations, the purchase and/or leasing on behalf of the Project of such personal property and/or fixtures as the Board determines to be reasonably necessary or desirable for use in Common Element areas.

(m) Take all other action authorized by the Declaration, the other Project Documents or Texas law.

The costs incurred in the exercise of the rights, powers and duties of the Board shall be paid out of the Common Expense Fund. The Board shall not be required to exercise any right, power or duty unless in the Board's opinion there are sufficient funds in the Common Expense Fund for that purpose, or which will be available through Common Expense Charges or Special Assessments made in accordance with the Declaration. Nothing herein shall authorize the Board to furnish to any Owner services primarily for his benefit or convenience or for the benefit of any occupant or occupants of any Unit, other than services customarily provided to other Owners or occupants of Units.

4.4 Managing Agent. The Board may engage a Managing Agent pursuant to the Declaration under a written contract signed by a representative of the Board of Directors upon such terms and for such fee as the Board determines to be reasonable and in the best interest of the Corporation.

4.5 Election and Term of Office. The First Elected Board elected pursuant to the Declaration shall consist of 3 Directors, one of which Directors shall be elected for a term of one year and two of which Directors shall be elected for a term of 2 years. At each annual meeting thereafter, the positions of each Director whose term is expiring at such annual meeting shall be filled by a Director elected for a term of 2 years. Each Director shall be elected either by a separate vote or by a vote of a slate of Directors, as the members shall determine, whereby the nominee receiving the highest number of votes shall be elected. Cumulative voting shall not be permitted and the election of Directors shall take place whether or not a quorum is present at the annual meeting.

4.6 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Corporation shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Corporation.

4.7 Removal of Directors. At any regular or special meeting of members duly called and at which a quorum is present, any one or more of the Directors may be removed with or

without cause by a majority of Owners present in person or by proxy and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

4.8 First Meeting. The first meeting of a newly elected Board shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected and no notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, provided a majority of the whole Board shall be present.

4.9 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Director, personally, by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

4.10 Special Meetings. Special meetings of the Board may be called by the President on three (3) days notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place (as herein above provided) and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least a majority of Directors.

4.11 Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.12 Board of Directors' Quorum. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.13 Action Without Meeting of Board. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all the Directors consent to the action in writing and the written consents are filed with the records of the proceedings of the Board. In that event, the consents shall be treated for all purposes as a vote at a meeting.

4.14 Open Meetings. Subject to the Board's right to conduct an executive session on matters the Board deems appropriate, regular and special meetings of the Board shall be open to all members; provided, however, that members who are not on the Board may not participate in

any deliberation or discussion unless expressly so authorized by the vote of the majority of a quorum of the Board.

4.15 Executive Session. 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 Corporation is or may become involved and other business of a confidential nature. The nature of any and all business to be considered in executive session shall first be announced without discussion in open session.

4.16 Compensation of Directors. Except as approved by the Board of Directors, no Director shall receive compensation for acting as a Director, but shall be entitled to reimbursement from the Corporation, chargeable as a Common Expense, for reasonable out-of-pocket disbursements made by the Director in the performance of the Director's duties. However, no Director shall be obligated to make any such disbursements.

4.17 Liability of Board to Owners. No Director shall be liable to any Owner for either a mistake of judgment or negligence of any other Director, the Managing Agent or any person to whom rights, powers or duties have been appropriately delegated under the Declaration, or otherwise be liable to any Owner, except for actual fraud, gross negligence or criminal theft. Such rights as provided in this Section shall not be deemed exclusive of any other rights to which such person may be entitled by law or under the Project Documents.

4.18 Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Corporation handling or responsible for Corporation funds shall furnish adequate fidelity bonds (or alternatively, the Corporation shall be responsible in furnishing such bonds). The premiums on such bonds shall be paid by the Corporation.

ARTICLE 5 OFFICERS

5.1 Designation. The principal officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. The Directors may appoint an assistant treasurer, an assistant secretary and such other officers, assistant officers and agents as the Board of Directors may deem necessary or advisable. Any offices may be filled by the same person, except that the President and Secretary must be different persons.

5.2 Election of Officers. The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of each new Board and shall hold office at the pleasure of the Board.

5.3 Removal and Resignation of Officers. Upon an affirmative vote of a majority of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board or at any special meeting of the Board

called for such purpose. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take affect at the date of such notice or at any later time specified therein.

5.4 President. The President shall be the chief executive officer of the Corporation. He shall preside at all meetings of the Corporation and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of an association including, but not limited to, the power to appoint committees from among the Owners from time to time or as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Corporation.

5.5 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

5.6 Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members; the Secretary shall have charge of such books and papers as the Board of Directors may direct and shall, in general, perform all the duties incident to the office of Secretary.

5.7 Treasurer. The Treasurer shall have responsibility for Corporation funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Corporation. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Corporation in such depositories as may from time to time be designated by the Board of Directors.

5.8 Compensation of Officers. Except as approved by the Board of Directors, no officer shall receive compensation for acting as an officer, but shall be entitled to reimbursement from the Corporation, chargeable as a Common Expense, for reasonable out-of-pocket disbursements made by the Officer in the performance of the Officer's duties. However, no officer shall be obligated to make any such disbursements.

5.9 Execution of Documents. Except as otherwise designated by the Board, the persons who shall be authorized to execute any and all contracts, documents, instruments of conveyance or encumbrances, including promissory notes, shall be the President (or any Vice President) and Secretary (or any assistant Secretary) of the Corporation or at least two (2) of the Directors of the Board.

ARTICLE 6
OBLIGATIONS OF THE OWNERS

6.1 Monthly Assessments. Common Expense Charges and Special Assessments shall be due monthly in advance on the first day of each month. The Board shall have the right to assess late charges, in an amount determined by the Board, and interest as allowed by the Declaration. After monthly Common Expense Charges and Special Assessments have been set by the Board in accordance with the Declaration, the Board shall prepare and deliver or mail to each Owner an individual statement of the Owner's monthly Common Expense Charges and Special Assessments; thereafter, monthly statements shall be prepared and delivered or mailed only in the event of a change in the monthly Common Expense Charges or Special Assessments or the levying of a Special Assessment. The omission or failure to repair the Common Elements for any period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay the same.

6.2 Special Assessments. In addition to the regular monthly Common Expense Charges, the Board may levy in any one (1) year one (1) or more Special Assessments applicable to that year (or portion thereof), all as provided in the Declaration.

6.3 Voting. A member shall be deemed in good standing and entitled to vote at any annual or special meeting of the members, within the meaning of these Bylaws, if, and only if, the member shall have fully paid all Common Expense Charges and Special Assessments made or levied against such member and the Unit owned by such member.

6.4 Owner's Personal Obligation for Payment of Assessments. The amount of total Common Expense Charges and Special Assessments against each Unit shall be the personal and individual debt of the Owner thereof. The Board of Directors shall have the responsibility to take prompt action to collect any unpaid Common Expense Charges and Special Assessments in accordance with the terms of the Declaration. So long as the Declarant owns one (1) or more of the Units, Declarant shall be subject to the provisions of the Declaration and these Bylaws.

6.5 Vendor's Lien. The obligations of each Owner to pay Common Expense Charges or Special Assessments shall be secured by a vendor's lien as described in the Declaration or said deed.

6.6 Notice of Lien or Suit. An Owner shall give notice to the Corporation of every lien or encumbrance upon the Owner's Unit, other than for taxes and Common Expense Charges or Special Assessments, and notice of every suit or other proceeding which may affect the title to the Owner's Unit, and that notice shall be given within five (5) days after the Owner has knowledge thereof.

6.7 Owner's Maintenance and Repair.

(a) Maintenance and repair shall be according to the Declaration. An Owner shall maintain and keep in repair the interior of the Owner's own Unit, including the fixtures thereof. An Owner shall do no act or omit to do any act that will impair the structural soundness or integrity of the building.

(b) An Owner shall be obligated to reimburse the Corporation promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any Common Element damaged by the Owner's negligence or by the negligence of the Owner's tenants, agents or guests.

6.8 Mechanic's Lien. Each Owner agrees to indemnify and to hold each of the other Owners harmless from any and all mechanic's lien claims filed against other Units and the appurtenance Common Elements for labor, materials, services or other products incorporated in the Owner's Unit as provided in the Declaration.

6.9 General.

(a) Each Owner shall comply strictly with the provision of the Declaration and these Bylaws and amendments thereto.

(b) Each Owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which this Project was submitted to a condominium regime.

6.10 Use of Common Elements and Limited Common Elements. Each Owner may use the Common Elements and Limited Common Elements in accordance with the purpose for which they were intended, as provided in the Declaration, without hindering or encroaching upon the lawful rights of the other Owners.

6.11 Right of Entry.

(a) An Owner shall grant the right of entry to the Managing Agent or to any other person authorized by the Corporation in case of an emergency originating in or threatening the Owner's Unit, whether the Owner is present at the time or not.

(b) An Owner shall permit other Owners, or their representatives, to enter the Owner's Unit for the purpose of performing installations, alterations or repairs to the mechanical, electrical or utility services which, if not performed, would affect the use of another Unit or Units; provided that requests for entry are made in advance and that such entry is at a time convenient to the Owner. In case of an emergency, such right of entry shall be immediate.

6.12 Rules and Regulations. Each Owner shall comply with all rules and regulations applicable to the Corporation and the use of the condominium property.

ARTICLE 7 CONTRACTS AND INDEMNIFICATION

7.1 Contracts with Interested Parties. Any officer, Director or Managing Agent who is a Director, officer or employee of, or in any other manner affiliated with, any individual, group, association, partnership, corporation, joint venture or other organization (collectively "Affiliated Entities") which transacts any business with the Corporation, Board or Managing Agent (in those capacities) shall not be disqualified by reason of that affiliation from participating with respect to the authorization, execution, delivery or performance of any contract between the Corporation and the Affiliated Entity, provided that such person's affiliation is disclosed in writing to the Board before the Board's authorization of any such contract and provided further that the Board determines that the contract is on terms which are competitive with services available from similarly qualified persons or firms.

7.2 No Personal Liability. The Board of Directors, officers or the Managing Agent shall enter contracts or other commitments as agents for the Corporation without personal liability for any such contract or commitment (except such liability as may be ascribed to them in their capacity as Owners): provided, however, that such exclusion of personal liability shall apply to the Managing Agent only so long as it is acting within the scope of authority, and the liability of any Owner on such contract or commitment shall be limited to such proportionate share of the total liability thereof that the Percentage Ownership Interest of each Owner bears to the aggregate Percentage Ownership Interests of all of the Owners as set forth in the Declaration.

7.3 Indemnification. No Director of the Corporation shall be liable to any person, business entity or other enterprise for any action (other than actual fraud, gross negligence or criminal theft) taken pursuant to the Declaration of the Corporation, and the acceptance by any part of a deed to any Unit in the Project shall constitute such party's covenant and agreement that such liabilities shall not exist. The Corporation shall further indemnify any Director, officer, agent or employee, or former Director, officer, agent or employee of the Corporation, or any person who may have served at its request, as a Director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against expenses actually and necessarily incurred by such person and any amount paid in satisfaction of judgments in connection with any action, suit or proceeding, whether civil or criminal in nature, in which such person is made a party by reason of being or having been such a Director, officer or employee (whether or not a Director, officer, agent or employee at the time such costs, or expenses are incurred by or imposed upon such person), except in relation to matters as to which such person shall be adjudged in such action, suit or proceeding, to be liable for gross negligence or willful misconduct in performance of such person's duty. The Corporation may also reimburse to any Director, officer or employee, the reasonable cost of settlement of any such action, suit or proceeding, if it shall be found by a majority of the

committee of the Directors not involved in the matter in controversy, whether or not a quorum, that it was to the interest of the Corporation that such settlement be made and that such Director, officer or employee was not guilty of gross negligence or willful misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, officer' agent, or employee may be entitled by law or under any Bylaw, agreement, vote of members, or otherwise. Any sums paid or agreed to be paid by the Corporation with respect to any such indemnification shall be a Common Expense.

ARTICLE 8 BOOKS AND RECORDS

8.1 Maintenance. Complete and correct records of account and minutes of proceedings of meetings of members, Directors, and committees shall be kept at the Project office. A record containing the names and addresses of all members entitled to vote shall be kept at the registered office or principal place of business of the Corporation.

8.2 Inspection. The Project Documents shall be available for inspection and copying as provided in the Declaration.

ARTICLE 9 GENERAL PROVISIONS

9.1 Amendment. These Bylaws shall be amended as provided by Section 9.2 of the Declaration.

9.2 Proof of Ownership. Except for those Owners who purchase a Unit from Declarant, any person, on becoming an Owner of a Unit, shall furnish to the Managing Agent or Board of Directors a true and correct copy of the original or a certified copy of the recorded instrument vesting that person with an interest or Ownership in the Unit, which copy shall remain in the files of the Corporation. A member shall not be deemed to be in good standing nor shall the member be entitled to vote at any annual or special meeting of members unless this requirement is first met. Provided, however, the Corporation shall have no obligation to confirm that this requirement has been met nor shall any vote be invalid if such requirement has not been met.

9.3 Registration of Mailing Address. The Owner or several Owners of an individual Unit shall have one and the same registered mailing address to be used by the Corporation for mailing of monthly statements, notices, demands and all other communications and such registered address shall be the only mailing address of a person or persons to be used by the Corporation. The registered address of an Owner shall be deemed to be the mailing address of the Unit owned by that Owner unless a different registered address is furnished by that Owner to the Managing Agent or Board of Directors within fifteen (15) days after transfer of title, or after a change of address; such registration shall be in written form and signed by all of the Owners of

the Unit or by such persons as are authorized by law to represent the interest of the Owner of that Unit.

9.4 Mortgages. An Owner who mortgages his Unit shall notify the Corporation, giving the name and address of the Mortgagee. The Corporation shall maintain such information in a book entitled "Mortgagees of Condominium Units." The Corporation shall at the request of a Mortgagee of a Unit report any unpaid Common Expense Charges or Special Assessments due from the Owner of that Unit.

9.5 Compliance. These Bylaws are set forth to comply with the requirements of the Texas Uniform Condominium Act and the Texas Nonprofit Corporation Act.

9.6 Nonprofit Corporation. The Corporation is not organized for profit. Except as provided in the Declaration, no member, member of the Board or person from whom the Corporation may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event, shall any part of the funds or assets of the Corporation be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board except as provided herein; provided, however, that any member of the Board may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation.

9.7 Abatement and Enjoinment of Violations by Owners. The violation of any rule or regulation promulgated by the Board, or the breach of any Bylaw or any provision of the Declaration, shall give the Corporation the right; in addition to any other rights set forth therein: (i) to enter the Unit in which, or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any person, structures, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Corporation or administrator shall not be deemed guilty in any manner of trespass, and to expel, remove and put out same, using such force as may be necessary without being liable to prosecution or in damages; and (ii) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

9.8 Invalid Provision. If any part of these Bylaws shall be held invalid or inoperative for any reason, the remaining parts, so far as possible and reasonable, shall be valid and operative, and effect shall be given to the intent manifested in the portion held invalid or inoperative.

9.9 Table of Contents; Headings. The table of contents and headings used in these Bylaws have been inserted for administrative convenience only and do not constitute matter to be construed in interpretation of these Bylaws.

SOUTH END LOFTS

COMMUNITY RULES AND REGULATIONS

These rules and regulations have been adopted by the Board of Directors of Condominiums of South End Association ("Council") for the purpose of governing and regulating the use of the facilities and services at the South End Lofts ("Property") for the betterment of all who own units in the condominium regime. The rules and regulations contained in this document shall, in no way, limit or restrict the existing rules and regulations found in the South End Lofts Declaration of Condominium ("Declaration") or the Council's ability, power or authority to amend or add to these rules and regulations. Each Owner is responsible for complying with the terms of the Declaration and the other condominium documents to which each Owner is subject, as well as for complying with these rules or regulations and any other rules and regulations adopted by the Council. Any consent or approval given under these Community Rules by the Council shall be revocable at any time. These rules and regulations may be added to, amended, or repealed at any time by the Board of Directors. Definitions for some of the terms used in these rules and regulations can be found in Article I of the Declaration. Unless otherwise specified, the term "Common Elements" includes "Limited Common Elements".

Airconditioning Units

Replacement, repair or maintenance of airconditioning units are the responsibility of each Owner. Please review the sections on Contractors before having any work performed.

Barbeque Grills

Per City of Houston Fire Code, barbecue pits and grills are not allowed on the roof top Terraces, balconies or within ten (10) feet of the Buildings.

Children

Children shall not be allowed to play in the Property's parking area, entrances, stairways, or hallways.

Common Areas

No entrances, hallways, balconies, storage areas or any portions of the Common Elements shall be decorated by an Owner in any manner without prior consent of the Council.

The greens and walkways around the Property and the entrances, stairways, hallways and entrances to the Residence Units shall not be obstructed or used for any purpose other than ingress to and egress from the Residence Units.

No Owner shall do any act or place any object in or outside the Residence Unit that would create a structural or environmental hazard or endanger the structure of the Buildings or adjacent Residence Units.

Each Owner shall keep his Residence Unit in a good state of repair and preservation and shall not sweep or throw, permit to be swept, or thrown, or allow to fall from the doors, balconies or windows thereof, any dirt, other substance or article.

Deliveries

All deliveries to and from any Residence Unit shall be made only through the front or rear entrance. Street parking is limited and care should be taken to obey all city parking signs. The Council will not be responsible for illegally parked vehicles.

Commodos

Commodos and other water apparatus in the Residence Units shall not be used for any purposes other than those for which they were constructed nor shall any other item other than 1 or 2 ply toilet tissue be thrown into the same. Any damage to the Property or another Residence Unit resulting from misuse of any commode or other plumbing apparatus shall be paid for by the Owner of the Residence Unit in which it shall have been caused.

Common Area Utilities

Water shall not be left running for an unreasonable or unnecessary length of time.

No Owner shall interfere in any manner with any portion of the plumbing, heating, air conditioning or lighting apparatus which is part of the Buildings or Common Elements or another Owner's Residence Unit and not part of the Owner's Unit.

Conduct

In keeping with the image as a residential community, no disruptive, unlawful, loud, obnoxious, profane or vulgar conduct is permitted on the Property. Public intoxication is not allowed on the Property. Owners shall be held responsible for the actions of their relatives, agents, invitees, servants and guests.

Contractors

No Owner shall engage any employee of the Council or its Managing Agent for any private business of the Owner. All contractors must have general liability and workman's compensation insurance certificate on file with the Council's Managing Agent in order to perform work on the Property. Certificates evidencing such coverage in amounts that are satisfactory to Board of Directors must be provided to the Council's Managing Agent before any work is performed. Owners are responsible for any damages caused to any portion of the Property or Buildings by any contractor that an Owner has engaged to perform work at the property. Contractors may perform work from 8:00 a.m. to 6:00 p.m. Monday through Friday and 10:00 a.m. to 6:00 p.m. on Saturday and noon to 6:00 p.m. on Sundays.

Exterior Alteration/Improvement

To the extent provided for in the Declaration, Owners are reminded that alteration and repair of the Common Elements is the responsibility of the Council. No Owner shall do any painting or decoration of the exterior of the Buildings or make any alterations or construct any improvements to the exterior of the Buildings or any other Common Elements.

Exterminating

Due to sharing common walls, exterminating is required on a quarterly basis. Notices describing the service and when it will be provided will be posted.

Insurance

The monthly maintenance fees include the Buildings insurance to cover Common Elements and real property. Individual unit Owners are responsible for personal property and liability insurance as described by the Declaration. ALL OWNERS ARE ADVISED TO HAVE ALL RENTERS OF INDIVIDUAL UNIT OWNERS OBTAIN RENTER'S INSURANCE.

Live/Work Lofts

Those Owners who operate a business in a Work Loft must be aware at all times that the Property includes residential units. Therefore, consideration must be given to those who live at the Property. In section 2.1 of the Declaration, use restrictions are explained. These restrictions should be adhered to at all times and each Owner should review this section and be familiar with its content. Additionally, parking at the Property is for Owners and their guests. Patrons of an Owner's business must use off Property parking. Be advised that the Council will not be responsible for illegally parked cars.

Mail Box Area

Please discard unwanted mail in a proper trash receptacle. The mailboxes are serviced by the United States Postal System. Management has no access to the mailboxes. Please report to the Managing Agent any needed repair or damage to the mailboxes.

Maintenance Fees

Maintenance Assessments are due in full on the first day of every month. Assessments not paid by the 10th will incur a \$50 late charge. These mandatory assessments are required by the Declaration and set annually by the Council's Board of Directors. Assessments should be delivered to the Council's Managing Agent at 9990 Richmond, Suite 105, Houston, Texas, 77042.

Moving

All damage to the Buildings or Common Elements caused by a moving or a delivery company shall be paid for by the Owner responsible for the hiring of such moving or delivery company. All move ins to and from any Residence Unit shall be made only through the front or rear entrance. Street parking is limited and care should be taken to obey all city parking signs. The Council will not be responsible for illegally parked vehicles. Do not prop open the pedestrian or driveway entrance gates when moving or delivering any item.

Noises or Odors

No Owner shall produce or permit to be made any noises or noxious odors that will disturb or annoy the occupants of any Residence Unit or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other Owners.

Outdoor Furniture

Outdoor furniture and any other items placed outside a Residence Unit must be secured so that it will not damage the Common Elements or another Owner's property.

Property Access

Access to and from the Property is available via the pedestrian gate and the parking area entrance/exit gate. The pedestrian gate has a keypad for gaining entry to the Property by pressing the correct code. Also, at this location, your guests may access the Property using the guest annunciator panel to call an Owner who can open the gate by pressing the appropriate code on your telephone. Your guests may also be viewed on your television. Exiting the pedestrian gate is accomplished by pressing the exit button located near the gate. Immediately report any needed repair or damage to any gate to the Managing Agent.

The parking area is accessed via a remote control. A remote control is also required to exit the garage. Additionally, the main entrance gate can be opened manually in the event of a power failure.

The Council reserves the right to change various codes from time to time. Do not give out the codes to anyone or let anyone you do not know into the Property, parking area or Common Elements. Do not leave remote controls in your vehicle. Each Owner is responsible for providing remote controls to their renters. Additional remotes may be purchased for \$30.00. In the event that any remotes are lost or stolen, a replacement remote will be supplied at an additional cost of \$30.00 per remote. Contact the Council's Managing Agent for replacement remotes. IMMEDIATELY REPORT ANY LOST OR STOLEN REMOTES TO THE COUNCIL'S MANAGING AGENT.

Please note that the Council's installation or use of these access systems does not constitute a voluntary undertaking, representation or agreement by the Council to provide security to any Owner or the Owner's family, guests or invitees. There is absolutely no guaranty or warranty that the presence of these systems will in any way increase any Owner's personal security or the safety of family, guests or invitees or their respective belongings. These systems are mechanical devices which can be rendered inoperative at any time, can be improperly used by the persons who are not authorized to gain entry or circumvented by persons who are not authorized to gain entry. The Council is not an insurer of any Owner or the Owner's family, guests or invitees or other occupants of the Buildings. Each Owner must assume responsibility for purchasing insurance to cover losses of all types in accordance with the Declaration. Security is the responsibility of each Owner and law enforcement

personnel. In the event of any security concerns, local law enforcement personnel should be contacted. In the event of any emergency, 911 should be called.

Parking

Parking for Owners is provided in the Property's parking area. The spaces are assigned as shown in Exhibit C of the Declaration.

An Owner shall not use, nor permit his family, guests, employees or invitees to use the Parking Space(s) of the other Owners. The Council may make such other rules governing parking as the Council may determine to be necessary or desirable. Only one (1) vehicle may be parked per allotted spaced.

No vehicles shall be left standing in a parking space in a non-operative or dirty condition, nor shall there be other repairs, working, cleaning or any other maintenance done to a vehicle in a parking space or elsewhere on the Property.

An Owner shall not cause or permit the blowing of a horn or the excessive, repeated sounding of an alarm of any vehicle in the parking area or elsewhere on the Property.

No bicycles, trailers, boats, canoes, recreational vehicles, water sport vehicles or campers are permitted on or in the Property, including the parking area. No vehicle belonging to an Owner or to a member of an Owner's family shall be parked in such manner as to impede or to prevent ready access to any parking spaces or exits or entrances. The Owner and the Owner's family and guests shall obey the signage posted in the parking area and any other traffic regulations published in the future for the safety, comfort and convenience of the Owners.

Parking spaces will be used to park vehicles only. No camper tops, tires, tools, boxes, oil or gasoline cans, etc. or any other items will be allowed to be stored in a parking place.

Pets

In no event shall any pet be permitted to stay, stand, loiter or run free in any of the Common Elements. All pets must be on a leash when outside a Residence Unit; including, but not limited to, parking area, hallways, entrances, stairways or other Common Elements. Each Owner who keeps a pet shall indemnify and hold all other Owners harmless against any loss or liability of any kind or character whatsoever arising from or as a result of having such a pet. Each Owner shall be responsible for the expense of cleaning or repair of any damage to any portion of the Property by such Owner's pet(s). If a pet disturbs other Owners by barking or biting or in other ways becomes obnoxious, Council will give notice to the Owner of such pet to cause such annoyance to be discontinued and if such annoyance is not discontinued and corrected, Council may revoke its permission to keep the pet on the Property and the pet shall be removed from the Property. In no event may an Owner keep more than two (2) pets in any Residence Unit.

Rental Guidelines Addendum

For Owner's who wish to rent or sublease their Residence Unit, attached is the Owner's Rental Guidelines, which are a part of these rules and regulations.

Resident Information Sheet

All Owners are required to complete a Resident Information Sheet. A sample form is attached.

Satellite Dishes or Ariel

No satellite dish, radio or television aerial shall be attached to or hung from the exterior of the Buildings or Common Elements. See Guidelines Regarding Satellite Dishes which are attached.

Storage Space

Each Owner shall be responsible for the maintenance, cleanliness and safekeeping of their respective "Storage Space" as designated in Exhibit C of the Declaration.

Storm Damage

Owners shall close all doors and windows to Residence Units when necessary to avoid possible damage from storms or the elements.

Signs or Notices

No sign, notice, flyer, advertisement, or decoration shall be attached to, inscribed or imposed on or projected from any window, balcony, door or other part of the Property.

Toxic Substances

No Owner shall use or permit to be brought into or stored on Property, Residence Unit or Storage Space any inflammable oils or fluids such as gasoline, kerosene, naphtha, benzine, or other explosives or any item deemed hazardous to the environment, life, limb, or property.

Trash Service

All garbage, trash, refuse, and disassembled paper cartons from the Residence Units shall be deposited within a **heavy duty sealed plastic bag** and placed in the garbage containers provided by the City of Houston. Do not leave trash outside Residence Unit. All cartons shall be disassembled or cut into small pieces before being placed in the garbage containers. All glass objects should be placed in a plastic trash container and placed in garbage containers. All disposals shall be used in accordance with manufacturer instructions. Food (edible) garbage shall be put in the disposal rather than in the garbage containers whenever possible.

Window Coverings

No exterior shades, awnings, reflective window film, window guards, ventilators, fans or air conditioning devices shall be installed or used in or about the windows, balconies, Buildings or Common Elements. All Residence Units must have the same type, size and color of blinds initially sold with the Residence Unit by the Declarant installed in the windows to promote a uniform exterior appearance.

OWNER'S RENTAL GUIDELINES

Each Owner is responsible for the conduct of the Owner's renters and such renters' guests and occupants; it is a violation of these rules if any renter, guest or occupant disturbs the rights, comforts or conveniences of other persons within our community. The Council relies upon each Owner to properly screen anyone who will reside at the South End Lofts. The following Guidelines must be followed by any Owner that rents or subleases his or her unit:

- Criminal History Checks. Each Owner is required to obtain a representation from each renter and adult occupant that they have not been convicted of a felony or received deferred adjudication for a felony and each Owner is required to perform a criminal history check on each renter and adult occupant leasing the Owner's unit. This criminal history check can be with as many counties or states as the Owner desires; however, at the very least, a criminal history check is required to be performed within Harris County. Owners are prohibited from knowingly renting to any other renter or adult occupant that has been convicted of a felony or received deferred adjudication for a felony.
- Prior Rental History. In order to minimize problems, it is necessary that each Owner refrain from renting his or her unit to renters and occupants with unacceptable prior rental histories. The Council is not responsible for determining whether a prior rental history is acceptable or whether the Owner has made a sound economic decision to rent the Owner's unit. However, references on each prospective renter and occupant should be obtained and thoroughly checked. At the very least, any applicant for rental that has a history of being evicted for nonmonetary reasons should be declined rental.
- Identification of all Renters and Occupants. Prior to the move-in date, each Owner or Owner's managing agent shall file a copy of the Owner's executed lease with the Council's Managing Agent. Each lease must clearly and legibly show the full name of all renters and authorized occupants of the unit.
- Remote Controls. Each Owner is responsible for providing remote controls to their renters. Additional remotes may be purchased for \$30.00. In the event that any remotes are lost or stolen, a replacement remote will be supplied at an additional cost of \$30.00 per remote. Contact the Council's Managing Agent for the purchase or replacement of remotes. REPORT ANY LOST OR STOLEN REMOTES TO THE COUNCIL'S MANAGING AGENT.

- Move-in Procedure. All move-ins and deliveries to and from any Residence Unit shall be made only through the front or rear entrance. Street parking is limited and care should be taken to obey all city parking signs. The Council will not be responsible for illegally parked vehicles. Additionally, as part of every Owner's move-in procedure, each Owner, on the Owner's own behalf or through the Owner's managing agent, shall provide the Management Office with a Resident Information Sheet (see attached) on each renter and occupant and shall certify that each Owner has complied with the Owner's obligations in this section and that all renters, in addition to any other documents required by law, have been provided with a copy of these rules, the Declaration or any documents or statements which the Council may, from time to time, require Owners to provide. As part of the renter's lease or other rental documents, the renter shall agree to comply with these rules, the Declaration or any other rules that the Council may, from time to time, adapt.
- Certificate of Compliance. Each Owner is required to complete the attached Certificate evidencing compliance with the rental guidelines.

531-30-1374

CERTIFICATION OF COMPLIANCE WITH OWNER'S RENTAL GUIDELINES

(To be filled out by each Owner renting a unit)

Owner: _____
 Renters: _____

Unit #: _____

Authorized Occupant(s): _____

The Owner identified above hereby certifies that the Owner has complied with each of the following Owner's Rental Guidelines as set forth in the South End Lofts Community Rules & Regulations (the "Rules"). Please initial in the spaces provided.

1. _____ Verification that no renter or adult occupant has been convicted of a felony or received deferred adjudication for a felony.
2. _____ Verification that each renter and occupant has an acceptable prior rental history (in the Owner's reasonable discretion).
3. _____ A copy of the renter's lease has been filed with the Council's Managing Agent.
4. _____ Each renter has received one remote per parking space.
5. _____ A Resident Information Sheet (see attached) has been filled out and filed with the Council's Managing Agent.
6. _____ A copy of the Rules has been provided to the renter, and the renter has agreed, either through the renter's lease or other rental documents on file with the Council's Managing Agent, to comply with the Rules.

EXECUTED on the _____ day of _____, 1999.

Owner or Owner's Representative (sign below)

NOTE: For blank forms, please contact the Council's Managing Agent.

GUIDELINES REGARDING SATELLITE DISHES

No antenna or satellite dish that exceeds one meter (39 inches) in diameter is permitted within the South End Lofts community (the "Community"). No antenna, satellite dish or similar device other than an antenna or satellite dish one meter (39 inches) or less in diameter for receiving normal television or satellite signals through airways shall be erected, constructed, placed or permitted to remain within the Community unless such installation strictly complies with the following minimum conditions. The minimum conditions are as follows:

1. An antenna or satellite dish must serve only one (1) residence and must be located wholly within the unit or the balcony or patio area serving only that particular unit.
2. To the extent feasible, an antenna or satellite dish, including base and anchoring structure, shall not extend above the roof line of the residence unit.
3. No antenna or satellite dish shall be constructed or placed or permitted to remain on the general common elements, including, but not limited to, exterior walls, roofs and fences, nor shall it protrude through exterior walls, doors or windows.
4. An antenna or satellite dish must be securely mounted to a base, so as to be able to withstand the effects of high winds or other extraordinary weather conditions; however, no guy wires or similar mounting apparatus will be allowed.
5. The antenna, satellite dish and any mast, including its base and anchoring structure shall be installed and secured in a manner that complies with all applicable laws and regulations and manufacturer's instructions.
6. The antenna, satellite dish and any mast, including its base and anchoring structure must be installed by a licensed and insured contractor and be properly grounded.
7. The antenna, satellite dish and any mast, including its base and anchoring structure may not be installed on a roof.
8. The antenna, satellite dish and any mast, including its base and anchoring structure may not be installed nearer to electric power lines than the total height of the mast and antenna structure above the roof. The purpose of this regulation is to avoid damage to electric power lines if the mast should fall in a storm to repair or replace the antenna, satellite dish and any mast, including its base and anchoring structure if it is damaged in any way, including, but not limited to, vandalism or acts of God.
9. Installation of the antenna or satellite dish will not cause any holes to be made in any ceiling, exterior wall, window or door of the residence unit or the roof, walls, windows or doors of the residence building.
10. No advertising slogans, logos, banners, signs or any other printing or illustration whatsoever shall be permitted upon or be attached to an antenna or satellite dish.

11. No antenna or satellite dish shall ever be used for the transmission of any signal whatsoever and said antenna or satellite dish shall be for the purpose of receiving only normal signals through airwaves for television viewing purposes only.
12. All installation shall be completed so as to not damage the common areas of the Community or the unit of any other owner, or void any warranties of the Council or other owners, or in any way impair the integrity of any structure on common areas.
13. Owners are responsible for all costs associated with the antenna, satellite dish and any mast, including its base and anchoring structure, including but not limited to costs to:
 - (a) Place (or replace), repair, maintain and move or remove the antenna, satellite dish and any mast, including its base and anchoring structure;
 - (b) Repair damages to the common areas, other units and any other property damaged by the antenna, satellite dish and any mast, including its base and anchoring structure;
 - (c) Pay medical expenses incurred by persons injured by the antenna, satellite dish and any mast, including its base and anchoring structure; and
 - (d) Reimburse owners or the Council for damages caused by the antenna, satellite dish and any mast, including its base and anchoring structure.
14. Owners shall be responsible for the antenna, satellite dish and any mast, including its base and anchoring structure and shall not permit their antenna, satellite dish and any mast, including its base and anchoring structure to fall into disrepair or to become a safety hazard. Owners shall be responsible for repainting or replacement if the exterior surface of the antenna, satellite dish and any mast, including its base and anchoring structure deteriorates. Owners shall be responsible to repair or replace the antenna, satellite dish and any mast, including its base and anchoring structure if it is damaged in any way, including, but not limited to, vandalism or acts of God.
15. If any provision of these Guidelines is ruled invalid, the remainder of these Guidelines shall remain in full force and effect.
16. No antenna or satellite dish shall be permitted to cause any distortion or interference whatsoever with respect to any other electronic device in the Community.
17. An antenna or satellite dish shall be one solid color only, either white or black or shades of either brown, gray or tan.
18. No liens in connection with an antenna or satellite dish, or its installation, shall be filed against the residence unit or any general common elements or limited common elements.

In addition to complying with the minimum conditions listed above, the owner of the residence unit shall send written notification to Condominiums of South End Association at its then current address on or before installing any antenna or satellite dish indicating the type and color of the antenna or satellite dish to be installed and the site, method and manner of installation.

Notwithstanding any provisions in these Guidelines, owner must comply with the provisions in the Declaration, and documents governing the Council and the Community (the "Governing Documents"). These Guidelines are in addition to and not in lieu of the Governing Documents. Violations of the Guidelines will be enforced in the same manner for enforcing violations of the Governing Documents and in accordance with Texas law. These Guidelines are subject to revision by action of the Board of Directors and any revisions to these Guidelines may be applied retroactively.

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

MAR 22 2000



George B. Hayman
 COUNTY CLERK
 HARRIS COUNTY TEXAS

Beverly R. Hayman
 COUNTY CLERK
 HARRIS COUNTY, TEXAS

2000 MAR 22 AM 11:31

FILED