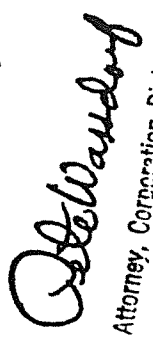


JAN 23 1979

ARTICLES OF INCORPORATION

OF

SHADOWBRIAR COMMUNITY ASSOCIATION, INC.


Attorney, Corporation Division

We, the undersigned, natural persons of the age of twenty-one (21) years or more and citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for a non-profit corporation:

ARTICLE ONE

The following words, when used in these Articles of Incorporation, shall have the following definitions and meanings:

- (a) "Association" shall mean and refer to SHADOWBRIAR COMMUNITY ASSOCIATION, INC., its successors and assigns.
- (b) "Properties" shall mean and refer to that certain land and premises situated in Houston, Harris County, Texas, and more particularly described within the Declaration.
- (c) "Declaration" shall mean and refer to that certain instrument entitled "Declaration of Covenants, Conditions and Restrictions", pertaining to the Shadowbriar residential subdivision, said instrument recorded in the Office of the County Clerk of Harris County, Texas, Clerk's File No. F785619, Film Code pages 107-93-1153 through 107-93-1176 (and said instrument is incorporated herein by reference for all purposes), and as the same may be amended or supplemented from time to time as therein provided.
- (d) "Common Area" shall mean all real and personal property owned or to be owned by the Association for the common use and benefit of its members.
- (e) "Lot" shall mean and refer to any plot or tract of land (excluding the Common Area) shown upon any recorded subdivision map(s) or plat(s) of the Properties, as amended from time to time, which is designated as a Lot therein and which is or is to be improved with a residential dwelling thereon.
- (f) "Owner" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any Lot (including without limitation any and all contract sellers) which is a part of the Properties; however, the word "Owner" is not intended to include persons or entities who hold a lien or similar interest in a Lot merely as security for the performance of an obligation.
- (g) "Member" shall mean and refer to each Owner of a Lot as a constituent of the Association.
- (h) "Declarant" shall mean and refer to Shadowbriar, a joint venture entity, and its successors and assigns.

ARTICLE TWO

The name of the Association is SHADOWBRIAR COMMUNITY ASSOCIATION, INC. and it shall be a non-profit corporation.

ARTICLE THREE

This Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are:

- (a) to provide for and assist in maintenance, preservation and architectural control of the the Properties and to promote the health, safety and welfare of the Owners and residents of the Properties;
- (b) to borrow money (if necessary) and to acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject to Part Four of the Texas Miscellaneous Corporation Laws Act;
- (c) to cause the Common Area to be maintained, operated, regulated and administered in accordance with the terms and conditions of the Declaration;
- (d) to exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration;
- (e) to fix, levy, collect and enforce payment by any lawful means, all charges or assessments provided for by the terms of the Declaration and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including any licenses, taxes or governmental charges which may be levied or imposed against the Common Area or any other property owned by the Association;

(f) insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors of the Association, will promote the common benefit and enjoyment of the Owners and residents of the Properties; provided, however, that no part of the net earnings of the Association shall inure to the benefit of or be distributable to any Member, director or officer of the Association, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Association related or pertaining to one or more of its purposes); and provided further, that no part of the activities of the Association shall include carrying on propaganda, or otherwise attempting to influence legislation, or participating in, or intervening in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

ARTICLE FOUR

The address of the initial registered office of the Association is 13601 Preston Road, Suite 616, East Carillon Tower, Dallas, Texas 75240, and the name of its initial registered agent at such address is Paul A. Nelson.

ARTICLE FIVE

The period of duration of the Association is perpetual.

ARTICLE SIX

The business and affairs of the Association shall be managed by a Board of Directors. The number of individuals comprising the first or initial slate of Directors shall be three (3) and the By-Laws of the Association shall fix the number of Directors for subsequent slates of Directors at no less than three (3) nor more than nine (9) individuals. The names and addresses of the three (3) individuals who are to act initially in the capacity of Directors until the selection of their successors are:

Vernon S. Smith 2151 Fort Worth Avenue
Dallas, Texas 75211

Michael E. Buquoi 8300 Preston Road
Dallas, Texas 75225

Paul A. Nelson 13601 Preston Road
Dallas, Texas 75240

ARTICLE SEVEN

The name and address of each incorporator of the Association is:

Charles W. Spencer 2800 One Main Place
Dallas, Texas 75250

J. Christopher Bird 2800 One Main Place
Dallas, Texas 75250

Gerald D. Quast 2800 One Main Place
Dallas, Texas 75250

ARTICLE EIGHT

Every person or entity who is now or hereafter becomes an Owner shall automatically be and must remain a Member of the Association, and membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE NINE

The Association shall have two classes of voting membership:

CLASS A: Class A Members shall be all Members and Owners other than Class B Members. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, may determine, but in no event shall more than one (1) total vote be cast with respect to any such Lot.

CLASS B: Class B Member(s) shall be the Declarant and its successors or assigns if such successors or assigns should acquire (by vesting of fee simple title or as a contract vendee) more than one developed Lot from Declarant for the purpose of constructing single-family residential dwellings thereon. The Declarant shall be entitled to six (6) votes for each Lot in which it has a fee simple, lien or contract interest; each of the remaining Class B Member(s) shall be entitled to one (1) vote for each Lot in which a fee simple or contract interest is held. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(2) on January 1, 1990.

ARTICLE TEN

The Association may indemnify any person who is or was a director or officer of the Association, and any person who serves or served at the Association's request as a director or officer as follows:

(a) In case of a suit by or in the right of the Association against a director or officer by reason of his holding such a position, the Association shall indemnify such person against expenses (including attorneys' fees) actually and necessarily incurred by him in connection with the defense or settlement of such action or suit if he is successful on the merits or otherwise, or if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, except that no indemnification shall be made in respect of any claim, issue or matter as to which such director or officer shall have been finally adjudged to be liable for negligence or misconduct in the performance of his duty to the Association.

(b) In case of a threatened, pending or completed suit, action or proceeding (whether civil, criminal, administrative or investigative), other than a suit by or in the right of the Association, together hereafter referred to as a non-derivative suit, against a director or officer by reason of his holding a position set forth above, the Association shall indemnify him against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the defense or settlement of such action, suit or proceeding if he is successful on the merits or otherwise or if he acted in good faith in the transaction which is the subject of the non-derivative suit to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of a non-derivative suit by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the director or officer did not act in good faith and in a

manner which he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.


(c) Indemnification provided under Paragraphs (a) and (b) above shall be made by the Association [except as provided in Paragraph (a) hereof] only upon a determination of the specific case that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Paragraph (b) hereof. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by vote of the Members. Indemnification may be prorated so as to indemnify such director or officer as to some matters but not others.

(d) The Association may pay in advance any expenses (including attorneys' fees) which may become subject to indemnification hereunder if (1) the Board of Directors authorizes the specific payment and (2) the director or officer receiving the payment undertakes in writing to repay such payment unless it is ultimately determined that he is entitled to indemnification by the Association under this Article Ten.


(e) The indemnification provided for herein shall not be exclusive of any of the rights to which a person may be entitled by law, the By-Laws of the Association, agreement, vote of Members or disinterested directors, or otherwise, shall continue as to a director or officer who has ceased to hold such position and shall inure to his heirs, executors and administrators.

(f) The Association may purchase and maintain insurance on behalf of any person who holds or who has held any position of director or officer against any liability asserted against him and incurred by him in any such position, or arising out of his status as such.

19th day of JANUARY, 1979.


CHARLES W. SPENCER


J. CHRISTOPHER BIRD


GERALD D. QUAST

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this date personally appeared CHARLES W. SPENCER, J. CHRISTOPHER BIRD and GERALD D. QUAST, and that each being duly sworn, they severally declared that they are the persons who signed the foregoing document as incorporators and that the statements contained therein are true.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 19th day of July, 1979.

Spencer J. Hudson
NOTARY PUBLIC IN AND FOR
DALLAS COUNTY, T E X A S

My Commission Expires:

6-8-80