

**ARTICLES OF INCORPORATION
OF BRITTANY LAKES HOMEOWNERS' ASSOCIATION, INC.**

FILED
In the Office of the
Secretary of State of Texas

APR 17 1997

Corporations Section

We, the undersigned natural persons of the age of eighteen years or more, all of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, adopt the following Articles of Incorporation for BRITTANY LAKES HOMEOWNERS' ASSOCIATION, INC (the "Association")

**ARTICLE I
CORPORATE NAME**

This corporation shall be known as BRITTANY LAKES HOMEOWNERS' ASSOCIATION, INC and by and under such name it shall conduct and transact all its business

**ARTICLE II
CORPORATE ADDRESS AND AGENT**

The street address of the Association's initial registered office is 6363 Woodway, Suite 870, Houston, TX 77057, and the name of the initial registered agent at such address is Mr Jack Lee

**ARTICLE III
CORPORATE STATUS**

The Association is a non-profit corporation. The Association is not formed for pecuniary profit. No part of the income or assets of the Association is distributable to or for the benefit of its members, directors, or officers, except to the extent permissible under law.

**ARTICLE IV
PURPOSE AND POWERS OF THE ASSOCIATION**

The Association is formed for the purposes of providing for architectural control, maintenance and preservation of the property subject to the Declaration of Covenants, Conditions and Restrictions applicable to 47.54 acres, more or less, of land located in Brittany Lakes, Sections 1 and 2 (hereinafter called the "Declaration") a subdivision in Galveston County, Texas, said Declaration recorded under Clerk's File No 9710497 of the Official Public Records of Real Property for Galveston County, Texas, and any additional property that may hereafter be added or annexed and made subject to the terms of the Declaration, and to promote the civic and social welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association. Specifically, but without limitation, the Association may

a) provide and maintain, to the extent determined appropriate by the Association, the common area, facilities, and services of overall benefit to Owners, residents, and occupants in general, including, but not by way of limitation, lighting and cleaning of the streets adjacent to and within the land subject to the jurisdiction of the Association, maintenance of the common area, including but not limited to buildings, other facilities, greenbelts and landscape easements

conveyed to the Association, maintenance of the rights-of-way of the streets that are within or adjacent to the boundaries of the Property, police and security service, fire protection, mosquito control, garbage and refuse collection, recreational programs and facilities, and other services, facilities, and activities as may be in the community's interest,

b) contract for provision of similar services to or for the benefit of land not subject to the jurisdiction of the Association, but only at a price that is not less than the cost to the Association,

c) exercise all the powers and privileges and perform all of the duties and obligations of the Association as set forth in the Declaration,

d) fix, levy, collect, and enforce payment by any lawful means of all assessments, fees, fines and charges pursuant to the terms of the Declaration,

e) pay all office and other expenses incident to the conduct to the business of the Association, including all licenses, taxes, and governmental charges levied or imposed against the property of the Association,

f) 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 interests in and to real or personal property in connection with the affairs of the Association,

g) borrow money and, with the approval of a 2/3 majority of the votes in the Association, mortgage, pledge, deed in trust, or hypothecate any or all of the Association's real or personal property as security for money borrowed or debts incurred,

h) dedicate, sell, or transfer all or any part of the parks, common area, and facilities owned by the Association, if any, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Board of Directors, provided that no conveyance of any common area or facilities other than the granting of utility easements shall be permitted except to a public entity established for purposes similar to the Association or which shall be dedicated to the preservation of community purposes and interests and which is capable of maintaining and agreeing to maintain the same, and further provided that any dedication, sale, or transfer other than for utility easements shall be approved by a 2/3 majority of the votes in the Association,

i) participate in mergers and consolidations with the non-profit corporations organized for the same purposes, by annexation or otherwise, provided that any merger, consolidation, or annexation shall be approved by a 2/3 majority of the votes in the Association

j) establish and enforce rules and regulations governing the use, operation, maintenance, control, and disposition of property to which the Association holds title or to which control is vested in the Association, and

k) exercise any and all powers, rights, and privileges which a corporation organized under the Non-Profit Corporation Act of the State of Texas by law now or hereafter may have or exercise, provided that none of the objects or purposes set out in these Articles shall be construed to authorize the Association to do any act in violation of the Texas Non-Profit Corporation Act,

and all such objects or purposes are subject to the Act All defined terms not expressly defined herein shall have the same meaning as in the Declaration

ARTICLE V MEMBERSHIP

Each person or entity who is a record owner of a fee or undivided fee interest in any property subject by the Declaration to assessment by the Association, including contract sellers, shall be a member of the Association Persons or entities who hold an interest in the property merely as security for the performance of an obligation shall not, however, be members Membership shall be appurtenant to and may not be separated from ownership of the property which is subject to assessment by the Association Ownership of such property shall be the sole qualification for membership

ARTICLE VI VOTING RIGHTS

Eligibility Eligibility to vote or serve as a representative, director or officer of the Association shall be predicated upon a Member being in good standing with the Association To be in good standing, the Member must (i) have all assessments of every type and category paid up to date and have no outstanding financial obligations to the Association that are delinquent and (ii) not be in violation of this Declaration or any deed restriction affecting such Member's Lot as determined by a vote of sixty-seven percent (67%) of the Board of Directors

Voting Rights The Association shall have two classes of membership, Class "A" and Class "B", as follows

- 1 Class "A" Membership Class "A" Members shall be all Members with the exception of Class "B" Members, if any Each Class "A" Member's voting rights shall be based on the number of Lots owned and shall be determined as follows One (1) vote shall be granted per platted Lot
- 2 Class "B" Membership Class "B" Members shall include the Declarant and such Owners as the Declarant may, in its sole discretion, confer Class "B" Membership status upon Each Class "B" Member's voting rights shall be based on the number of Lots owned and shall be determined as follows Ten (10) votes shall be granted per platted Lot

Declarant shall retain control and authority to appoint all members of the Board of Directors of the Association until at least thirty percent (30%) of the Lots are sold to Class "A" Members or January 1, 2006, whichever occurs later Such elections shall be subject to the provisions of the Articles of Incorporation and By-laws of the Association Upon sale of thirty percent (30%) or more of the Lots to Class "A" Members or January 1, 2006, whichever occurs later, one Member of the Board of Directors shall be elected by the Class "A" Members at the next regular annual meeting Upon sale of fifty percent (50%) of the Lots being sold or January 1, 2006, whichever occurs later, Class "A" Members shall be able to elect a total of two members of the Board of Directors at the next regular annual

meeting Class "B" Membership ceases on January 1, 2015 or when seventy-five percent (75%) of the Lots are sold, whichever occurs later. At such time any remaining Class "B" Members shall be automatically converted to Class "A" Members.

- 3 Proxies and Directed Ballots All votes may be cast by written proxy or directed ballots. The procedure for the use of the proxies and directed ballots shall be as prescribed in the Association's By-laws.

ARTICLE VII BOARD OF DIRECTORS

The affairs of this Association shall initially be managed by a Board of three (3) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are

Jack Lee	William M Burney, III	R. E Tresch
6363 Woodway, Suite 870	6363 Woodway, Suite 870	6363 Woodway, Suite 870
Houston, Texas 77057	Houston, Texas 77057	Houston, Texas 77057

At the first annual meeting the members shall elect three (3) directors for a term of one year, and two (2) directors for a term of two years, and at annual meetings thereafter the members shall elect directors for two-year terms as needed to restore Board membership to five (5) directors.

ARTICLE VIII INCORPORATORS

The name and street address of each incorporator is

Robert C Walker
Brown, Parker & Leahy, L L P
1200 Smith Street, Suite 3600
Houston, Texas 77002-4595

ARTICLE IX AMENDMENT

Amendment of these Articles shall require approval by a two-thirds (2/3) majority of the votes in the Association.

ARTICLE X DISSOLUTION

The Association may be dissolved upon approval of a two-thirds (2/3) majority of (i) all Members of the Association and (ii) the holders of first mortgage liens on Lots only (hereinafter "First Mortgagees") as those terms are defined in the Declaration and any annexations thereto.

In this regard, First Mortgagees shall have as many votes as first mortgages owned on the referenced property Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created If dedication is refused acceptance, the assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or organization to be devoted to such similar purposes

**ARTICLE XI
DURATION**

The Association shall exist perpetually, unless otherwise dissolved by agreement or operation of law

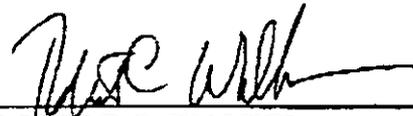
**ARTICLE XII
INDEMNIFICATION AND LIMITATION IN LIABILITY**

The Association shall indemnify its directors, officers, employees, and agents to the full extent permitted by the laws of the State of Texas

Also, the Association shall limit the liability of its directors to the Association to the full extent permitted by the laws of the State of Texas

IN WITNESS WHEREOF, for the purpose of forming this Corporation under the laws of the State of Texas, we the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 17th day of April, 1997

INCORPORATOR



ROBERT C WALKER

STATE OF TEXAS

COUNTY OF HARRIS

I, the undersigned authority, a Notary Public in and for the State of Texas, do hereby certify that on the 17th day of April, 1997 personally appeared Robert C Walker, who being by me duly sworn, that he is the person who signed the foregoing instrument as an incorporator and that the statements therein are true

Kathryn Fowler

Notary Public in and for the State of Texas

