

BYLAWS
OF
LIMPIA CROSSING PROPERTY OWNERS ASSOCIATION, INC.
A Texas Non-Profit Corporation

These Bylaws govern the affairs of Limpia Crossing Property Owners Association, Inc (the "Association"), a Texas non-profit corporation.

ARTICLE I

PROPERTY LOCATION; OFFICES

1.1 Property Location. The term "Property" as used herein shall be deemed to mean the real property located in Jeff Davis County, Texas, and comprising Limpia Crossing, a subdivision as the same appears in the Amended Plat on file in Map File 2, Slot 7-A, Map/Plat Records on file in the Office of the County Clerk of Jeff Davis County, Texas.

1.2 Offices. The Association's principal office in Texas will be located in Jeff Davis County, Texas. The Association may have such other offices, in Texas or elsewhere, as the Board of Directors may determine. The Board may change the location of any office of the Association. The Association will also maintain a registered office and registered agent in Texas The Board may change the registered office and the registered agent as permitted in the Texas Non-Profit Corporation Act (the "Act").

ARTICLE II

PURPOSES AND POWERS

2.1 Purposes and Powers. The Corporation is organized as a homeowners association within the meaning of Section 528(c)(1) of the Internal Revenue Code of 1986, as now in effect or the corresponding section of any future federal tax code (the "Code").

Notwithstanding any other provisions of these Articles of Incorporation:

The Association does not contemplate pecuniary gain or profit to the Members thereof, and its specific and primary purpose is to govern, maintain, improve, operate and care for the roadways and other common areas of Limpia Crossing (herein so called), a subdivision located in Jeff Davis County, Texas, as the same appears in the Amended Plat on file in Map File 2, Slot 7-A, Map/Plat Records on file in the Office of the County Clerk of Jeff Davis County, Texas, and for any and all other property which comprises a part of the Limpia Crossing subdivision and falls within the definition of the term "association property" under Section 528(c)(4) of the Code (all such property being hereinafter referred to as the "Limpia Crossing Property"). In furtherance of such primary purposes, the general purposes and powers of the Association shall be:

(i) to promote the common good, health, safety and general welfare of the residents of the Limpia Crossing Property;

(ii) to enforce these Bylaws, as amended from time to time, and any rules and regulations of the Association;

(iii) to enforce generally on behalf of the Association and its Members the covenants and restrictions, concerning road maintenance, affecting the Limpia Crossing Property, and specifically, to affix, levy, collect and enforce payment by any lawful means, of all charges fees or assessments authorized pursuant to the terms of such covenants and restrictions, concerning road maintenance, affecting the Limpia Crossing Property; to contract for and pay all expenses in connection with the maintenance, landscaping, materials, supplies and services relating to the roadways and other common areas of the Limpia Crossing Property; to employ personnel reasonably necessary for administration,

maintenance and operation of the Limpia Crossing Property, including lawyers and accountants where appropriate; and to pay all office and other expenses incident to the conduct of the Association, including all licenses, taxes and other governmental charges upon the Association which are or would become a lien on any portion of the Limpia Crossing Property;

(iv) to acquire (by purchase, grant, or otherwise), annex, merge, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or to otherwise dispose of real or personal property in connection with the maintenance of Association's roads, subject to all covenants and restrictions affecting the Limpia Crossing Property;

(v) to borrow money, and to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to these Bylaws and the covenants and restrictions affecting the Limpia Crossing Property;

(vi) To act in the capacity of principal, agent, joint venture, partner or otherwise;

(a) At least sixty percent (60%) of the gross income of the Association for each taxable year shall consist solely of amounts received as membership dues, fees or assessments from owners of residences or residential lots located within the boundary of the Limpia Crossing Property;

(b) At least ninety percent (90%) of the expenditures of the Association for each taxable year shall be expenditures the acquisition, construction, management, maintenance and care of the Limpia Crossing Property;

(c) No part of the net earnings of the Association shall inure (other than by acquiring, constructing, or providing management, maintenance, and care of Limpia Crossing Property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any director, officer or member of the Association or any private individual; and no director, officer, member or private individual shall be entitled to share in the distribution of any of the Association assets on the dissolution of the Association;

(d) The Association shall not conduct or carry on any activities not permitted to be conducted or carried on by a homeowners association exempt from taxation under Section 528 of the Code; and

(e) The Association is organized pursuant to the Act for non-profit purposes and does not contemplate gain or profit.

The foregoing statement of purposes shall be construed as a statement of both purposes and of powers, and the purposes and powers in each clause shall not be limited or restricted by reference to or

inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, the Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Association.

ARTICLE III.

MEMBERSHIP, VOTING RIGHTS, MEETINGS AND MEMBERSHIP FEES/DUES

3.1 Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any lot a part of the Limpia Crossing Property shall, at all times, be either a Class A or class B Member of the Association, as hereinafter provided in Section 32. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from record ownership of a fee or undivided interest in any lot a part of the Limpia Crossing Property. Ownership of such lot shall be the sole qualification for membership.

3.2 Class Membership; Voting Rights. The Association shall have two (2) classes of voting membership, with one class being comprised of all lot owners which are subject to assessment of the road maintenance fees by the Association pursuant to covenants of record affecting the Limpia Crossing Property (such class being hereinafter referred to as "Class A") and the other class being comprised of all lot owners which are not subject, for any reason, to assessment for road maintenance fees by the Association (such class being hereinafter referred to as "Class B"). Class A and Class B members in good standing shall be entitled to one (1) vote, for each lot owned, at any meeting of Members of the Association. When more than one (1) person holds such interest in any lot, all such persons shall be Members. The vote of such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot. A Class A or Class B Member in good standing is one who has paid all required membership dues and/or dues as of the date of any meeting of the Members of the Association. A Member not in good standing shall not be entitled to vote at any meeting.

3.3 Membership Dues/Road Assessment Fees. Class B Members whose lot/lots front on highway 118 and whose lot/lots do not front on Limpia Crossing roads will not be billed for Road Maintenance fees for those lots. These members will be non voting members on any questions presented to the Association

regarding road maintenance, with the exception that they may at their own discretion pay membership dues equal to the road maintenance fee and become voting members on these questions. Other Class B members, on a periodic and per lot basis, shall be obligated to pay dues ("Class B Membership Dues") to the Association equal to the amount, on a periodic and per lot basis, of the road maintenance fee (the "Road Maintenance Fee") payable by Class A Members to the Association by virtue of covenants of record affecting the Limpia Crossing Property. Class A Members shall be obligated to pay to the Association, on a periodic and per lot basis, the Road Maintenance Fee and for that consideration shall be exempt from any obligation to pay Class B Membership Dues. The Board of Directors may set and change, with majority approval of the Members entitled to vote, the amount of any additional annual or periodic dues or fees payable to the Association by the Class A and Class B Members. Consistent with the foregoing, therefore, Members shall be obligated to pay, on a periodic and per lot basis, either the Road Maintenance Fee or Class B Membership Dues, together with any additional dues or fees as may be set by the Board of Directors and approved by a majority of the Members entitled to vote. Any periodic dues or fees shall be payable as determined by the Board of Directors.

3.4 Annual Meetings. The first (1st) annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association. Thereafter, the annual meeting of the Members shall be held on the first Tuesday in January. After the first annual meeting in January, 2001 annual meetings shall be held on the first Sunday in July each year, starting in the year 2001, for the purpose of electing Directors (after the term of office of the initial Board of Directors or their successors to the initial Board of Directors has terminated), and for the transaction of any and all such other business which may be brought before or submitted to the meeting. All annual meetings of the Members shall be held at the office of the Association in Jeff Davis County, Texas, unless otherwise determined by the Board of Directors.

3.5 Special Meeting. Special meetings of the Members shall be held at the office of the Association in Jeff Davis County, Texas, or at such other places as may be designated in the notice of meeting or waivers of notice of meeting. Special meetings of the Members may be called by the President or by a Vice President or by a majority of the Directors or by Members in good standing holding twenty percent (20%) of all votes entitled to be cast at any meeting of Members. Written notice of each special meeting shall state the time and place thereof and indicate briefly the purpose or purposes thereof. Notice of meetings of the Members may be sent by mail or telegram or may be delivered by the Secretary, President, Vice President or Assistant

Secretary, directly to the Members of the Association at their respective addresses, as shown by the records of the Association, at least thirty (30) and not more than fifty (50) days prior to the date set for the holding of the meeting. Unless otherwise indicated in the notice or waiver or waivers of notice thereof, any and all business may be transacted at any annual or special meeting of the Members.

3.6 Quorum. Except as otherwise provided, Members in good standing holding twenty percent (20%) of all votes entitled to be cast at any meeting of Members shall constitute a quorum for all purposes at any meeting of the Members. If the number of Members necessary to constitute a quorum at any annual or special meeting is not present, in person, the Members may adjourn such meeting from time to time without notice until the number requisite to constitute a quorum shall be present in person. Those Members holding a majority of all the votes of the Members present, in person, may also adjourn any annual or special meeting from time to time without notice, other than by announcement at the meeting, until the transaction of any and all business submitted or proposed to be submitted to such meeting or any adjournment or adjournments thereof shall have been completed. At any such adjourned meeting at which a quorum may be present, in person, any business may be transacted which might have been transacted at the meeting as originally noticed or called.

3.7 Presiding Officer. The President of the Association, or in his absence, a Vice President of the Association, shall call the Member meetings to order and in addition shall act as Chairman. In the absence of the President and a Vice President of the Association, the members present may appoint a Chairman. The Secretary of the Association, or in his absence, an Assistant Secretary, shall act as Secretary of all meetings of the Members but in the absence of the Secretary and an Assistant Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

3.8 Voting. At all meetings of Members, all questions, except those expressly governed by statute, the Articles of Incorporation, or these By-Laws, shall be decided by a simple majority of the votes of the Members in good standing and personally present at a meeting duly called with a quorum present. Voting by written ballot will be used for the election of officers, for amendment of the Articles of Incorporation or By-Laws, and for such other important matters as the Membership may order to be voted on in this way A "yes" or "no" ballot will be mailed to all Members in good standing when such a vote is required. The ballot must be signed by the Member and returned in a sealed envelope; which will be opened at the designated meeting. All other voting at business meetings shall be by voice, except that, upon the determination of the presiding officer of

any meeting or upon the demand of any Member, voting may be by written ballot. Each ballot shall be signed by the Member voting. Cumulative voting for Directors is expressly prohibited. Voting by proxy is expressly prohibited.

3.9 Informal Action. The Association may act, with or without a meeting, on any issue on which a vote of the Members is required by obtaining the written consent of Members having the requisite majority of all outstanding votes of Members of the Association.

ARTICLE IV

BOARD OF DIRECTORS

4.1 Powers. The business and property of the Association shall be managed and controlled by the Board of Directors and shall be subject to the restrictions imposed by law, by the Articles, and by these Bylaws. The Board of Directors may exercise all of the powers of the Association.

4.2 Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee (hereinafter defined). Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. All nominations must be Members of the Association in good standing.

4.3 Number and Tenure. The initial Board of Directors shall consist of three (3) Members; thereafter, the number of directors may be increased by majority vote of the Members, to five (5). The initial Board of Directors as set forth in the Articles shall serve for the terms as set out in said Articles. Upon the expiration of a Director's term, a successor shall be elected for a term of three (3) years at the annual meeting of the Members of the Association. Each Director shall be elected to hold office and serve for three (3) years or until his successor shall be elected, and shall duly qualify. Any Director may be removed from the Board for cause, by a majority of the votes entitled to be cast by those Members present, in person, at a meeting of the Members at which a quorum is present. In the event of death, resignation or removal of a Director, his

successor shall be selected by the remaining members of the Board and shall serve out the unexpired term of his predecessor. The Directors must be Members of this Association in good standing.

4.4 Place of Meetings. The Directors may hold their meetings and have offices and keep the books of the Association, except as otherwise provided by statute, at the office of the Association.

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

4.6 First Meeting. At the first meeting of the Board of Directors in each year at which a quorum is present, the Board of Directors shall proceed to the election of the officers of the Association. No notice or waiver of notice of any such first meeting shall be required or necessary, if it is held immediately after either the annual meeting or the adjourned annual meeting of the Members, and any and all business of any nature or character may be transacted at such first meeting

4.7 Regular Meeting. Regular meetings of the Board of Directors shall be held at such time and place as shall be designated, from time to time, by resolution of the Board of Directors. Notice of such regular meetings shall not be required.

4.8 Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the President, Vice President, Secretary or a majority of the Directors in office. Notice of each special meeting shall be given by any officer of the Association by telegraph, mail, telephone or personal delivery to each Director at his residence or usual place of business at least two (2) days prior to the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting. At any meeting at which every Director shall be present, even though without any notice, any business may be transacted,

4.9 Quorum. The majority of the Directors then in office shall constitute a quorum for the transaction of business, but 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 time to time without notice, other than by announcement at the meeting, until a quorum is present or in attendance thereat. The Board of Directors will try to act by consensus. However, if a consensus is not available, the act of a majority of the Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, except as otherwise provided by law, the Articles, or these Bylaws.

4.10 Order of Business and Presiding Officer. At the meetings of the Board of Directors, business shall be transacted in such order as from time to time the Board of Directors may determine. At all meetings of the Board of Directors the President shall preside, and in the absence of the President, a Chairman shall be chosen from the Directors present. The Secretary of the Association shall act as Secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

4.11 Director Conflicts. No Director or officer of the Association shall be required to devote his time or render services exclusively to the Association. Each Director and officer of the Association shall be free to engage in any and all other businesses and activities either similar or dissimilar to the business of the Association without liability to this Association. Likewise, each and every Director and officer of the Association may become a Director or officer of any other corporation or corporations, entity or entities, whether or not the purposes of the other corporation conflict with the business or activities of this Association, without breach of duty to this Association or its Members or without liability of any character or description to the Association or its Members. No contract or other transaction of this Association shall ever be affected by the fact that any Director or officer of the Association is interested in, or connected with any party to such contract or transaction, or is a party to such contract or transactions, provided that such contract or transaction shall be approved by a majority of the disinterested Directors present at a meeting of the Board of Directors at which such contract or transaction shall be authorized or confirmed.

ARTICLE V

OFFICERS AND DUTIES

5.1 Officers. The officers of the Association shall be Members and consist of a President (who shall be a Director), one (1) or more Vice Presidents, a Treasurer, Secretary and such other officers, including but not limited to, one (1) or more Assistant Secretaries and one (1) or more Assistant Treasurers, as the Board of Directors may from time to time elect or appoint. Only the office of Secretary, and Treasurer may be held by the same person. All officers shall be subject to removal, with or without cause, at any time, by vote of a majority of the whole Board of Directors. A vacancy in any office shall be filled by a vote of a majority of the Directors then in office.

5.2 President. The President, subject to the control of the Board of Directors, shall be in general charge of the affairs of the Association in the ordinary course of its business. He shall preside at all meetings of the Members and of the Board of Directors. He may, when authorized to do so by the Board of Directors, make, sign and execute all deeds, conveyances, assignments, bonds, contracts and shall co-sign with the Treasurer all checks and promissory notes, and he shall do and perform such other duties as may from time to time be assigned to him by the Board of Directors.

5.3 Vice President. Each Vice President shall have the usual powers and duties pertaining to his office including the power to act as President in his absence and such other powers and duties as may be assigned to him by the Board of Directors. Any action taken by the Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

5.4 Treasurer. The Treasurer shall have custody of all the funds and securities of the Association. When necessary or proper, he shall co-sign with the President all checks and promissory notes, and endorse, on behalf of the Association, the collection, checks, notes and other obligations and shall deposit the same to the credit of the Association in such bank or banks or depositories as shall be designated in the manner described by the Board of Directors. Whenever required by the Board of Directors, he shall render a statement of his cash account, and he shall enter or cause to be entered regularly on the books of the Association kept by him for that purpose a full and accurate account of all monies received and paid out on account of the Association. He shall at all reasonable times exhibit his books and accounts to any Director of the Association during business hours. He shall perform all acts incident to the position of the Treasurer subject to the control of the Board of Directors and, if required by the Board of Directors, give a bond for the faithful discharge of his duties in such form as the Board of Directors may require.

5.5 Assistant Treasurer. Each Assistant Treasurer shall have the usual powers and duties pertaining to his office, together with such other powers and duties as may be assigned to him by the Board of Directors. The Assistant Treasurer shall exercise the powers of the Treasurer during that officer's absence or inability to act.

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 in books provided for that purpose. He shall attend to the giving and serving of all notices and he may sign with the President or a Vice President in the name of the Association

all contracts, conveyances, transfers, assignments, authorizations and other instruments of the Association and affix the seal of the Association thereto. He shall have charge of and maintain and keep such books and papers as the Board of Directors may direct. These books and papers shall be open to inspection by any Director or Member of the Association during normal business hours. He shall in general perform all duties incident to the office of Secretary subject to the control of the Board of Directors.

5.7 Assistant Secretary. Each Assistant Secretary shall have the usual powers and duties pertaining to the office, together with such other powers and duties as may be assigned to such officer by the Board of Directors. The Assistant Secretary shall exercise the powers of the Secretary during that officer's absence or inability to act.

ARTICLE VI

BOARD RESPONSIBILITIES

6.1 Authorized Agents. The Board of Directors, except as otherwise provided herein, may authorize any one (1) or more officers or agents to act in the name of and on behalf of the Association, to enter into any contract or execute and deliver any instrument, or do such other things as the Board of Directors may from time to time direct. Such authority may be general or confined to specific instances. However, unless so authorized by the Board of Directors or expressly authorized by the Bylaws, no officer or agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable in any manner.

6.2 Loans. No loan shall be contracted on behalf of the Association, and no negotiable paper shall be issued in its name, unless authorized by the Board of Directors for an accumulative total loan or other encumbrances of debt of three thousand dollars (\$3000.00). After that value, any debt action must be approved by a majority of Quorum of Members as provided for in these Bylaws.

6.3 Payments. All checks, drafts and other orders for the payment of money out of the funds of the Association, and all notes and other evidences of indebtedness of the Association shall be signed on behalf of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

6.4 Corporate Funds. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks or other depositories as the Board of Directors may

select. For the purpose of such deposits, any officer, agent or employee delegated by the Board of Directors, shall have the power to endorse, assign and deliver for deposit checks, drafts and other orders for the payment of money which are payable to the order of the Association.

6.5 Financial Statements. The Board of Directors, within ninety (90) days after the fiscal year end, shall cause to be prepared, and shall make available to any Member annual financial statements of the Association.

ARTICLE VII

CORPORATE MATTERS

7.1 Fiscal year. The fiscal year of the Association shall end at midnight on December 31st of each calendar year.

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

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

ARTICLE VII

INDEMNIFICATION

8.1 Indemnification; Insurance. All officers and Directors, and former officers and Directors, of the Association shall be indemnified by the Association in accordance with the provisions of Article Eight of the Articles of Incorporation. Additionally, the Association shall purchase and maintain at its cost and expense

liability insurance on behalf of such persons to the fullest extent permitted by Article Eight of the Articles of Incorporation and applicable state law.

ARTICLE IX

ADMENDMENTS

9.1 Requirements. A quorum shall consist of those member in good standing entitled to cast twenty percent (20%) of all votes outstanding at any meeting of the Members of the Association. These Bylaws may be amended by a majority of the votes which the quorum is entitled to cast at any annual or special meeting of the Members in person.

9.2 Conflicts. In case of any conflict between the Articles and Bylaws, the Articles shall control; in case of any conflict between these Bylaws and the covenants and restrictions of record affecting the Limpia Crossing Property, the covenants and restrictions shall control.

These Bylaws were adopted by the Board of Directors of the Association pursuant to that certain Organizational Consent of Directors of the Association, dated effective as of January 1, 2000.

President

Signed: