

BYLAWS
OF
WILLOW VISTA ESTATES HOMEOWNERS CORPORATION, INC.

ARTICLE 1

OFFICES

Principal Office

1.01. The principal office of the Corporation in the State of Texas shall be located at 3901 Airport Freeway, Suite 200, Bedford, Texas 76021. The Corporation may have such officers, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

Registered Office and Registered Agent

1.02. The Corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the Corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE 2

CORPORATION: MEMBERSHIP, MEETINGS,
QUORUM, VOTING, PROXIES

2.01. The Corporation shall have members (the "Members"). The provisions of the Declaration pertaining to membership are incorporated herein by this reference.

2.02. Meetings of the Corporation shall be held at the principal office of the Corporation or at such other suitable place convenient to the Members as the Board may designate.

2.03. The first meeting of the Corporation, whether a regular or special meeting, shall be held within one year from the date of incorporation of the Corporation. Meetings shall be of Members unless otherwise required by Texas law or specified by the Board. Subsequent regular annual meetings shall be set by the Board to occur during the first quarter of the Corporation's fiscal year on a date and at a time set by the Board.

2.04. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or upon a petition signed by Members representing at least 25% of the total Members.

2.05. Written or printed notice stating the place, day, and hour of any meeting of Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than 10 nor more than 50 days before the date of such meeting, by or at the direction of President, the Secretary, or the officers or persons calling the meeting.

In the case of a special meeting, or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at such Member's address as it appears on the records of the Corporation, with postage prepaid.

2.06. Waiver of notice of a meeting of Members shall be deemed the equivalent of proper notice. Any Member may waive, in writing, notice of any meeting of Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed a waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall be deemed a waiver of notice of all business transacted at such meeting, unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.07. If any meeting of the Corporation cannot be held because a quorum is not present, a majority of Members who are present at such meeting may adjourn the meeting to a time not less than 5 nor more than 60 days from the time the original meeting was called. At the reconvened meeting, the required quorum shall be one-half ($\frac{1}{2}$) of the required quorum to the proceeding meeting. At such reconvened meeting, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting are not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

2.08. The voting rights of the Members shall be as set forth in the Declaration and in these Bylaws, and such voting rights provisions in the Declaration are specifically incorporated herein by this reference. Unless otherwise required by law or by the Governing Documents, the vote of each Member shall be exercised by a Member.

2.09. On any matter as to which a Member is entitled personally to cast the vote for a Lot, such vote may be cast in person, by written ballot, or by proxy, subject to the limitations of

Texas law relating to use of general proxies and subject to any specific provision to the contrary in the Declaration or these Bylaws.

Every proxy shall be in writing specifying the Lot for which it is given, signed by the Member or such Member's duly authorized attorney-in-fact, dated, and filed with the Secretary of the Corporation prior to the meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast. In the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid.

Every proxy shall be revocable and shall automatically cease upon: (a) conveyance of any Lot for which it was given; (b) receipt by the Secretary of written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member who is a natural person; or (c) 11 months from the date of the proxy, unless a shorter period is specified in the proxy.

2.10. As used in these Bylaws, the term "majority" shall mean those votes, Owners, or other group, regardless of class, as the context may indicate, totaling more than 50% of the total eligible voters present in person or by proxy.

2.11. Except as otherwise provided in these Bylaws or in the Declaration, the presence of Members, regardless of class, representing a majority of the members, shall constitute a quorum at all meetings of the Corporation. Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that any action taken is approved by a least a majority of the votes required to constitute a quorum.

2.12. The President shall preside over all meetings of the Corporation, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.

2.13. Any action required or permitted by law to be taken at a meeting of Members may be taken without a meeting, without prior notice, and without a vote, if written consent specifically authorizing the proposed action is signed by Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. Such consents shall be signed within 60 days after receipt of the earliest dated consent, dated and delivered to the Corporation. Such consents shall be filed with the minutes of the Corporation and shall have the same force and effect as a vote of Members at a meeting. Within 10 days after receiving authorization for any action by written consent, the Secretary shall give notice to all Members entitled to vote who did not give their consent, fairly summarizing the material features of the authorized action.

ARTICLE 3

BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

Composition and Selection

3.01. The affairs of the Corporation shall be governed by a Board of Directors, each of whom shall have one vote. Unless approved by the Developer, the directors shall be Members or residents; provided, however, no Owner and spouse or other resident representing the same Lot may serve on the Board at the same time. A "resident" shall be any natural person 18 years of age or older whose principal residence is a Lot, within Willow Vista Addition. In the case of a Member which is not a natural person, any officer, director, partner, or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Corporation signed by such Member; provided, no Member may have more than one such representative on the Board at a time.

3.02. The Board shall consist of either three directors or as provided in Section 3.04 below. The initial Board shall consist of three directors as identified in the Articles of Incorporation.

3.03. Nomination and Election Procedures:

(a) Nominations and Declarations of Candidacy. Prior to each election of directors, the Board shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible person who has a bona fide interest in serving as a director may file as a candidate. The Board shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of directors in a fair, efficient, and cost-effective manner. Nominations also may be permitted from the floor.

Nominations for election to the Board may also be made by a Nominating Committee. The Nominating Committee, if any, shall consist of a Chairman, who shall be a member of the Board, and three or more Members or representatives of Members. The members of the Nominating Committee shall be appointed by the Board not less than 30 days prior to each annual meeting to serve a term of one year and until their successors are appointed, and such appointment shall be announced in the notice of each election.

The Nominating Committee may make as many nominations for election to the Board as it shall, in its discretion, determine. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity which exists within the pool of potential candidates.

Each candidate shall be given a reasonable, uniform opportunity to communicate qualifications to the Members and to solicit votes.

(b) Election Procedures. Each Member may cast all votes assigned to the Lots which such Member represents for each position to be filled from the slate of candidates on which such Member is entitled to vote. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.04. Except as otherwise specifically provided, election of directors shall take place at the Corporation's annual meeting. Notwithstanding any other provision of these Bylaws:

(a) Within 90 days after the time that Members (Developer) own 50% of the Lots approved for development under the Master Plan, or whenever the President earlier determines, the President shall call for an election by which the Members shall be entitled to elect one of the three directors, who shall be an at-large director. The remaining two directors shall be appointees of the Developer. The director elected by the Members shall not be subject to approval by the President and shall be elected for a term of two years or until the happening of the event described in subsection (b), whichever is shorter. If such director's term expires prior to the happening of the event described in subsection (b), a successor shall be elected for a like term.

(b) Until Developer no longer owns any Lot approved for development under the Master Plan, the Developer shall be entitled to appoint one director. At such time as no Lots approved for development under the Master Plan are owned by Developer, the director appointed by the Developer shall resign and the remaining directors shall be entitled to appoint one director to serve until the next annual meeting, at which time the Members shall be entitled to elect all directors. Such directors shall be elected for two year terms.

Upon the expiration of the term of office of each director elected by the Members (other than a director appointed by Developer), such Members shall be entitled to elect a successor to serve a term of two years; provided, the terms of directors shall be staggered such that no more than two directors serve terms which expire simultaneously. To provide for such staggering of directors' terms, the directors shall decide among themselves which director or directors shall serve one term of one year. Regardless of their term, the directors elected by the Members shall hold office until their respective successors have been elected.

3.05. Any director may be removed, with or without cause, by the vote of Members holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director.

Any director who has three consecutive unexcused absences from Board meetings, who is more than 30 days delinquent (or is the representative of a Member who is so delinquent) in the payment of any assessment or other charge due the Corporation, or who fails to attend a board training seminar within his or her first six months serving as a director may be removed by a

majority of the directors present at a regular or special meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy for the remainder of the term.

In the event of the death, disability, or resignation of a director, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members may elect a successor for the remainder of the term.

Meetings

3.06. The first meeting of the Board following each annual meeting of the membership shall be held within 60 days thereafter at such time and place as the Board shall fix.

3.07. Regular meetings of the Board may be held at such time and place as a majority of the directors shall determine, but at least one such meeting shall be held during each fiscal year. Notice of the time and place of a regular meeting shall be communicated to directors not less than four days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

3.08. Special meetings of the Board shall be held when called by written notice signed by the President or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) facsimile, computer, fiberoptics, or such other communication device. All such notices shall be given at the director's telephone number, fax number, electronic mail number, or sent to the director's address as shown on the records of the Corporation. Notices sent by first class mail shall be deposited into a United States mailbox at least seven business days before the time set for the meeting. Notices given by personal delivery, telephone, or other device shall be delivered or transmitted at least 72 hours before the time set for the meeting.

3.09. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.10. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

3.11. At all meetings of the Board, the presence of a majority of the directors shall constitute a quorum for the transaction of business. The votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these Bylaws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.12. Directors who are Owners or residents of Willow Vista Community shall not receive any compensation from the Corporation for acting as such unless approved by Members representing a majority of the votes in the Corporation at a regular or special meeting of the Corporation. Directors who are neither Owners nor residents of Willow Vista Community may receive compensation as determined in the discretion of the Board. Director compensation shall not exceed \$400.00 in any fiscal year.

Notwithstanding and in addition to the above, any director may be reimbursed for expenses incurred on behalf of the Corporation upon approval of a majority of the other directors. Nothing herein shall prohibit the Corporation from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Corporation in a capacity other than as a director pursuant to a contract or agreement with the Corporation, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding the interested director.

3.13. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings.

3.14. Subject to the provisions of Section 3.15, all meetings of the Board shall be open to all Members and, if required by law, all Owners, but attendees other than directors may not participate in any discussion or deliberation unless permission to speak is requested on their behalf by a director. In such case, the President may limit the time any such individual may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, and may exclude persons other than directors, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, or any matter deemed necessary or appropriate, in the reasonable discretion of the Board.

3.15. Any action to be taken at a meeting of the directors, or any action that may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing, setting

forth the action so taken, is signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

Powers and Duties

3.16. The Board of Directors shall have all of the powers and duties necessary for the administration of the Corporation's affairs and for performing all responsibilities and exercising all rights of the Corporation as set forth in the Declaration, these Bylaws, the Articles, and as provided by law. The Board may do or cause to be done all acts and things which the Declaration, Articles, these Bylaws, or Texas law do not direct to be done and exercised exclusively by the Members. The Board's power to enter into a contract, contractual relationship, or agreement shall be subject to the limitations set forth in Article III of the Articles.

3.17. The duties of the Board shall include, without limitation:

(a) preparing and adopting, in accordance with the Declaration, an annual budget and establishing each Owner's share of the Common Expenses and any Neighborhood Expenses;

(b) levying and collecting assessments from the Owners;

(c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility consistent with the Community-Wide Standard;

(d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Corporation and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) depositing all funds received on behalf of the Corporation in a bank depository and using such funds to operate the Corporation; provided, any reserve funds may be deposited in depositories other than banks;

(f) making and amending use restrictions and rules in accordance with the Declaration;

(g) opening and closing bank accounts on behalf of the Corporation and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Declaration and these Bylaws;

(i) enforcing the provisions of the Governing Documents and bringing any legal proceedings which may be instituted on behalf of or against the Owners concerning the Corporation; provided, the Corporation's obligation in this regard shall be conditioned in the manner provided in the Declaration;

(j) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying the cost of all services rendered to the Corporation;

(l) keeping books with detailed accounts of the receipts and expenditures of the Corporation;

(m) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of Willow Vista Addition ;

(n) indemnifying a director, officer, or committee member, or former director, officer, or committee member of the Corporation to the extent such indemnity is authorized by Texas law, the Articles of Incorporation, or the Declaration; and

(o) assisting in the resolution of disputes between Owners and others without litigation, as set forth in the Declaration.

3.18. The Board may employ for the Corporation a professional manager agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The manager may be a corporation or an individual. The Board may delegate such powers as are necessary to perform the manager's assigned duties but shall not delegate policymaking authority or those duties set forth in Sections 3.17(a) (with respect to adoption of the budget), 3.17(b), 3.17(f), 3.17(g) and 3.17(i). Developer or an affiliate of Developer may be employed as managing agent or manager.

The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the manager, if any, which might arise between meetings of the Board.

3.19. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

(a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and controls should conform to generally accepted accounting principles;

(c) cash accounts of the Corporation shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the manager from vendors, independent contractors, or others providing goods or services to the Corporation, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Corporation;

(e) any financial or other interest which the manager may have in any firm providing goods or services to the Corporation shall be disclosed promptly to the Board; and

(f) an annual report consisting of at least the following shall be made available to all Members within 120 days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant; provided, upon written request of any holder, guarantor, or insurer of any first Mortgage on a Lot, the Corporation shall provide an audited financial statement.

3.20. The Corporation shall have the power to borrow money for any legal purpose; provided that, the Board shall obtain Member approval if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 10% of the budgeted gross expenses of the Corporation for that fiscal year.

3.21. The Corporation shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or Neighborhood and other owners or residents Corporations, within and outside Willow Vista Addition. Any common management agreement shall require the consent of an absolute majority of the Board.

3.22. The Corporation shall have the power to impose sanctions for any violation of any duty imposed under the Governing Documents. In the event that any occupant, tenant, employee, guest, or invitee of a Lot violates any of the Governing Documents and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Corporation.

In the event the Board decides, in its discretion, not to take enforcement action, such a decision shall not be construed a waiver of the right of the Corporation to enforce such provision at a later time under other circumstances or estop the Corporation from enforcing any other covenant, restriction, or rule.

The Corporation, by contract or other agreement, may, but shall not be obligated to, enforce applicable city and county ordinances, if applicable, and may, but shall not be obligated to, permit Tarrant County or other local municipalities to enforce ordinances within Willow Vista Addition for the benefit of the Corporation and its Members.

(a) Notice. Prior to imposition of any sanction hereunder or under the Declaration, the Board or its delegate shall serve the alleged violator with written notice by certified mail, return receipt requested. The notice must: (1) describe the violation or property damage that is the basis for the suspension action, charge, or fine and state any amount due the Corporation from the Owner; and (2) inform the Owner that the Owner: (A) is entitled to a reasonable period to cure the violation and avoid the fine or suspension unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months, and (B) may present a written request for a hearing to the Board or the Covenants Committee, if one has been appointed pursuant to Article V, if such request is made on or before the 30th day after the date the Owner receives the notice. If the hearing is before the Covenants Committee, the notice shall advise the Owner that the Owner has a right to appeal the Covenants Committee decision to the Board by written notice. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed; provided that the Board or Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is timely cured. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(b) Hearing. If a hearing is requested within the allotted 30-day period, the hearing shall be held before the Covenants Committee or, if none has been appointed, then before the Board in executive session. The Corporation shall hold a hearing, if timely requested, not later than the 30th day after the date the Board receives an Owner's request for a hearing and shall notify the Owner of the date, time, and place of the hearing not later than the 10th day before the date of the hearing. The Board or the Owner may request a postponement, and if requested, a postponement shall be granted for a period of not more than ten days. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the Person who delivered such notice and/or with proof of certified mail notice being sent. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Appeal. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To exercise this right, a written notice of appeal must be received by the manager, President, or Secretary of the Corporation within 10 days after the hearing date.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Governing Documents by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules or entering a Lot to perform maintenance) or, following compliance with the dispute resolution procedures set forth in the Declaration, if applicable, by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement or performance is sought shall pay all costs, including reasonable legal expenses actually incurred. Any entry onto a Lot for purposes of exercising this power of self-help shall not be deemed a trespass.

3.23. While conducting the Corporation's business affairs, the Board shall be protected by the business judgment rule. The business judgment rule protects a director from personal liability so long as the party claiming liability does not prove that the director failed to: (a) serve in a manner the director believes to be in the best interests of the Corporation and the Members; (b) serve in good faith; or (c) act with such care as an ordinarily prudent person in a like position would use under similar circumstances.

In fulfilling its governance responsibilities, the Board's actions shall be governed and tested by the rule of reasonableness. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

Neither Texas law nor general corporate principles impose separate fiduciary obligations on a director. The highest and broadest duties directors owe are those specifically set forth in this Section, which is intended as a restatement of the Texas law.

Operational standards of the Board and any committee appointed by the Board shall be the requirements set forth in the Governing Documents or the minimum standards which Developer, the Board, and the Architectural Review Committee may establish. Operational standards may evolve as the needs and demands of Willow Vista Addition change.

ARTICLE 4

OFFICERS

Officers

4.01. The officers of the Corporation shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this

Article. The Board of Directors may elect or appoint such other officers, including additional Vice Presidents, one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Election and Term of Office

4.02. The officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as possible. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified.

Removal

4.03. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Vacancies

4.04. A vacancy in any office because of death, resignation, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

President

4.05. The President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He or she shall preside at all regular and special meetings of the Board of Directors. The President may sign, without joinder of the Secretary or any other officer of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statute to some other officer or agent of the Corporation; and in general he or she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Vice President

4.06. In the absence of the President or in the event of his or her inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in order of their election) shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President

may sign, without joinder of the Secretary or any other officer of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statute to some other officer or agent of the Corporation. Any Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or Board of Directors.

Treasurer

4.07. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article 6 of these bylaws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. The Treasurer shall make a written report of the finances of the Corporation at each regular meeting of the Directors, and at such other time as the Directors shall require.

Secretary

4.08. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; give all notices in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Assistant Treasurers and Assistant Secretaries

4.09. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries in general shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

ARTICLE 5

COMMITTEES

Committees of Directors

5.01. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation. However, no such committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing the bylaws; electing, appointing, or removing any member of any such committee or any Director or officer of the Corporation; amending the articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation; or amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on it or him or her by law. Committees shall at all times remain subject to the control and supervision of the Board of Directors.

Other Committees

5.02. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be appointed by the President of the Corporation. Any members thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

Term of Office

5.03. Each member of a committee shall continue as such until the next annual meeting of the Directors of the Corporation and until his or her successor is appointed, unless the Committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

5.04. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Vacancies

5.05. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Quorum

5.06. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Rules

5.07. Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board of Directors.

ARTICLE 6

MEMBERS

6.01. The Corporation shall have members. The qualifications for members and the rights and obligations of members, including voting rights and obligations to pay assessments of the Corporation, are set forth in those certain Declaration of Restrictions, Covenants and Conditions of Willow Vista Estates, Saginaw, Texas dated June 5, 2003, and filed of record in Volume 15825, Page 0175, in the Real Property Records of Tarrant County, Texas, as amended, the terms and provisions of which are incorporated herein by reference for all purposes.

ARTICLE 7

CONTRACTS, CHECKS, DEPOSITS

Contracts

FUNDS

7.01. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. such authority may be general or confined to specific instances.

Checks and Drafts

7.02. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments, all be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Corporation.

Deposits

7.03. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Gifts

7.04. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE 8

INDEMNIFICATION

Persons

8.01. The Corporation shall indemnify to the extent provided in Sections 7.02, 7.03 or 7.04 of this Article:

(1) Any person who is or was a Director, officer, agent or employee of the Corporation; and

(2) Any person who serves or served at the Corporation's request as a Director, officer, agent, employee, partner or trustee or another corporation, or of a partnership, joint venture, trust or other enterprise.

Extent in Derivative Suits

8.02. In case of a suit by or in the right of the Corporation against a person named in Section 7.01 by right of his or her holding a position named in Section 7.01, the Corporation shall indemnify him, if he or she satisfies the standard in Section 7.03, for expenses (including attorneys fees, but excluding amounts paid in settlement) actually and reasonably incurred by him or her in connection with the defense or settlement of the suit.

Standard in Derivative Suits

8.03. In case of a suit by or in the right of the Corporation, a person named in Section 7.01 shall be indemnified only if:

(1) He or she is successful on the merits or otherwise; or

(2) He or she acted in good faith in the transaction which is the subject of the suit, and in a manner he or she reasonably believed to be in, or not opposed to, the best interests

of the Corporation. However, he or she shall not be indemnified in respect of any claim, issue or matter as to which he or she has been judged liable for gross negligence or willful misconduct in the performance of his or her duty to the corporation unless (and only to the extent that) the court in which the suit was brought shall determine, upon application that despite the adjudication, but in view of all the circumstances, he or she is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper or if the person is found liable on the basis that personal benefit was improperly received by him or her.

Extent in Non-Derivative Suits

8.04. In case of a suit, action or proceeding (whether civil, criminal, administrative or investigative), other than a suit by or in the right of the Corporation, together hereafter referred to as a non-derivative suit, against a person named in Section 7.01 by reason of his or her holding a position named in Section 7.01, the Corporation shall indemnify him or her, if he or she satisfies the standard in Section 7.05, for amounts actually and reasonably incurred by him or her in connection with the defense or settlement of a non-derivative suit as:

- (1) Expenses (including attorneys fees);
- (2) Amounts paid in settlement;
- (3) Judgments; and
- (4) Fines.

Standard in Non-Derivative Suits

8.05. In case of a non-derivative suit, a person named in Section 7.01 shall be indemnified only if:

- (1) He or she is successful on the merits or otherwise; or
- (2) He or she acted in good faith in the transaction which is the subject of the non-derivative suit, and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Corporation. However, he or she shall not be indemnified in respect of any claim, issue or matter as to which he or she has been adjudged liable for gross negligence or willful misconduct in the performance of his or her duty to the Corporation unless (and only to the extent that) the court in which the suit was brought shall determine, upon application, that despite the adjudication, but in view of all the circumstances, he or she is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper or if the person is found liable on the basis that personal benefit was improperly received by him or her.

Determination That Standard Has Been Met

8.06. A determination that the standard of Section 7.03 or Section 7.05 has been satisfied may be made by a court, or, except as stated in Section 7.05(2), the determination may be made by:

- (1) a majority of the Directors of the Corporation (whether or not a quorum) who were not parties to the action, suit or proceeding; or
- (2) independent legal counsel in a written opinion.

Proration

8.07. Anyone making a determination under Section 7.06 may determine that a person has met the standard as to some matters but not as to others, and may reasonably prorate amounts to be indemnified.

Advance Payment

7.08. The Corporation may pay in advance any expenses (including attorneys' fees) which may become subject to indemnification under Sections 7.01 through 7.07, if:

- (1) the Board of Directors authorizes the specific payment; and
- (2) the person receiving the payment undertakes in writing to repay unless it is ultimately determined that he or she is entitled to indemnification by the Corporation under Section 6.01 through Section 7.07.

Non-Exclusive

8.09. The indemnification provided by Sections 7.01 through 7.07 shall not be exclusive of any other rights to which a person may be entitled by law, bylaw, agreement or disinterested directors, or otherwise.

Continuation

8.10. The indemnification and advance payment provided by Sections 7.01 through 7.08 shall continue as to a person who has ceased to hold a position named in Section 7.01 and shall inure to his or her heirs, executors and administrators.

Insurance

8.11. The Corporation may purchase and maintain insurance on behalf of any person who holds or who has held any position named in Section 7.01 against any liability incurred by him or her in any such position, or arising out of his or her status as such, whether or not the Corporation would have power to indemnify him or her against such liability under Sections 7.01 through 7.08.

Reports

8.12 Indemnification payments, advance payments and insurance payments made under Sections 7.01 through 7.11 shall be reported in writing to the Board of Directors with the next notice of annual meeting, or within six months, whichever is sooner.

Private Foundation Exception

8.13. Notwithstanding anything to the contrary contained in these Bylaws, if the Corporation is ever determined to be a private foundation, as defined in Section 509 of the Internal Revenue Code of 1986, (the "Code"), any indemnification provided for by this Article VI, and any insurance premiums paid on account of such indemnification provisions, shall be limited to the payment or reimbursement of expenses (other than taxes, penalties, or expenses of correction) including attorneys fees, incurred with respect to the defense of a judicial or administrative proceeding involving Chapter 42 of the Code or state laws relating to the mismanagement of funds of charitable organizations, if:

- (i) Such expenses are reasonably incurred in connection with proceeding;
- (ii) The defense is successful, or such proceeding is terminated by settlement, and the act or failure to act which led to the liability for tax under Chapter 42 was neither willful nor without reasonable cause; and
- (iii) The expenses are incurred by or on behalf of an officer or Director of the Corporation, or any person having powers or responsibilities similar to those of officers or directors, and with respect to any act or failure to act, the employees of the Corporation having authority or responsibility with respect to such act or failure to act.

ARTICLE 9

BOOKS AND RECORDS

9.01. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and committees having any of the authority of the Board of Directors.

ARTICLE 10

FISCAL YEAR

10.01 The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE 11

WAIVER OF NOTICE

11.01. Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the articles of incorporation or the bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 12

AMENDMENTS TO BYLAWS

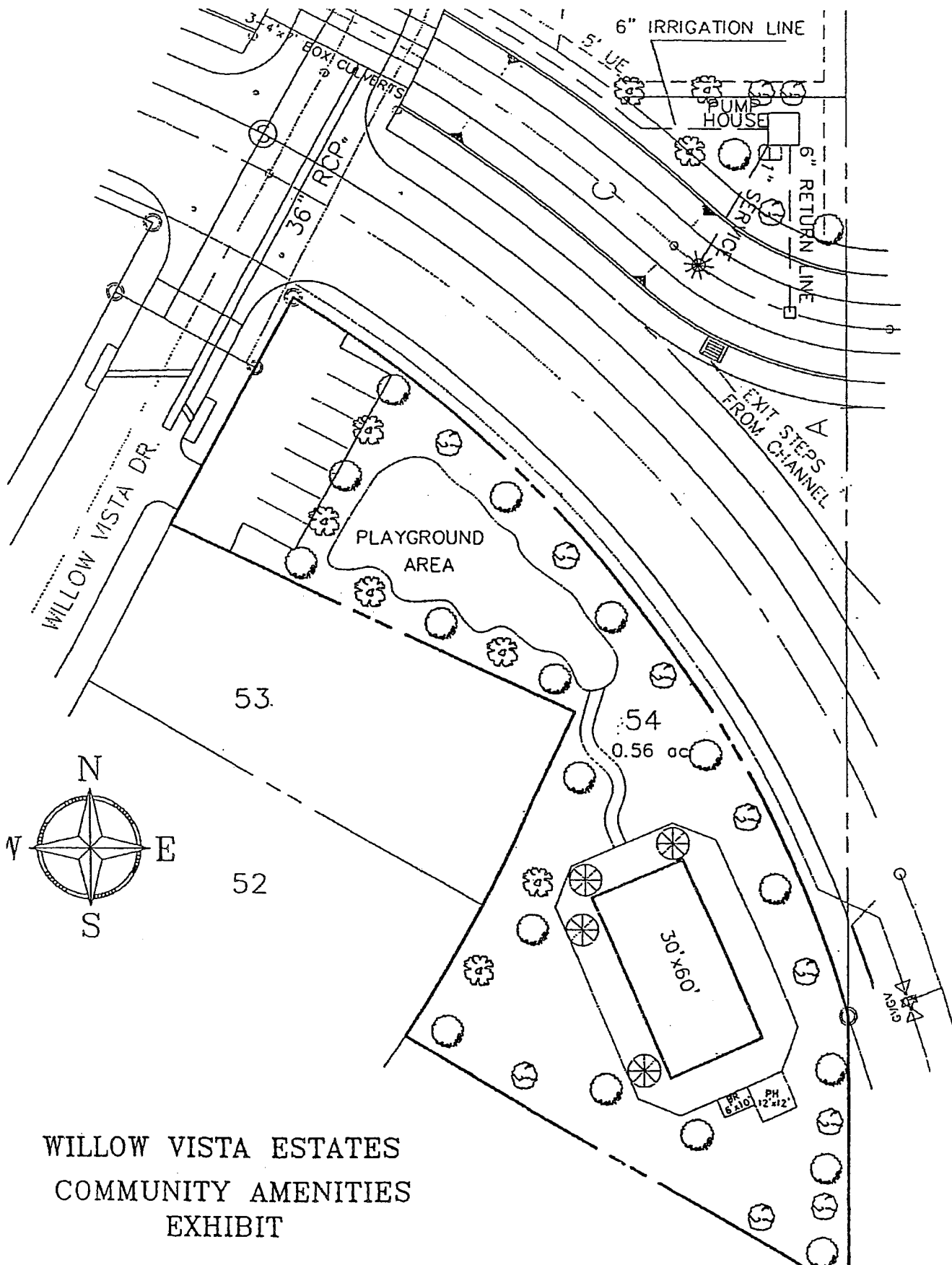
12.01. These bylaws may be altered or amended in whole or in part, or repealed and new bylaws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least seven (7) days written notice is given of an intention to alter, amend, or repeal these bylaws or to adopt new bylaws at such meeting, and such notice contains a statement of the nature of the proposed amendment(s).

[SIGNATURE TO FOLLOW ON NEXT PAGE]

The undersigned, as Secretary of the Corporation, does hereby certify that the foregoing are the Bylaws of the Corporation as approved and adopted by unanimous consent of the Directors as of the _____ day of January, 2004.

By: _____
Name: David Keener, Secretary

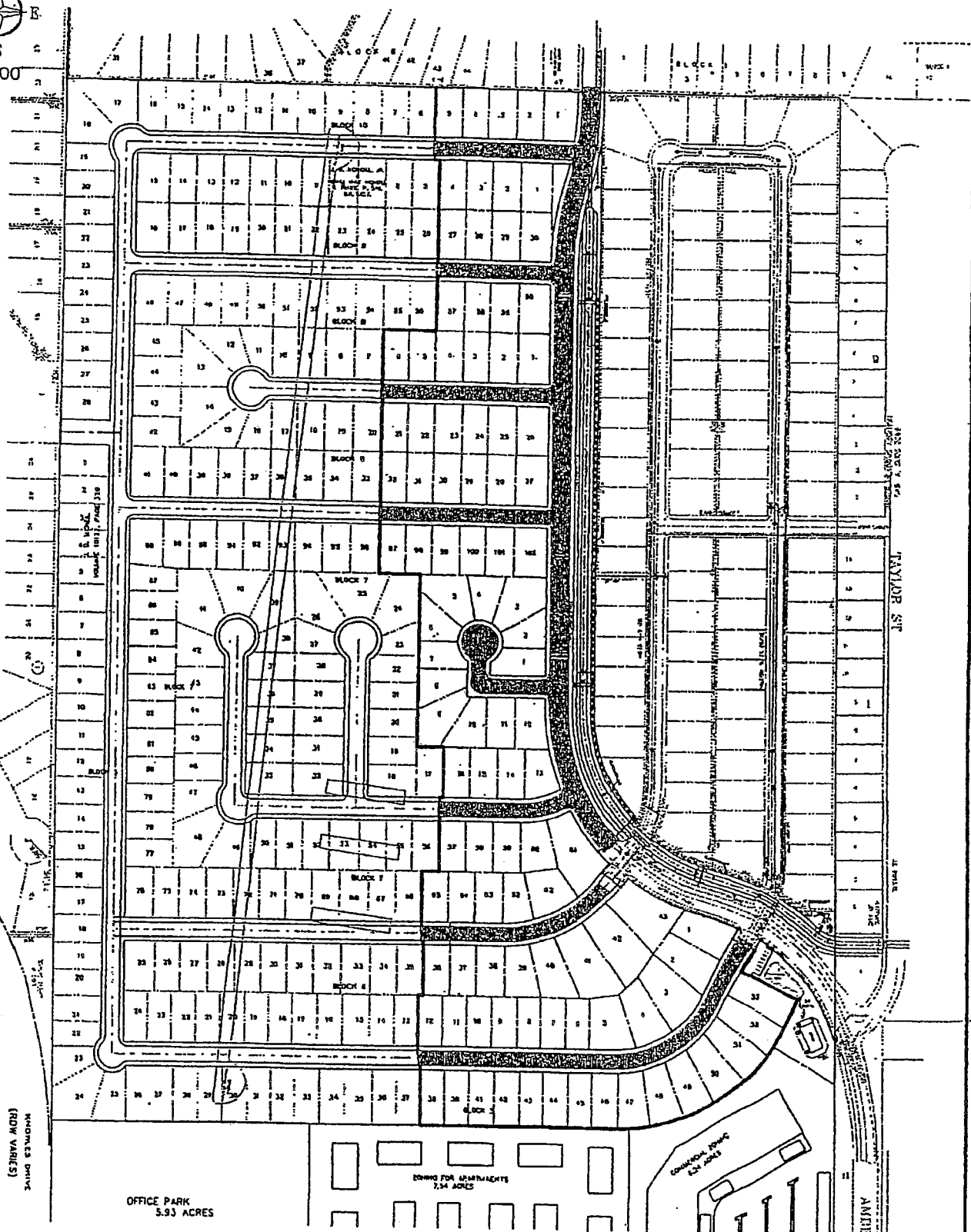
#393283



WILLOW VISTA ESTATES
 COMMUNITY AMENITIES
 EXHIBIT



GORDON S. SWIFT
 CONSULTING ENGINEER INC.



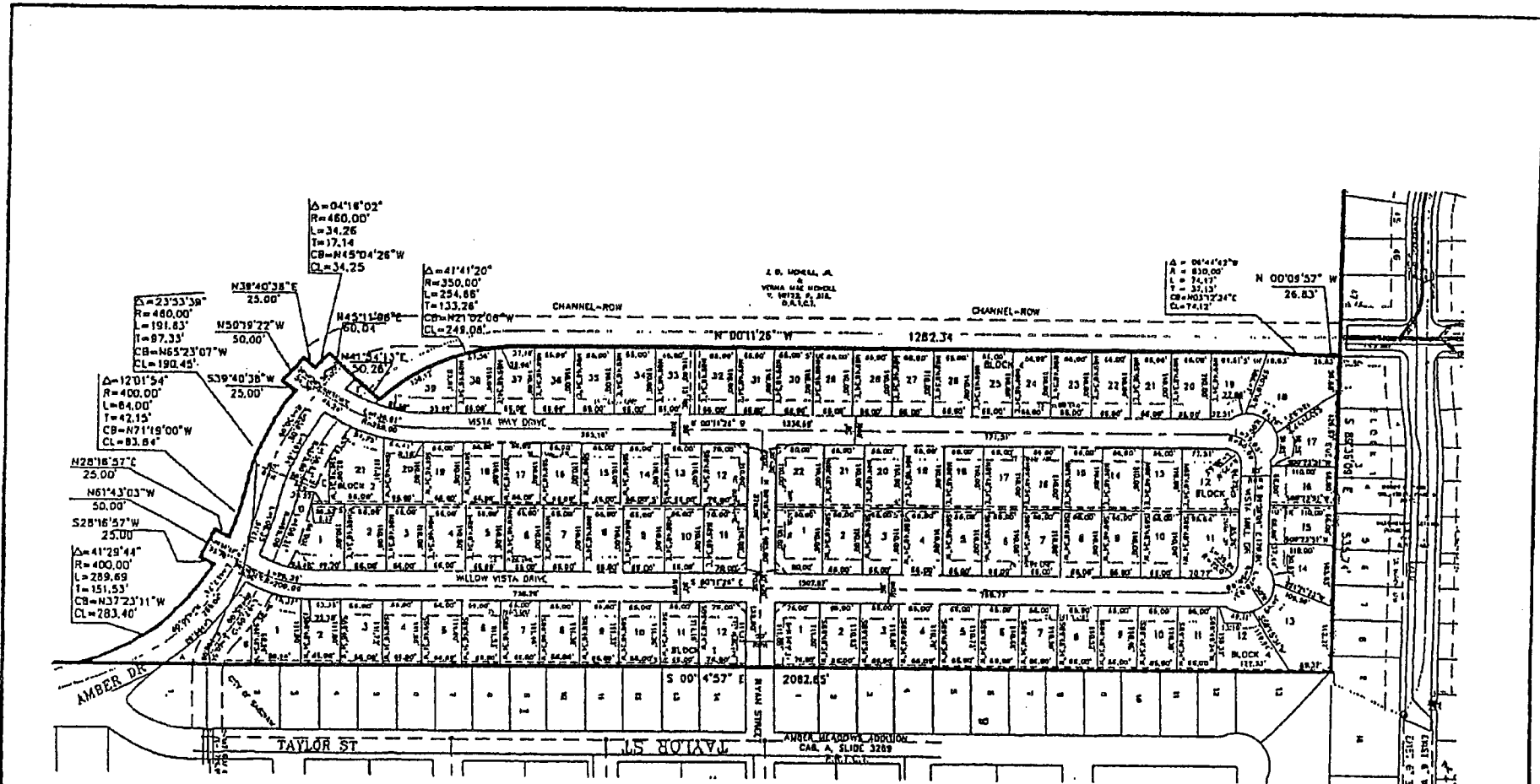
WILLOW VISTA PROPOSED PHASE II

101 LOTS

GORDON S. SWIFT

CONSULTING ENGINEERS, INC.





WILLOW VISTA
PHASE I


GORDON S. SWIFT
 CONSULTING ENGINEER INC.

