

BY-LAWS
OF
CAMBRIDGE CONDOMINIUM OWNERS ASSOCIATION, INC.

Dallas County, Texas

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CAMBRIDGE CONDOMINIUM OWNERS ASSOCIATION, INC.

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BY-LAWS
OF
CAMBRIDGE CONDOMINIUM OWNERS ASSOCIATION, INC.
(A Texas Non-Profit Corporation)

ARTICLE I

NAME

1.1 NAME. The name of the organization shall be CAMBRIDGE CONDOMINIUM OWNERS ASSOCIATION, INC., hereinafter called "Association".

ARTICLE II

PURPOSE AND OWNER OBLIGATION

2.1 PURPOSE. The purpose for which this non-profit Association is formed is to govern the Condominium Property situated in the County of Dallas, State of Texas, which Property is described on the attached Exhibit "A", which by this reference is made a part hereof, and which Property has been submitted to a Regime according to the provisions of the Condominium Act of the State of Texas.

2.2 OWNER OBLIGATION. All present or future owners, tenants, future tenants or any other person who might use the facilities of the Project in any manner, are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the Condominium Units (hereinafter referred to as "Units") of the Project or the mere act of occupancy of any of said Units will signify that these By-Laws are accepted, ratified and will be strictly followed.

ARTICLE III

DEFINITIONS AND TERMS

3.1 MEMBERSHIP. Any person on becoming an Owner of a Condominium Unit shall automatically become a Member of this Association and be subject to these By-Laws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Condominium Unit. Such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with CAMBRIDGE CONDOMINIUM during the period of such ownership and membership in this Association, or impair any rights or remedies which the Board of Directors of the Association or others may have against such former Owner and Member arising

out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board of Directors, if it so elects, may issue one (1) Membership Card per Unit to the Owner(s) of a Condominium Unit. Such Membership Card shall be surrendered to the Secretary whenever ownership of the Condominium Unit designated thereon is terminated.

3.2 VOTING. Unit ownership shall entitle the Owner(s) to cast one (1) vote per Unit in the affairs of the Association, which vote will be weighted to equal the proportionate share of ownership of the Unit Owner in the Common Elements. Voting shall not be split among more than one (1) Unit Owner. The present number of votes that can be cast by the Unit Owners is ninety-six (96). The combined weighted votes calculated in accordance with Exhibit "C" shall equal one hundred percent (100%). Should additional property be annexed in accordance with Paragraph 2.10 of the Declaration, the total number of votes shall be increased accordingly, and the weighted average adjusted to total one hundred percent (100%).

3.3 MAJORITY OF UNIT OWNERS. As used in these By-Laws the term "majority of Unit Owners" shall mean those Owners with fifty-one percent (51%) of the votes entitled to be cast.

3.4 QUORUM. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of Unit Owners" as defined in Paragraph 3.3 of this Article shall constitute a quorum.

3.5 PROXIES. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE IV

ADMINISTRATION

4.1 DECLARANT CONTROL. Notwithstanding any provision herein to the contrary, and in accordance with Paragraphs 4.2 and 4.3 of the Condominium Declaration for CAMBRIDGE CONDOMINIUM, the Declarant, U.S. HOME CORPORATION, shall retain control over management of the affairs of the Association. This retention of control shall be for the benefit of the Unit Owners and any First Mortgagees of Record and for the purpose of insuring both a complete and orderly buildout and a timely sellout of the Project Units, including any annexations. This control shall last no longer than January 1, 1985, or upon sale of seventy-five percent (75%) of the Units, including subsequent annexations, or when in the sole opinion of the Declarant the Project is viable,

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self-supporting and operational.

4.2 ASSOCIATION RESPONSIBILITIES. The Owners of the Units will constitute the Association of Unit Owners, hereinafter referred to as "Association", who will have the responsibility of administering the Condominium Project through a Board of Directors.

4.3 PLACE OF MEETINGS. All annual and special meetings of the Association shall be held at the principal office of the Association or at such other suitable and convenient place as may be permitted by law and from time to time fixed by the Directors and designated in the notices of such meetings.

4.4 ANNUAL MEETINGS. Annual meetings shall be held the fourth (4th) Tuesday of January each year.

4.5 SPECIAL MEETINGS. It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Board of Directors or upon a petition signed by at least one-tenth (1/10) of the Owners and presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the Owners present, either in person or by proxy.

4.6 NOTICE OF MEETINGS. The Secretary shall mail notices of annual and special meetings to each Member of the Association, directed to his last known post office address, as shown on the records of the Association, by uncertified mail, postage prepaid. Such notice shall be mailed not less than ten (10) days nor more than twenty (20) days before the date of such meeting and shall state the date, time and place of the meeting and the purpose or purposes thereof. In lieu of mailing notice as herein provided, such notice may be delivered by hand or left at his residence in his absence. If requested, any Mortgagee of Record or its designee may be entitled to receive similar notice.

4.7 ADJOURNED MEETING. If any meeting of Owners cannot be organized because a quorum has not attended, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is attained.

4.8 ORDER OF BUSINESS. The order of business at all meetings of the Owners of Units shall be as follows:

- a. Roll call.

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- b. Proof of notice of meeting or waiver of notice.
- c. Reading of minutes of preceeding meeting.
- d. Reports of officers.
- e. Reports of committees.
- f. Election of Directors.
- g. Unfinished business.
- h. New business.

ARTICLE V

BOARD OF DIRECTORS

5.1 NUMBER AND QUALIFICATION. The affairs of this Association shall be governed by a Board of Directors composed initially of three (3) persons. The following persons shall act in such capacity and shall manage the affairs of the Association until their successors are elected, to-wit:

<u>NAME</u>	<u>ADDRESS</u>
John L. Hudek	4445 West Ledbetter, Suite 101 Dallas, Texas 75236
Bill Gibbons	4445 West Ledbetter, Suite 101 Dallas, Texas 75236
Bill Campbell	4445 West Ledbetter, Suite 101 Dallas, Texas 75236

At the first annual meeting of the Members of the Association, or any annual meeting thereafter, or special meeting of the Association called for that purpose, the number of Directors may be increased to five (5).

5.2 POWERS AND DUTIES. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a residential Condominium Project. The Board of Directors may do all such acts and things that are not by these By-Laws or by the Condominium Declaration for CAMBRIDGE CONDOMINIUM directed to by exercised and done by the Owners.

5.3 OTHER POWERS AND DUTIES. The Board of Directors shall have the following duties:

- a. To administer and enforce the covenants, conditions, restrictions, uses, limitations, obligations and all other provisions set forth in the Condominium Declaration.
- b. To establish, make and enforce compliance with rules

necessary for the orderly operation, use and occupancy of this Condominium Project. (A copy of such rules and regulation shall be delivered or mailed to each Member promptly upon the adoption thereof.)

c. To keep in good order, condition and repair all of the General and Limited Common Elements and all items of personal property used in the enjoyment of the entire Premises.

d. To insure and keep insured all of the insurable Common Elements of the Property in an amount equal to their maximum replacement value, as provided in the Declaration. Further to obtain and maintain comprehensive liability insurance covering the entire Premises in amounts not less than One Hundred Thousand Dollars (\$100,000.00) per person, Three Hundred Thousand Dollars (\$300,000.00) per accident and Fifty Thousand Dollars (\$50,000.00) property damages, plus a One Million Dollar (\$1,000,000.00) umbrella policy. To insure and keep all the fixtures, equipment and personal property acquired by the Association for the benefit of the Association, the Owners of the Condominium Units and their First Mortgagees.

e. To fix, determine, levy and collect the monthly prorated assessments to be paid by each of the Owners; and by majority vote of the Board to adjust, decrease or increase the amount of the monthly assessments subject to provisions of the Declaration; to levy and collect special assessments in order to meet increased operating or maintenance expenses or costs, and additional capital expenses. All monthly or other assessments shall be in itemized statement form and shall set forth in detail the various expenses for which the assessments are being made.

f. To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an Owner, as provided in the Declaration and these By-Laws.

g. To protect and defend the entire Premises from loss and damage by suit or otherwise.

h. To borrow funds in order to pay for any required expenditure or outlay; to execute all such instruments evidencing such indebtedness which shall be the several obligations of all of the Owners in the same proportion as their interest in the Common Elements.

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i. To enter into contracts within the scope of their duties and power.

j. To establish a bank account for the common treasury for all separate funds which are required or may be deemed advisable by the Board of Directors.

k. To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the Owners and any First Mortgagee of a Unit, the Veterans Administration or Federal Housing Administration, and to cause a complete audit of the books and accounts by a competent accountant, once each year. The Association shall cause to be prepared and delivered annually to each Owner an audited statement showing all receipts, expenses or disbursements since the last such statement. Such audited financial statements shall be available to any First Mortgagee of a Unit, on request, within ninety (90) days following the fiscal year end of the Project.

l. To meet at least once each quarter.

m. To designate the personnel necessary for the maintenance and operation of the General and Limited Common Elements.

n. In general, to carry on the administration of this Association and to do all of those things, necessary and reasonable, in order to carry out the communal aspect of Condominium ownership.

5.4 ELECTION AND TERM OF OFFICE. At the first annual meeting of the Association the term of office of one-third (1/3) of the Directors shall be fixed for one (1) year, the term of office of one-third (1/3) of the Directors shall be fixed at two (2) years, and the term office of the remaining one-third (1/3) of the Directors shall be fixed at three (3) years. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The persons acting as Directors shall hold office until their successors have been elected and hold their first meeting.

5.5 VACANCIES. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each Director so elected shall serve out the remaining term of his predecessor.

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5.6 REMOVAL OF DIRECTORS. At any regular or special meeting duly called, any one (1) or more of the Directors may be removed with or without cause by a majority of the Owners, 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.

5.7 ORGANIZATION MEETING. The first meeting of a newly elected Board of Directors 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 legally to constitute such meeting, providing a majority of the whole Board shall be present.

5.8 REGULAR MEETINGS. Regular meetings of the Board of Directors 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 four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors 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.

5.9 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the President or Secretary, or upon the written request of at least two (2) Directors. The President or Secretary will give three (3) days' personal notice to each Director by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting.

5.10 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.

5.11 BOARD OF DIRECTOR'S QUORUM. At all meetings of the Board of Directors, a majority of 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 is less than a quorum present, the majority of those present may adjourn the meeting from

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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 additional notice.

5.12 FIDELITY BONDS. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

ARTICLE VI

OFFICERS

6.1 DESIGNATION. The officers of the Association shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by and from the Board of Directors.

6.2 ELECTION OF OFFICERS. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

6.3 REMOVAL OF OFFICERS. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board called for such purpose.

6.4 PRESIDENT. The President shall be the chief executive officer of the Association. He shall preside at all meetings of both the Association and the Board of Directors. He shall have all 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 to assist in the administration of the affairs of the Association. The President, or his designated alternate, shall represent the Association at all meetings of the CAMBRIDGE CONDOMINIUM OWNERS ASSOCIATION, INC.

6.5 VICE PRESIDENT. The Vice President shall perform all of the duties of the President in his absence and such other duties as may be required of him from time to time by the Board of Directors.

6.6 SECRETARY.

a. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association. He shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform

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all the duties incident to the office of the Secretary.

b. The Secretary shall compile and keep up to date at the principal office of the Association a complete list of Members and their last known addresses as shown on the records of the Association. Such list shall show opposite each Member's name, the number of Members living in that Unit and the parking space assigned for use in connection with such Unit. Such list shall be open to inspection by Members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

6.7 TREASURER. The Treasurer shall receive and deposit in appropriate bank accounts all money of the Association and shall disburse such as directed by resolution of the Board of Directors; provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Directors, including authority to: sign all checks and promissory notes of the Association; keep proper books of account; cause an annual statement of the Association's books to be made at the completion of each fiscal year; prepare an annual budget and a statement of income expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members; and perform all other duties assigned to him by the Board of Directors.

ARTICLE VII

MANAGEMENT CONTRACT

7.1 MANAGEMENT COMPANY. The Board of Directors may enter into a management agreement with a management company at a rate of compensation agreed upon by the Board of Directors. In accordance with the Declaration and these By-Laws, the management company shall have, but shall not be limited to, the following functions, duties and responsibilities:

a. Fiscal Management.

(1) Prepare annual operating budget detailed to reflect expected operation for each month. This budget is established to show expected recurring receipts and operating disbursements. It is further used for comparison with actual monthly income and expenditures.

(2) Prepare five (5)-year sinking fund reserve budget projection for capital expenditures on items recurring only

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periodically, i.e., painting, etc., for Common Elements.

(3) Prepare monthly operating and cash position statements and statements concerning sinking fund reserve accounts.

(4) Analyze and compare operating receipts and disbursements against the Board-approved budget. Where a significant variation is shown (10% above or below the budgeted amount), prepare explanations of variations from budgeted figures. Suggest corrective recommendations, if applicable.

(5) Collect maintenance fees and special assessments; deposit them in checking, savings or other income producing accounts on behalf of the Board and maintain comprehensive records thereof. Establish individual checking and sinking fund reserve accounts, as directed by the Board.

(6) Mail notices of delinquency to any Owner in arrears, and exert reasonable effort to collect delinquent accounts.

(7) Examine all expense invoices for accuracy and pay all bills in accordance with the terms of the property management agreement.

(8) Prepare year-end statement of operations for Owners.

b. Physical Management.

(1) Assume full responsibility for maintenance and control of Common Area improvements and equipment. Maintain the Property in constant repair to reflect Owner pride and to insure high property values in accordance with the provisions of the operating budget, as approved by the Board of Directors.

(2) Enter into contracts and supervise services for lawn care, refuse hauling, pump maintenance, etc., as approved operating budgets.

(3) Select, train and supervise competent personnel, as directed by the Board.

(4) Compile, assemble and analyze data; and prepare specifications and call for bids for major improvement

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projects. Analyze and compare bids, issue contracts and coordinate the work; maintain close and constant inspection to insure that work is performed according to specifications.

(5) Perform any other projects with diligence and economy in the Board's best interests.

c. Administrative Management.

(1) Inspect contractual services for satisfactory performance. Prepare any necessary compliance letters to Vendors.

(2) Obtain and analyze bids for insurance coverage specified in By-Laws, recommend modifications or additional coverages. Prepare claims when required and follow up on payment; act as Board's representative in negotiating settlement.

(3) Exercise close liaison and supervision over all personnel of the Homeowners Association to insure proper operational maintenance and to promote good Management-Resident-Owner relationships.

(4) Act as liaison for the Association in any negotiations or disputes with local, federal or state taxing agencies or regulatory bodies.

(5) Exercise close supervision over hours and working conditions of employed personnel to insure compliance with Wage and Hour and Workman's Compensation Laws.

(6) Assist in resolving individual Owner's problems as they pertain to the Association, Common Elements and governing rules and regulations.

(7) Represent an absentee Owner when requested.

(8) Administer the Condominium Project in such a way as to promote a pleasant and harmonious relationship within the complex for all Owners.

ARTICLE VIII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

8.1 INDEMNIFICATION. The Association shall indemnify every Director or officer, his heirs, executors and administrators, against all loss, cost and

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expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except in matters of gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters in which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association in connection with the foregoing indemnification provision shall be treated and handled by the Association as Common Expenses; provided, however, nothing contained in this Article VIII shall be deemed to obligate the Association to indemnify any Member or Owner of a Condominium Unit, who is or has been a Director or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Condominium Declaration for CAMBRIDGE CONDOMINIUM as a Member or Owner of a Condominium Unit covered thereby.

ARTICLE IX

OBLIGATIONS OF THE OWNERS

9.1 ASSESSMENTS. All Owners shall be obligated to pay the monthly assessments imposed by the Association to meet the Common Expenses as defined in the Declaration. The assessments shall be made pro rata according to the proportionate share of the Unit Owner in and to the Common Elements and shall be due monthly in advance. A Member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of Members, within the meaning of these By-Laws, only if he is current in the assessments made or levied against him and the Condominium Unit owned by him.

9.2 GENERAL.

a. Each Owner shall comply strictly with the provisions of the Condominium Declaration for CAMBRIDGE CONDOMINIUM.

b. Each Owner shall always endeavor to observe and promote the cooperative purposes for which the Project was built.

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9.3 USE OF GENERAL COMMON ELEMENTS AND LIMITED COMMON ELEMENTS.

Each Owner may use the General Common Elements and the Limited Common

Elements in accordance with the purposes for which they were intended.

9.4 DESTRUCTION OR OBSOLESCENCE. Each Owner shall, if necessary, execute a power of attorney in favor of the Association, irrevocably appointing the Association his Attorney-In-Fact to deal with the Owner's Condominium Unit upon its destruction, obsolescence or condemnation, as is provided in Paragraph 6.1 of the Condominium Declaration.

ARTICLE X

AMENDMENTS TO PLAN OF CONDOMINIUM OWNERSHIP

10.1 BY-LAWS.

a. After relinquishment of Declarant control of the Association, as set forth in Article IV, these By-Laws may be amended by the Association at a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by Owners representing at least sixty-six and two-thirds percent (66-2/3%) of the aggregate interest of the undivided Ownership of the Common Elements. In no event shall the By-Laws be amended to conflict with the Declaration. In the event of a conflict between the two (2) documents, the Declaration shall control.

b. Until relinquishment of Declarant control of the Association, these By-Laws may be unilaterally amended by the Declarant to correct any clerical or typographical error or omission, or to change any provision to meet the requirements of Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration or Federal Housing Administration.

ARTICLE XI

MORTGAGES

11.1 NOTICE TO ASSOCIATION. An Owner who mortgages his Unit shall notify the Association through the President of the Association giving the name and address of his Mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Condominium Units".

11.2 NOTICE OF UNPAID ASSESSMENTS. The Association shall, at the request of a Mortgagee of a Unit, report any unpaid assessments due from the Owner of such Unit.

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ARTICLE XII

COMPLIANCE

12.1 LEGAL REQUIREMENTS. These By-Laws are set forth to comply with the requirements of the State of Texas Condominium Act. If any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

ARTICLE XIII

NON-PROFIT ASSOCIATION

13.1 NON-PROFIT PURPOSE. This Association is not organized for profit. No Unit Owner, Member of the Board of Directors or person from whom the Association 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 Association be paid as a salary or as compensation to, or distributed to or inure to the benefit of any Member of the Board of Directors; provided, however, always (1) that reasonable compensation may be paid to any Member while acting as an agent or employee of the Association for services rendered in effecting one [1] or more of the purposes of the Association and (2) that any Member of the Board of Directors may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XIV

PRINCIPAL OFFICE

14.1 ADDRESS. The principal office of the Association shall be located at 4445 West Ledbetter, Suite 101, Dallas, Texas 75236, but may be located at such other suitable and convenient place as shall be permitted by law and designated by the Directors.

ARTICLE XV

EXECUTION OF INSTRUMENTS

15.1 AUTHORIZED AGENTS. The persons who shall be authorized to execute any and all instruments of conveyance or encumbrances, including promissory notes, shall be the President and the Secretary of the Association.

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ARTICLE XVI

CORPORATE SEAL

16.1 CORPORATE SEAL. The Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association.

ARTICLE XVII

DEFINITIONS OF TERMS

17.1 DEFINITIONS OF TERMS. The terms used in these By-Laws, to the extent they are defined in said Declaration, shall have the same definition as set forth in the Declaration for CAMBRIDGE CONDOMINIUM, as the same may be amended from time to time, recorded in the office of the County Clerk of Dallas County, Texas.

CERTIFICATE

I HEREBY CERTIFY that the foregoing is a true, complete and correct copy of the By-Laws of CAMBRIDGE CONDOMINIUM OWNERS ASSOCIATION, INC., a Texas non-profit corporation, as adopted by the initial Board of Directors at its organization meeting on the ____ day of _____, A. D., 1980.

IN WITNESS WHEREOF, I hereunto set my hand and affix the Seal of the Corporation, this the ____ day of _____, A. D., 1980.


Secretary

EXHIBIT "A"

PHASE I

BEING a tract of land out of Jno. Jackson Survey Abstract No. 699 and being part of City Block 8576, Lot 2, Dallas, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point in the East right-of-way line of Audelia Road (80' R.O.W.), said point being the most Northwesterly corner of CAMBRIDGE CONDOMINIUMS, an addition to the City of Dallas, Texas, recorded in Volume 80065, Page 135 of the Map Records of Dallas County, Texas, and being more particularly described as follows:

THENCE North $89^{\circ}48'20''$ East, 675.08 ft. along the North line of Cambridge Condominiums to a point for corner;

THENCE South $00^{\circ}11'40''$ East, 78.00 ft. to a point for corner;

THENCE South $89^{\circ}48'20''$ West, 224.75 ft. to a point for corner;

THENCE South $00^{\circ}11'40''$ East, 209.51 ft. to a point for a corner, said point also being the beginning of a curve to the left having a central angle of $20^{\circ}21'33''$, a radius of 89.00 ft., a tangent of 15.98 ft., a tangent bearing of South $20^{\circ}33'13''$ East;

THENCE along said curve an arc distance of 31.63 ft. to a point for a corner;

THENCE North $89^{\circ}48'20''$ East, 180.96 ft. to a point for a corner;

THENCE South $00^{\circ}11'40''$ East, 174.93 ft. to a point for a corner;

THENCE South $89^{\circ}48'20''$ West, 149.35 ft. to a point for a corner;

THENCE South $00^{\circ}11'40''$ East, 29.74 ft. to the South line of CAMBRIDGE CONDOMINIUMS to a point for a corner;

THENCE South $89^{\circ}42'18''$ West, 385.15 ft. to a point for a corner;

THENCE North $00^{\circ}00'35''$ West, 338.68 ft. to a point for a corner;

THENCE South $89^{\circ}42'18''$ West, 129.36 ft. to a point for a corner;

THENCE North $00^{\circ}00'35''$ West, 160.00 ft. to the POINT OF BEGINNING and CONTAINING 237,487 Square Feet or 5.452 Acres of Land, more or less.

EXHIBIT "C"
CAMBRIDGE CONDOMINIUMS

Percentage of Undivided Shares in the Common Elements and
of Sharing Common Expenses Appurtenant to Each Unit

The following schedule sets forth for each phase the percentage of ownership of the common elements, which is also the percentage of sharing common expenses and surplus appurtenant to each unit:

	Phase 1	Phase 2	Phase 3
Number of Units to be added:	96	96	48
Total Units:	96	192	240
Building A			
111	.7565864579%	.38281025%	.3081651055%
112	.7565864579	.38281025	.3081651055
113	1.02087349	.51653163	.41581183
114	1.02087349	.51653163	.41581183
115	1.12658831	.57002019	.45887051
116	1.12658831	.57002019	.45887051
117	1.28205128	.64867983	.52219211
118	1.28205128	.64867983	.52219211
211	.7565864579	.38281025	.3081651055
212	.7565864579	.38281025	.3081651055
213	1.02087349	.51653163	.41581183
214	1.02087349	.51653163	.41581183
215	1.12658831	.57002019	.45887051
216	1.12658831	.57002019	.45887051
217	1.28205128	.64867983	.52219211
218	1.28205128	.64867983	.52219211
311	.7565864579	.38281025	.3081651055
312	.7565864579	.38281025	.3081651055
313	1.02087349	.51653163	.41581183
314	1.02087349	.51653163	.41581183
315	1.12658831	.57002019	.45887051
316	1.12658831	.57002019	.45887051
317	1.28205128	.64867983	.52219211
318	1.28205128	.64867983	.52219211
	<u>25.11659723</u>	<u>12.7082514</u>	<u>10.23023733</u>
Building B			
121	.7565864579	.38281025	.3081651055
122	.7565864579	.38281025	.3081651055
123	1.02087349	.51653163	.41581183
124	1.02087349	.51653163	.41581183
125	1.12658831	.57002019	.45887051
126	1.12658831	.57002019	.45887051
127	1.12658831	.57002019	.45887051
128	1.28205128	.64867983	.52219211
221	.7565864579	.38281025	.3081651055
222	.7565864579	.38281025	.3081651055
223	1.02087349	.51653163	.41581183
224	1.02087349	.51653163	.41581183
225	1.12658831	.57002019	.45887051
226	1.12658831	.57002019	.45887051
227	1.12658831	.57002019	.45887051
228	1.28205128	.64867983	.52219211
321	.7565864579	.38281025	.3081651055
322	.7565864579	.38281025	.3081651055
323	1.02087349	.51653163	.41581183
324	1.02087349	.51653163	.41581183
325	1.12658831	.57002019	.45887051
326	1.12658831	.57002019	.45887051
327	1.12658831	.57002019	.45887051
328	1.28205128	.64867983	.52219211
	<u>24.65020833</u>	<u>12.47227248</u>	<u>10.04027233</u>

	Phase 1	Phase 2	Phase 3
Building I			
191	.7565864579X	.38281025X	.3081651055X
192	.7565864579	.38281025	.3081651055
193	1.02087349	.51653163	.41581183
194	1.02087349	.51653163	.41581183
195	1.12658831	.57002019	.45887051
196	1.12658831	.57002019	.45887051
197	1.28205128	.64867983	.52219211
198	1.28205128	.64867983	.52219211
291	.7565864579	.38281025	.3081651055
292	.7565864579	.38281025	.3081651055
293	1.02087349	.51653163	.41581183
294	1.02087349	.51653163	.41581183
295	1.12658831	.57002019	.45887051
296	1.12658831	.57002019	.45887051
297	1.28205128	.64867983	.52219211
298	1.28205128	.64867983	.52219211
391	.7565864579	.38281025	.3081651055
392	.7565864579	.38281025	.3081651055
393	1.02087349	.51653163	.41581183
394	1.02087349	.51653163	.41581183
395	1.12658831	.57002019	.45887051
396	1.12658831	.57002019	.45887051
397	1.28205128	.64867983	.52219211
398	1.28205128	.64867983	.52219211
	<u>25.11659723</u>	<u>12.7082514</u>	<u>10.23023733</u>

Building J			
101	.7565864579	.38281025	.3081651055
102	.7565864579	.38281025	.3081651055
103	1.02087349	.51653163	.41581183
104	1.02087349	.51653163	.41581183
105	1.12658831	.57002019	.45887051
106	1.12658831	.57002019	.45887051
107	1.28205128	.64867983	.52219211
108	1.28205128	.64867983	.52219211
201	.7565864579	.38281025	.3081651055
202	.7565864579	.38281025	.3081651055
203	1.02087349	.51653163	.41581183
204	1.02087349	.51653163	.41581183
205	1.12658831	.57002019	.45887051
206	1.12658831	.57002019	.45887051
207	1.28205128	.64867983	.52219211
208	1.28205128	.64867983	.52219211
301	.7565864579	.38281025	.3081651055
302	.7565864579	.38281025	.3081651055
303	1.02087349	.51653163	.41581183
304	1.02087349	.51653163	.41581183
305	1.12658831	.57002019	.45887051
306	1.12658831	.57002019	.45887051
307	1.28205128	.64867983	.52219211
308	1.28205128	.64867983	.52219211
	<u>25.11659723</u>	<u>12.7082514</u>	<u>10.23023733</u>

TOTAL PHASE 1 100.00000000X

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		Phase 2	Phase 3	
Building C	131	.38281025X	.3081651055Z	
	132	.38281025	.3081651055	
	133	.51653163	.41581183	
	134	.51653163	.41581183	
	135	.57002019	.45887051	
	136	.57002019	.45887051	
	137	.57002019	.45887051	
	138	.64867983	.52219211	
	231	.38281025	.3081651055	
	232	.38281025	.3081651055	
	233	.51653163	.41581183	
	234	.51653163	.41581183	
	235	.57002019	.45887051	
	236	.57002019	.45887051	
	237	.57002019	.45887051	
	238	.64867983	.52219211	
	331	.38281025	.3081651055	
	332	.38281025	.3081651055	
	333	.51653163	.41581183	
	334	.51653163	.41581183	
	335	.57002019	.45887051	
	336	.57002019	.45887051	
	337	.57002019	.45887051	
	338	.64867983	.52219211	
			<u>12.47227248</u>	<u>10.04027253</u>
	Building D	141	.57002019	.45887051
		142	.57002019	.45887051
		143	.64867983	.52219211
		144	.51653163	.41581183
		145	.51653163	.41581183
		146	.51653163	.41581183
		147	.38281025	.3081651055
		148	.38281025	.3081651055
241		.57002019	.45887051	
242		.57002019	.45887051	
243		.64867983	.52219211	
244		.51653163	.41581183	
245		.51653163	.41581183	
246		.51653163	.41581183	
247		.38281025	.3081651055	
248		.38281025	.3081651055	
341		.57002019	.45887051	
342		.57002019	.45887051	
343		.64867983	.52219211	
344		.51653163	.41581183	
345		.51653163	.41581183	
346		.51653163	.41581183	
347		.38281025	.3081651055	
348		.38281025	.3081651055	
			<u>12.3118068</u>	<u>9.911096496</u>

		Phase 2	Phase 3	
Building G	171	.57002019X	.45887051X	
	172	.57002019	.45887051	
	173	.64867983	.52219211	
	174	.51653163	.41581183	
	175	.38281025	.3081651055	
	176	.51653163	.41581183	
	177	.38281025	.3081651055	
	178	.38281025	.3081651055	
	271	.57002019	.45887051	
	272	.57002019	.45887051	
	273	.64867983	.52219211	
	274	.51653163	.41581183	
	275	.38281025	.3081651055	
	276	.51653163	.41581183	
	277	.38281025	.3081651055	
	278	.38281025	.3081651055	
	371	.57002019	.45887051	
	372	.57002019	.45887051	
	373	.64867983	.52219211	
	374	.51653163	.41581183	
	375	.38281025	.3081651055	
	376	.51653163	.41581183	
	377	.38281025	.3081651055	
	378	.38281025	.3081651055	
			<u>11.91064266</u>	<u>9.588156324</u>
	Building H	181	.38281025	.3081651055
		182	.38281025	.3081651055
		183	.51653163	.41581183
		184	.51653163	.41581183
		185	.57002019	.45887051
		186	.57002019	.45887051
		187	.64867983	.52219211
		188	.64867983	.52219211
		281	.38281025	.3081651055
		282	.38281025	.3081651055
		283	.51653163	.41581183
		284	.51653163	.41581183
		285	.57002019	.45887051
		286	.57002019	.45887051
		287	.64867983	.52219211
		288	.64867983	.52219211
		381	.38281025	.3081651055
		382	.38281025	.3081651055
		383	.51653163	.41581183
		384	.51653163	.41581183
		385	.57002019	.45887051
		386	.57002019	.45887051
		387	.64867983	.52219211
388		.64867983	.52219211	
			<u>12.7082514</u>	<u>10.23023733</u>
Total Phase 2			<u>100.00000000X</u>	

Phase
3

Building E	151	.45887051X
	152	.45887051
	153	.41581183
	154	.52219211
	155	.41581183
	156	.41581183
	157	.3081651055
	158	.3081651055
	251	.45887051
	252	.45887051
	253	.41581183
	254	.52219211
	255	.41581183
	256	.41581183
	257	.3081651055
	258	.3081651055
	351	.45887051
	352	.45887051
	353	.41581183
	354	.52219211
	355	.41581183
	356	.41581183
	357	.3081651055
	358	.3081651055
		<hr/>
		9.911096496
		<hr/>
	161	.45887051
	162	.45887051
	163	.41581183
	164	.52219211
	165	.41581183
	166	.3081651055
	167	.3081651055
	168	.3081651055
	261	.45887051
	262	.45887051
	263	.41581183
	264	.52219211
	265	.41581183
	266	.3081651055
	267	.3081651055
	268	.3081651055
	361	.45887051
	362	.45887051
	363	.41581183
	364	.52219211
	365	.41581183
	366	.3081651055
	367	.3081651055
	368	.3081651055
		<hr/>
		9.588156324
		<hr/>
		100.00000000
		<hr/>
Total Phase 3		

OWNERSHIP IN CAMBRIDGE CONDOMINIUM

Welcome to ownership in CAMBRIDGE CONDOMINIUM. As you are no doubt aware, Condominium documents can be long, cumbersome and full of a lot of legal jargon (mumbo jumbo); but it is done in an effort to protect your rights and ownership. Article 1301a of the Revised Civil Statutes of Texas, known as the "Condominium Act" sets forth the rights and privileges of Condominium ownership, and it also defines, to a large degree, the documentation format. Conceptually speaking, the Texas Condominium Act is a child compared to the length of time condominiums have been in existence. Historically, the condominium concept goes beyond the time of ancient Rome and the walled cities of Europe. Around The Forum in ancient Rome land was at a premium. This is where condominiums were started in the Roman Empire. Of course, the walled cities of Europe were built for protection and location within the city was considered prime (especially under seige). The only alternative was to build up. What the condominium concept does is create a horizontal boundary. In other words, it creates ownership in an airspace. The word condominium is interesting in that it can be broken down into two Latin derivatives, con meaning with as in concert and dominium meaning ownership or control. Placed together, we have ownership or control with others. Hence, at least from a Latin perspective, the word condominium makes sense. With that little bit of history regarding the roots of CAMBRIDGE CONDOMINIUM, we believe you might be assisted in understanding many things about the Condominium Project if we furnish you with this statement from the developer which attempts to describe some of the more important features of condominium ownership and your responsibilities and rights in less technical language.

Please be aware that this is a summary, and, as such, it will not actually cover every aspect of the documentation package. If you have a question regarding this summary and the document package, please make it known to us; and we will try to answer you concerns.

First of all, your Condominium is created and is sold as a fee simple interest. By a fee simple, we mean an estate or ownership in real estate held absolutely by a person and he can pass it to his heirs or give it away or sell it without limitation. CAMBRIDGE CONDOMINIUM will be built in three (3) phases. It will ultimately consist of two hundred and forty (240) units and three (3) buildings. The first phase consists of ninety-six (96) units; the second phase will consist of ninety-six (96) units; and the third phase

will consist of forty-eight (48). The owner (this can be more than one person) of each of the units of CAMBRIDGE CONDOMINIUM will own a percentage interest in the total completed Project. This interest will be based on the square footage of the Owner's particular Unit in relation to the square footage of the total units combined. You will own absolutely, in fee simple, all that space between the ceiling and the floor and between the walls. This will entail any nonload-bearing walls, doors, cabinets, bathroom fixtures, etc. The percentage ownership the Unit Owner has in the overall Project includes, among other things, the ground underneath the buildings, the foundation, the structure, the frame, the roof, driveways, green areas, recreational areas, etc. These elements are called "Common Elements", and they cannot be separated from your absolute ownership in your particular Unit. These Common Elements are managed and maintained by the CAMBRIDGE CONDOMINIUM OWNERS ASSOCIATION, INC. This is a Texas non-profit corporation governed by By-Laws very similar to those of any other corporation in the State of Texas. Each Unit Owner is automatically a member of the Association, and this membership cannot be separated from ownership of a Unit. The By-Laws provide for officers and a board of directors for the Association. The board of directors has primary responsibility for the budget and the hiring of the management company that will actually look after the on-site upkeep and control of the Common Elements. The board of directors for the Association also has primary responsibility for the annual budgets that affect your Condominium. These budgets are initially prepared for the board by the Developer and approved by the management company your Association will employ for the management of the Condominium Property. The management company will be a separate corporation with experience and expertise in the management of condominium property. The management company is responsible to your Association, and its activities are governed by contract.

The CAMBRIDGE CONDOMINIUM OWNERS ASSOCIATION, INC., as stated above, was initially developed, organized and created by the Developer. Until a sufficient number of units in the project is sold, the Developer, in order to insure a timely and orderly buildout and sellout of the entire Project, will have control of the board of directors and the affairs of the Association. However, the Declaration explicitly states that the Developer will not use this control to gain any advantage over the Unit Owners by way of retention of any residual rights or interests in the Association or

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through the creation of any management agreement for a term longer than one (1) year without majority Association approval upon relinquishment of Developer control. This control will be in effect throughout the three (3) phases of the Project, but in no event will it extend longer than that date upon which the Developer has sold seventy-five percent (75%) of the Units, including any annexations, or January 1, 1985, whichever occurs first.

In regard to keeping the Project in top shape, we are sure you are aware that the maintenance and upkeep of the Project are funded through monthly assessments collected from the Unit Owners. Your assessment amount is based upon the square footage of your particular Unit in relation to the total square footage of all units in the Project. This includes unsold units as well as sold units. During the time the Developer has control over the Association, it shall be his responsibility to make up the difference between the cost of maintaining the Common Elements and the assessments received from the Unit Owners. Your assessment rate will not depend upon the number of sold units, but the total number of units, whether sold or not. This responsibility is guaranteed by the Developer. The assessment amount is determined by such items as taxes, governmental assessments, landscaping and grounds care, Common Area lighting, repairs and renovations, garbage collection, wages, water charges, legal and accounting fees, management cost and fees, insurance and reserves.

With regard to insurance, the Association will have responsibility for the Common Elements. You will have responsibility for your personal property and for any personal liability coverage within your unit.

How does a Condominium Project come into existence in the first place? In order to create the Condominium Regime of which you will be a part, a Condominium Declaration, Articles of Incorporation for the Association and By-Laws are drafted. Among these, the Condominium Declaration is filed locally in the Condominium Records of Dallas County, and the Articles of Incorporation for the Association are not filed. In Articles I and II of the Declaration you will find definitions and terms and an in-depth description of the components of CAMBRIDGE CONDOMINIUM in general. In Article III you will find owner use and occupancy restrictions and rules. This Article III provides a detailed breakdown of the rights and obligations of ownership. Article IV describes the management and administration and Article V discusses maintenance assessments. You will note in Article V there is a provision for the Owners Association in order to insure the payment of

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assessments by the Unit Owners to attach a lien against a particular Unit in the event the Unit Owner fails to pay his assessment when due. Article VI is about insurance and describes the procedures to be followed by the Association in the event of destruction of any of the Units or buildings. You will notice Article V and others are specifically directed toward Mortgage protection. This is very important, because should you wish to sell your Unit at some future date mortgage companies or other lenders may be needed to loan money to the person who buys your Unit.

Of the Articles mentioned above, probably the most important as far as you living in CAMBRIDGE CONDOMINIUM is concerned is Article II. This Paragraph is set out in fairly simple and explicit language, and these restrictions are in the Declaration to insure the kind of life style and environment in CAMBRIDGE CONDOMINIUM that will make living there more pleasant and satisfying. These restrictions may be enforced by legal means, but they become effective only when each Unit Owner voluntarily tries his utmost to conform and thereby be a better neighbor to all his fellow Unit Owners.

We are glad to have you at CAMBRIDGE CONDOMINIUM, and we are sure you will enjoy your new home.

U. S. HOME CORPORATION

By: 

U. S. HOME CORPORATION
84201 0725

STATE OF TEXAS COUNTY OF DALLAS
I, the County Clerk, do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears in the public records of the County of Dallas, State of Texas.

OCT 13 1980



L. E. Murdoch

COUNTY CLERK, Dallas County, Texas

1980 OCT 10 AM 11:43

FILED
X. E. Murdoch
COUNTY CLERK
DALLAS COUNTY

PIONEER NATIONAL TITLE INSURANCE COMPANY
ONE DALLAS CENTER
350 NORTH ST. PAUL, SUITE 800
DALLAS, TEXAS 75201

(North Dallas)

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