

The name of the organization shall be the SURFSIDE II CONDOMINIUM ASSOCIATION.

ARTICLE I. OBJECT

1. The purpose for which this non-profit association is formed is to govern the condominium property situated in the County of Cameron, State of Texas, which property is described as follows, to-wit:

Lots 1, 2 and 11. block 188. FIESTA ISLES. subdivision of Padre Beach Section XII, in the City of South Padre Island, Cameron County, Texas, according to map or plat thereof recorded in Volume 17, Page 43 of the Map Records of Cameron County, Texas; and which property has been submitted to the provisions of the Condominium Act of the State of Texas.

2. 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 these Bylaws. The acquisition or rental of any of the condominium apartment units (hereinafter referred to as "units") of the project or the act of occupancy of any of said Units will signify the acceptance and ratification of these Bylaws and will constitute the agreement of the owner or occupier to comply with the same in every respect.

ARTICLE II. MEMBERSHIP, VOTING, QUORUM, PROXIES

1. Membership. Any person on becoming an owner of a unit shall automatically become a member of this Association and be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Unit. but such termination shall not relieve or release any such former owner from liability or obligation, inchoate or otherwise, incurred during the period of such ownership and membership in the 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. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue one (1) membership card to the owner(s) of a Unit. Such membership card shall be surrendered to the Secretary whenever ownership of the Unit designated thereon shall terminate.

2. Voting. Voting shall be based upon the percentage of the undivided interest of each unit owner in the General Condominium Elements. An owner of an undivided fractional ownership interest in and to a Unit shall be entitled to vote equal to his fractional ownership interest in such Unit. Cumulative voting is prohibited. The business of the Association, unless otherwise provided herein, shall be transacted according to the affirmative vote of a majority of the votes represented at any annual or special meeting of the Association.

3. Quorum. Except as otherwise provided in these Bylaws the presence in person or by proxy of owners representing fifty percent (50%) ownership of the General common Elements shall constitute a quorum.

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

Article III. ADMINISTRATION

1. Association Responsibilities. The owners of the Units will constitute the Association of Unit Owners, hereinafter referred to as "the Association", who will have the responsibility of administering the project through a Board of Directors.

2. Place of Meeting. Meetings of the Association shall be held at such place as the Board of Directors may determine.

3. Annual Meeting. There shall be a meeting of the Association on the 31st day of August of each year at the condominium or at such other reasonable time and place designated by the Board of Directors. At such meeting there shall be elected by ballot of the owners, a Board of Directors in accordance with the requirements of Paragraph 5 of Article IV of these Bylaws. The owners may also transact such other business of the Association as may properly come before them.

4. Special Meetings. It shall be the duty of the President, or Vice-President in the absence 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 thirty percent (30%) of the ownership of the common elements and having been 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 (4/5ths) of the ownership of the common elements present, either in person or by proxy.

5. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special owners' meeting, stating the purpose thereof as well as the time and place where it is to be held, to each owner of record at least five (5), but not more than ten (10), days prior to such meeting. The mailing of a notice in the manner provided in this paragraph shall be considered to be due notice of such meeting.

6. 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 to a time no less than forty-eight (48) hours from the time of the original meeting was called.

7. Order of Business. The order of business at all meetings of the owners of Units shall be as follows:

- a) Roll call;
- b) Proof of notice of meeting or waiver of notice;
- c) Reading of minutes of preceding meeting;
- d) Reports of officers;
- e) Reports of committees;
- f) Election of directors;
- g) Unfinished business; and
- h) New business.

Article IV. BOARD OF DIRECTORS

1. Number and Qualifications of Members of Board of Directors. Except as provided in Section 4 of this Article, the affairs of this Association shall be governed by a Board of Directors composed of seven (7) members.

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 the condominium project. The Board of Directors may do all such acts and things as are not by these Bylaws or by the Condominium Declaration for SURFSIDE II CONDOMINIUM directed to be exercised and done by the owners.

3. Other Powers and Duties. The Board of Directors shall be empowered and shall have the duties as follows:

- a) To administer and enforce the covenants, conditions, uses, limitations, obligations, and all other provisions set forth in the Condominium Act of the State of Texas, these Bylaws, and the Condominium Declaration.
- b) To establish, make and enforce compliance with such reasonable house rules as may be necessary for the operation, use and occupancy of this condominium project with the right to amend same from time to time. A copy of such rules and regulations shall be delivered to, or mailed to, each member promptly upon the adoption thereof.
- c) To keep in good order, condition and repair all of the General 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 General Common Elements of the property in an amount equal to their maximum replacement value. Maximum replacement value shall be determined annually. Further, to obtain

and maintain comprehensive liability insurance covering the entire premises in amounts of not less than \$500,000.00 combined single limit. To insure and keep insured all of the fixtures, equipment and personal property acquired by the Association for the benefit of the Association and the owners of the condominium Units and their first mortgagees. The Association, acting through the Board of Directors, shall, in its discretion, determine the types of insurance coverages to be obtained for the individual condominium apartment units and for the common elements of the condominium subject to the requirements of these Bylaws. As a minimum, the Association shall obtain and maintain in full force and effect, the comprehensive general liability insurance mentioned above and with endorsements for host liquor liability and premises medical payments. There shall also be included coverage for the officers, directors and employees of the Association for their errors and omissions while serving in their capacities as such. The fire and extended coverage policy on the individual condominium apartments and the common elements shall be written for replacement value and shall contain an all risk endorsement as well as glass coverage (at replacement cost) endorsement. There shall also be provided flood insurance and at the discretion of the Board, a fidelity bond for not less than the amount of \$100,000.00 covering acts of malfeasance. The officers and directors of the Association may obtain insurance coverage for amounts in excess of the minimum amounts specified above, and may also obtain additional types of coverage; however, none of the aforementioned types of coverage shall be deleted without the written consent of the owners of all of the units in the condominium, and in the event such consent is obtained, these Bylaws shall be deemed to have been amended insofar as these insurance requirements are concerned. Owners of the individual apartment units shall be responsible for obtaining and providing their own insurance coverage for personal property within such apartment and for liability insurance.

e) To fix, determine, levy and collect the monthly prorated assessments to be paid by each of the owners toward the Common Expense Fund of the entire premises and by majority vote of the Board to adjust, decrease or increase the amount of the monthly assessments. To levy and collect special assessments whenever, in the opinion of the Board, it is necessary to do so in order to meet increases operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies. All special assessments shall be in an itemized statement form, and shall set forth the details of the various expenses for which the assessments are being made. As of the adoption of these Bylaws, assessments will be levied and collected for the following purposes:

1. Insurance
2. Common utilities
3. Elevator maintenance and inspection
4. Reserve for roof replacement, painting of all exterior building surfaces and for landscaping
5. Reserve for mechanical equipment repair and equipment
6. Maintenance and replacement of environmental control system not within the responsibility of the Unit owner.
7. Ground and roads maintenance
8. Security
9. Trash collection and disposal.

The services mentioned in the last three items above may from time to time be provided by a private source or sources or by municipalities or governmental entities other than the Association ("other suppliers"). The Association shall have the authority and the responsibility for levying and collecting from the individual condominium apartment unit owners a monthly assessment sufficient to reimburse such other suppliers for such services. All charges made by such other suppliers shall be paid by the Association directly to them and not by the individual condominium apartment unit owners of SURFSIDE II, but rather through the Association as hereinabove set forth. At such time as such services are furnished by municipalities or governmental entities through ad valorem taxes, rather than through a system of monthly charges, the Association shall no longer collect assessments for such services.

f) To collect delinquent assessment by suit or otherwise and to enjoin or seek damages from an owner as it provided in the Declaration and these Bylaws.

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 expenditure or outlay required; to execute all such instruments evidencing such indebtedness; and such indebtedness shall be the several obligation of all of the owners in the same proportion as their interest in the General Common Elements.
- i) To enter into contracts within the scope of their duties and powers.
- j) To establish a bank account for the common treasury and 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 to cause a complete audit of the books and accounts by a competent certified public accountant once each year.
- l) To prepare and deliver annually to each owner a statement showing all receipts, expenses or disbursements since the last such statement.
- m) To meet at least once each quarter.
- n) To designate the personnel necessary for the maintenance and operation of the General Common Elements.
- o) 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 the condominium ownership.

4. Managing Agent. The initial Managing Agent shall be Donald C. Hansen whose address is 2225 East Randol Mill Road, Suite 213, Arlington, Texas 76011. Until the initial Board of Directors is duly elected and qualified, and until the Association is organized to a point until it is capable of functioning as an entity, the rights, duties and functions of the Board of Directors shall, at such Managing Agent's option, be exercised by it.

5. Election and Term of Office. At the first annual meeting of the Association, the term of office of two (2) Directors shall be fixed for three (3) years; the term of office two (2) Directors shall be fixed at two (2) years; and the term of office of three (3) Directors shall be fixed at one (1) year. 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.

6. 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; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

7. Removal of Directors. At any regular or special meeting duly called, any one 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.

8. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of the 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, provided a majority of the whole Board shall be present.

9. 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 or by mail, telephone or telegraph, at least three (3) days prior to the day names for such meeting.

10. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state time, place (as herein above provided) and the purpose of the meeting.

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.

12. Board of Directors' Quorum. At all meetings of the Board of Directors, 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.

ARTICLE V. OFFICERS

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

2. Secretary. 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 also show opposite each member's name, the number or other appropriate designation of the Unit owned by such member and any specific Limited Common Elements 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.

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

Article VI. Indemnification of Officers & Directors

The Association shall indemnify every Director or Officer, his heirs, executors and administrators, against all loss, costs and expenses 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 as to matters as to which he shall be finally adjudged to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to 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, costs and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expense as a member or owner of a Unit.

Article VII. Obligations of Owners

1. Assessments. All Owners shall be obligated to pay the monthly assessments imposed by the Association to meet the common expenses. The assessments shall be made prorata according to the percentage interest in and to the General Common Elements and shall be due monthly in advance. An owner shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of members within the meaning of the Bylaws, if, and only if, he shall have fully paid all assessments made or levied against him and the Unit owned by him.

2. Maintenance and Repair.

a) Every owner must perform promptly at his own expense all maintenance and repair work within his own Unit, which, if omitted, would adversely affect the project in its entirety or in part belonging to other Owners.

b) An owner shall maintain and keep in repair the interior of his own Unit, including the fixtures thereof. All fixtures and equipment, including the heating and air conditioning system, installed within the Unit, commencing at a point where the utility lines, pipes, wires, conduits or systems (which for brevity are hereafter referred to as "utilities") enter the Unit shall be maintained and kept in repair by the Owner thereof. Without limitation on the generality of the foregoing, an Owner shall maintain and keep in good repair (and replace, if so required), the air conditioning system, hot water heater unit, fans, ductwork, heating unit and cooling coils, utilized in and for his Unit; as well as all other fixtures situated within or installed into the Limited Common Elements, if any, appurtenant to such Unit; and an Owner shall be obliged to promptly repair and replace at his expense any broken or cracked glass in windows and doors.

c) Each Owner shall keep clean the interior of the Limited Common Elements assigned to his Unit, but the actual exterior maintenance, shall be the responsibility of the Association.

d) An Owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any General or Limited Common Elements damaged by his negligence or by the negligence of his tenants or invitees.

3. Mechanic's Lien. Each owner agrees to indemnify and to hold each of the other Owners harmless from any and all claims of mechanic's lien filed against other Units and the appurtenant General Common Elements for labor, materials, services or other products incorporated in the Owner's Unit. In the event suit for foreclosure is commenced, then within ninety (90) days thereafter, such Owner shall be required to deposit with the Association cash or negotiable securities equal to the amount of such claim plus interest for one (1) year, together with the sum of One Hundred Dollars (\$100.00). Such sum or securities shall be held by the Association pending final adjudication or settlement of the litigation. Disbursement of such funds or proceeds shall be made to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid forthwith by the subject Owner, and his failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the Owner and a lien against his Unit, which may be foreclosed as is provided in the Declaration.

4. General

a) Each Owner shall comply strictly with the provisions of the Condominium Declaration for SURFSIDE II.

b) Each Owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which the SURFSIDE II condominium project was built.

5. Use of Units - Internal Changes.

a) All Units shall be utilized for residential purposes only.

b) An Owner shall not make structural modifications or structural alterations to his Unit or installations located therein without previously notifying the Association in writing and obtaining the written consent of the Board of Directors.

6. Use of Common Elements. Each Owner may use the General Common Elements and the Limited Common Elements, if any, in accordance with the purpose for which they were intended, provided such use does not hinder or encroach upon the lawful rights of the other Owners.

7. Right of Entry

a) An Owner does hereby grant the right of entry to the Association or any other person authorized by the Board of Directors in case of any emergency originating in or threatening his Unit, whether the owner is present at the time or not.

b) An Owner shall permit other Owners or their representatives, when so required, to enter his Unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the Owner.

8. Rules and Regulations

- a) All Owners shall promptly and completely comply with each of the rules and regulations herein contained or hereafter properly adopted.
- b) Nothing shall be done in any residential Unit, nor shall same be occupied or used for any purpose, nor shall any commodity, product or personal property be kept therein or thereon which shall cause such improvements to be uninsurable against loss by fire or the perils included in an extended coverage endorsement under the rules of the State of Texas Insurance Commission or which might cause or warrant any policy or policies covering said premises to be canceled or suspended by the issuing company.
- c) Owners and occupants of Units shall at all times exercise extreme care to avoid making or permitting to be made loud or objectionable noises, and in using or playing or permitting to be used or played musical instruments; radios, phonographs, television sets, amplifiers, and any other instrument or devices in such manner as may disturb Owners, tenants or other occupants of Units of SURFSIDE II condominium, and/or impose an undue burden on the Association or its Management, and therefore no Unit or shall be used or occupied in such manner as to obstruct or interfere with the enjoyment of occupants or other residents of adjoining Units, nor shall any nuisance, including overcrowding of Units beyond the number of occupants set by Board of Director's regulations, or immoral or illegal activity be committed or permitted to occur in or on any Unit or upon any part of the Common Elements of SURFSIDE II condominium.
- d) The grounds of the SURFSIDE II condominium are intended to be used for the purposes of affording vehicular and pedestrian movement within the condominium, and of providing access to the Units; those portions thereof adapted therefor for recreational use by the Owners and occupants of Units; and all thereof, for the beautification of the condominium and for providing privacy for the residents thereof through landscaping and such other means as shall be deemed appropriate. No part of such grounds shall be obstructed so as to interfere with the use for the purposes hereinabove recited, nor shall any part of the grounds be used for general storage purposes after the completion of the construction of the Units by the developer, except for the maintenance storage room, if any, nor anything done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon.
- e) Not more than two (2) small (less than 25 pounds) dogs, cats or other usual small household pets may be kept in any Unit, provided always that such household pets shall be allowed on the grounds only as may be specified under reasonable rules therefor promulgated by the Board of Directors. Except as herein above stated, no animal, livestock, birds or poultry shall be brought within the condominium or kept in or around any Unit thereof.
- f) No resident of the condominium shall post any advertisements, signs or posters of any kind in or on the project except as authorized by the Association.
- g) Parking of automobiles shall be only in the space designated as parking; no unattended vehicle shall at any time be left in such manner as to impede the passage of traffic or to impair proper access to parking areas. No boats, trailers or campers will be left in parking areas. No storage or any object shall be permitted in the driveway area and the same shall at all times be kept free of unreasonable accumulation of debris or rubbish of any kind.
- h) It is prohibited to hang garments, rugs and/or any other materials from the windows or from any of the facades of the project.
- i) It is prohibited to dust rugs or other materials from the windows, or to clean rugs by beating on the exterior part of the Units, or to throw away dust, trash or garbage out of any of the windows of any of the Units.
- j) It is prohibited to throw garbage or trash outside the disposal areas provided for such purposes, containers must be used.
- k) No Owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, machine or air conditioning units or any other devices whatsoever on the exterior of the project or that protrude through the walls or out of the windows, or on the roof of the project save as are expressly in writing previously approved by the Association.
- l) No Owner or other occupant of any Unit shall make any alteration, modification or improvement, nor add any awnings, patio covers or other devices in the Common Elements of the condominium or to any exterior surface or remove equipment or object, except with the written consent of the Association.

m) It is specifically provided that no house trailer, mobile home, self propelled motor home or recreational vehicle shall at any time either be used temporarily or permanently as a place of residence or overnight accommodations in any area in the condominium complex. This shall not be interpreted to prohibit the use of a house trailer or mobile home type structure by contractors or subcontractors during the course of construction.

9. Destruction or Obsolescence. Each Owner shall, upon request therefor, execute a power of attorney in favor of the Association, irrevocably appointing the Association as his attorney-in-fact to deal with the Owner's Unit upon its destruction or obsolescence.

Article VIII. Amendments to Bylaws

These Bylaws 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 seventy-five percent (75%) of the aggregate interest of the undivided ownership of the General Common Elements, subject to the terms and conditions of the Declaration.

Article IX. Mortgages and Leases

1. Notice to Association. An Owner who mortgages or leases his Unit shall notify the Association or the President or Vice-President of the Board of Directors, giving the name and address of his mortgagee or lessee. The association shall maintain such information in a book entitled "Mortgagees of Units" and also a book indicating the identity of any such lessee. Any Unit owner who leases his Unit shall be required to do so in writing and shall, without request, furnish a copy of such lease to the Association.

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.

Article X. Compensation

This Association is not organized for profit. No member, member of the Board of Directors, or person for 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 salary or compensation to, or distributed to, or insure to the benefit of any member of the Board of Directors, provided, however,

- a) that reasonable compensation may be paid to any member while as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and
- b) that any member of the Board of Directors may, from time to time, be reimbursed for actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

Article XI. Registered Agent

The registered office of this Association shall be located at 2225 East Randol Hill Road, Suite 213, Arlington, Texas 76011, and the Registered Agent shall be Donald C. Hansen at the same address.

Article XII. Authorized Signatories

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

IN WITNESS WHEREOF, the undersigned hereunto have executed this instrument on this the 27th day of October, 1981.

SURFSIDE PROPERTIES, A JOINT VENTURE

Grantor under a Condominium

Declaration establishing
SURFSIDE II CONDOMINIUM filed
in Volume 14 , Pages 151
through 172 of the Condominium
Records of Cameron County, Texas

Amendment to By-Laws

SURFSIDE II CONDOMINIUMS
SOUTH PADRE ISLAND, TEXAS

W I T N E S S E T H :

WHEREAS, the undersigned are the owners of certain real property locally known as SURFSIDE II CONDOMINIUMS, situated in the County of Cameron and State of Texas, which property is described as follows, to-wit:

Lots 1, 2 and 11, Block 188, FIESTA ISLES, a Subdivision of Padre Beach Section XII, in the City of South Padre Island, Cameron County, Texas according to map or plat thereof recorded in Volume 17, Page 43 of the Map Records of Cameron County, Texas:

and which property has been submitted to the provisions of the Condominium Act of the State of Texas; and,

WHEREAS, the Developer recorded the Condominium Declaration for Surfside II Condominiums together with its Exhibits and Amendment, to establish a Condominium Project known as SURFSIDE II CONDOMINIUMS under the provisions of the Act;

NOT, THEREFORE, the undersigned do, upon the recording hereof, adopt this Amendment to the Condominium By-Laws and declare that SURFSIDE II shall, after such Amendment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved and in any other manner utilized, subject to the provisions of the Act and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in said Condominium Declaration and its Exhibits and Amendments and this Amendment, all of which shall be deemed to run with all or any portion of SURFSIDE II and shall be burden and a benefit to the undersigned, their successors and assigns, and any persons acquiring or owning any interest in SURFSIDE II, their grantees, successors, heirs, executors, administrators and assigns.

AMENDED BY-LAW

ARTICLE III ADMINISTRATION

Paragraph 3. Annual Meeting.

3. Annual Meeting. There shall be a meeting of the Association held on a weekend during the month of September each year, at the condominium or at such a place and time designated by the Board of Directors. At such meeting there shall be elected by ballot of the owners, a Board of Directors in accordance with the requirements of Paragraph 5 of Article IV of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.

AMENDED BY-LAW

ARTICLE III ADMINISTRATION

Paragraph 5. Notice of Meetings.

5. Notice of Meetings. It shall be the duty of the Secretary to mail notice of each annual or special owners' meeting, stating the purpose thereof as well as the time and place where it is to be held, to each owner of record, at least twenty (20) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in this Article shall be considered to be due notice of such meeting.

AMENDED BY-LAW

Article IV Board of Directors

Paragraph 1. Number and Qualifications of Members of Board of Directors.

1. Number and Qualifications of Members of Board of Directors. Except as provided in Section 4 of this Article, the affairs of this Association shall be governed by a Board of Directors composed of five (5) members.

The foregoing Amendment to the By-Laws of SURFSIDE II CONDOMINIUMS, consisting of seven (7) pages, inclusive of all signatures of approving owners, is adopted this the _____ day of _____, 19 ____.