

**ARTICLES OF INCORPORATION
OF
LAKES OF SOMERSET HOMEOWNERS ASSOCIATION, INC.**

I, the undersigned natural person over the age of eighteen years, acting as an incorporator of LAKES OF SOMERSET HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association") do hereby adopt the following Articles of Incorporation for such corporation under the Texas Non-Profit Corporation Act (hereinafter referred to as the "Act"):

ARTICLE I.

NAME

The name of the corporation is LAKES OF SOMERSET HOMEOWNERS ASSOCIATION, INC.

ARTICLE II.

NONPROFIT CORPORATION

The Association is a nonprofit corporation. Upon dissolution, all of the Association's assets shall be distributed to the State of Texas or an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) for one or more purposes that are exempt under the Texas Franchise tax.

ARTICLE II.

DURATION

The Association shall exist perpetually.

ARTICLE IV.

PURPOSES AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purpose for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property (the "Property") described as: See Exhibit "A" attached hereto (the term "Lot(s)" shall mean and refer to any lot or plat shown on any current recorded subdivision plat of the Property.)

A further purpose is to promote the health, safety and welfare of the residents within the above-described Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose:

(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 Restrictions, Covenants and Conditions (hereinafter called the "Declaration"), applicable to the Property and recorded in Volume 09729, Page 2358 of the Deed Records of Tarrant County, Texas, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth 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; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the Property of the Association;

(c) 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;

(d) to borrow money, and with the assent of two-thirds (2/3) of the members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal Property as security for money borrowed or debts incurred;

(e) to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of the members agreeing to such dedication, sale or transfer;

(f) to participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential Property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the members;

(g) to have and to exercise any and all powers, rights and privileges which a corporation organized under the 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 by covenants of record to assessment by the Association, including lot owners whose property Lot(s) are subject to a pending contract of sale, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE VI.

VOTING RIGHTS

The Association shall have one (1) class of voting membership. Members shall be all Owners, who 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, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

ARTICLE VII.

BOARD OF DIRECTORS

The qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors (referred to as the "Board of Directors") shall be provided in the bylaws. The initial Board of Directors shall consist of five (5) persons. The number of directors may be increased or decreased by adoption or amendment of bylaws. In electing directors, members shall not be permitted to cumulate their votes by giving one candidate as many votes as the number of directors to be elected or by distributing the same number of votes among any number of candidates. The initial Board of Directors shall consist of the following persons at the following addresses:

Names and Addresses of Directors

1. Vicki Weinberg
1903 Central Drive, Suite 403
Bedford, Texas 76021

2. Beth Noble
1308 Somerset Court
Colleyville, Texas 76034

3. Jack Gilliam
4608 Westbury Drive
Colleyville, Texas 76034

4. Linda Adams
1309 Somerset Court
Colleyville, Texas 76034

5. Malynn Johnson
1208 Chatsworth Drive
Colleyville, Texas 76034

ARTICLE VIII.

INITIAL REGISTERED OFFICE AND AGENT

The address of its initial registered office is 1903 Central Drive, Suite 403, Bedford, Tarrant County, Texas 76021, and the name of its initial registered agent at such address is Herman J. Smith.

ARTICLE IX.

RESTRICTIONS AND REQUIREMENTS

The Corporation shall not pay dividends or other corporate income to its members, directors or officers or otherwise accrue distributable profits or permit the realization of private gain. The Corporation shall have no power to take any action prohibited by the Act.

ARTICLE X.

LIMITATION ON LIABILITY OF DIRECTORS

A director is not liable to the Corporation or members for monetary damages for an act or omission in the director's capacity as director except to the extent otherwise provided by a statute of the State of Texas.

ARTICLE XI.

INDEMNIFICATION

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the Corporation as provided by the provisions in the Act governing indemnification. As Provided in the bylaws, the Board of Directors shall have the power to define the requirements and limitations for the Corporation to indemnify directors, officers, members, or others related to the Corporation.

ARTICLE XII.

CONSTRUCTION

All references in these Articles of Incorporation to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

ARTICLE XIII.

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the members. 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 this Association was created. 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 such similar purposes.

ARTICLE XIV.

INCORPORATORS

The name and address of the incorporator is:

Steven M. Weinberg, M.D., J.D.
1903 Central Drive, Suite 400
Bedford, Texas 76021

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of Texas, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 27 day of February, 1991.

/S/ Steven M. Weinberg
Steven M. Weinberg, M.D., J.D.