

COPY

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APR 20 1994

Corporations Section

ARTICLES OF INCORPORATION

OF

WILLOWLAKE HOMEOWNERS ASSOCIATION, INC.

We, the undersigned natural persons of the age of twenty-one years or more, at least two of whom are 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 such corporation:

ARTICLE I

NAME

The name of the corporation is Willowlake Homeowners Association, Inc., hereinafter called the "Association".

ARTICLE II

TYPE OF CORPORATION

The Association is a non-profit corporation and has no capital stock.

ARTICLE III

DURATION

The period of duration is perpetual.

ARTICLE IV

PURPOSES AND POWERS

This Association does not contemplate pecuniary gain or profit to its members, and the purposes for which it is formed are to provide for preservation of the residence lots and common area within that certain real property known as Willowlake, a masterplanned community in Harris County, Texas, hereinafter referred to as "Willowlake" or the "Property", and such Additional Lands as may be brought within the jurisdiction and control of the Association pursuant to the provisions of the Declaration (hereinafter defined) and to promote the health, safety and welfare of the residents within such Property and for these purposes the Association shall have the following powers:

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(a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions for Willowlake, hereinafter called the "Declaration", applicable to the Property and recorded or to be recorded in the Public Records of Harris County, Texas, as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth herein at length;

(b) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration;

(c) To pay all office and other expenses incident to the conduct of the business of the Association, including for example, but not by way of limitation, all licenses, taxes or governmental charges levied or imposed against the Property of the Association;

(d) To purchase, receive, lease 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;

(e) To borrow money, and with the assent of two-thirds (2/3) of each class of members to mortgage or pledge any or all of its real or personal property as security for money borrowed or debts incurred;

(f) To annex Additional Lands (as defined in the Declaration) or other property into the Association in accordance with the annexation provisions of the Declaration;

(g) To engage the services of agents, independent contractors or employees to manage, operate or perform all or any part of the affairs and business of the Association; and

(h) To do and perform any and all lawful things and acts which in its discretion are necessary or desirable in carrying out any or all of the purposes for which the Association is formed, and pay the costs and/or expenses in connection therewith.

Further, the Association shall have and exercise any and all powers, rights and privileges which a corporation organized under the Texas Non-Profit Corporation Act by law may now or hereafter have or exercise.

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to the recorded Declaration (hereinafter referred to as "Lot"), including contract sellers shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation. Membership shall be appurtenant to and shall not be separated from ownership of any Lot. When ownership of any Lot is held by more than one person or by a legal entity which is not a natural person, all such owners shall be members of the Association, however, the voting rights of such members shall be limited to the number of votes set forth herein exercised as they among themselves shall determine.

ARTICLE VI

VOTING RIGHTS

The Association shall have two classes of voting membership:

a. Class A. Class A members shall be all resident owners with the exception of Declarant as defined in the Declaration and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members, but the vote for such Lot shall be exercised as they among themselves determine, and in no event shall more than one (1) vote be cast with respect to any Lot.

b. Class B. The Class B member shall be the "Declarant" as defined in the Declaration (initially Centex Real Estate Corporation) who shall be entitled to three (3) votes for each unoccupied Lot owned by it. The Class B membership shall cease and be converted to Class A membership upon the conveyance by Declarant of seventy-five percent (75%) of all Lots within Willowlake or January 15, 2010 whichever occurs earlier. Class B membership shall be reinstated at any time before January 15, 2003 if additional Lots owned by Declarant are annexed into the Association in sufficient numbers to restore a ratio of at least one Class B Lot to each three Class A Lots in the overall area subject to the Declaration.

c. Suspension. All voting rights of an Owner shall be suspended during any period in which such Owner is delinquent in the payment of any assessment duly established by the Association

or is otherwise in default hereunder or under the Bylaws or Rules and Regulations of the Association or the Declaration.

ARTICLE VII

AGENT AND OFFICES

Wayne Culpepper, 363 N. Sam Houston Parkway East, #420, Houston, Texas 77060, at such address constitute the initial registered office and agent, respectively, of the Association.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of no less than three (3) and no more than five (5) 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 serve until the election of their successors are:

Wayne Culpepper	363 N. Sam Houston Parkway East, Suite 420 Houston, Texas 77060
L. Russell Garrison	363 N. Sam Houston Parkway East, Suite 420 Houston, Texas 77060
Christopher M. Costello	363 N. Sam Houston Parkway East, Suite 420 Houston, Texas 77060

ARTICLE IX

MERGERS AND CONSOLIDATIONS

To the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the voting membership. So long as there is a Class B Membership any such merger or consolidation shall also require the

prior approval of the Department of Housing and Urban Development and the Veterans Administration (hereinafter "HUD/VA").

ARTICLE X

AUTHORITY TO MORTGAGE

After same has been conveyed to the Association, any mortgage by the Association of the common area shall have the assent of two-thirds (2/3) of the entire membership. So long as there is Class B Membership any mortgage of the common area shall require the prior approval of HUD/VA.

ARTICLE XI

AUTHORITY TO DEDICATE

The Association shall have power to dedicate, sell or transfer all or any part of the common area (after same has been conveyed to it) to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No dedication or transfer of common area may be effective unless an instrument has been signed by members entitled to cast two-thirds (2/3) of the votes of the entire membership agreeing to such dedication, sale or transfer. Notwithstanding the foregoing, the Board of Directors may from time to time without authorization of the membership, grant or dedicate easements with respect to the common area as may be necessary or convenient to provide or assist in utility service or access to the Property.

ARTICLE XII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the entire membership. So long as there is a Class B Membership any such dissolution shall require the prior approval of HUD/VA. Upon dissolution of the Association, the assets both real and personal of the Association, shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other

organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association.

ARTICLE XIII

NON LIABILITY OF OFFICIALS AND INDEMNIFICATION

To the fullest extent permitted by law, Declarant and every director, officer, committee member or employee of the Association and of the Declarant (to the extent a claim may be brought by reason of Declarant's appointment, removal or control of the members of the Board of Directors or its control over the Association of any committee or employee thereof) shall not be personally liable to any Member or to any other person, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of any thereof and shall be indemnified and defended by the Association; provided, however, the provisions set forth herein shall not apply to any person who has failed to act in good faith or has engaged in willful or intentional misconduct. The private property of the Members, directors, officers and employees of the Association shall be forever exempt from the debts and obligations of the Association. The foregoing indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the Members or otherwise.

ARTICLE XIV

DECLARANT'S RIGHTS

Notwithstanding any other language or provision to the contrary found in the Declaration, the Articles of Incorporation or in the Bylaws of the Association, Declarant hereby retains the right to appoint or remove any member of the Board of Directors of the Association and any officer or officers of the Association or members of any committee of the Association until ninety (90) days after termination of the Class B Member status of Declarant as set forth herein, or the surrender by Declarant of the authority to appoint or remove directors, officers and committee members by an express amendment to the Declaration executed and recorded by Declarant.

529-86-2977

Christopher M. Costello

363 N. Sam Houston Parkway
East, Suite 420
Houston, Texas 77060

IN WITNESS WHEREOF, we have hereunto set our hands this 19TH
day of April, 1994.

Wayne Culpepper
Wayne Culpepper

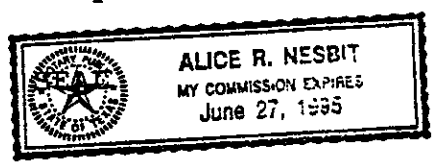
L. Russell Garrison
L. Russell Garrison

Christopher M. Costello
Christopher M. Costello

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

I, the undersigned authority, a Notary Public in and for said County and State, do hereby certify that on this 19th day of April, 1994, personally appeared before me Wayne Culpepper, L. Russell Garrison, and Christopher M. Costello who, being by me first duly sworn, declared that they are the persons who signed the foregoing document as incorporators and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.



Alice R. Nesbit
Notary Public in and for
The State of Texas

My commission expires:
6/27/95

Notary printed name:
ALICE R. NESBIT

MISTRANS\WILLOWLK.ART
6/27/95