

ARTICLES OF INCORPORATION
OF
THE SHORES HOMEOWNERS' ASSOCIATION, INC.

The undersigned natural person, who is a citizen of the State of Texas, and who is of the age of eighteen (18) years or more, acting as incorporator of a corporation under the Texas Non-profit Corporation Act, does hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

The name of the Corporation is THE SHORES HOMEOWNERS' ASSOCIATION, INC.

ARTICLE TWO

The Corporation is a non-profit corporation.

ARTICLE THREE

The period of its duration is perpetual.

ARTICLE FOUR

The purposes for which the Corporation is organized are the care of association property (as defined in Section 528(c) of the Internal Revenue Code of 1986); to act as a residential real estate association for the residents of The Shores Phase I subdivision located in Rockwall County, Texas; and to carry on activities reasonably related thereto to bring about civic betterment and further the common good and welfare of the residents of the community.

ARTICLE FIVE

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article IV hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

Notwithstanding any other provision of these Articles, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this Corporation.

ARTICLE SIX

Upon dissolution of the Corporation its assets shall be distributed to other organizations that are organized for exempt purposes; on dissolution, the Corporation's assets shall be distributed to the state government for a public purpose, or to an organization exempt from taxes which is used to accomplish the general purposes for which the Corporation was organized.

ARTICLE SEVEN

The Corporation shall indemnify every Director, his or her heirs, executors and administrators, in accordance with the provisions of the laws of the State of Texas and the Bylaws of the Corporation. The foregoing right of indemnification shall not be exclusive of other rights to which a Director may be entitled.

ARTICLE EIGHT

The street address of the initial registered office of the Corporation is P. O. Box 472, Rockwall, Texas 75087-0472, and the name of its initial organizing agent at such address is Ed Schwaneke.

ARTICLE NINE BOARD OF DIRECTORS

The number of directors constituting the initial Board of Directors of the Corporation is nine (9), and the names and addresses of the persons who are to serve as the initial directors are:

Sandy Lingnell
1270 Shores Court
Rockwall TX 75087

Scott Pool
1300 Shores Blvd.
Rockwall TX 75087

Ed Schwaneke
1340 Shores Circle
Rockwall TX 75087

Art Ruff
1175 Ridge Road West
Rockwall TX 75087

Dick Houston
1400 Meandering Way
Rockwall TX 75087

Al Welch
1905 Hidden Way
Rockwall TX 75087

Jana Woods
1940 Ridge Crest Place
Rockwall TX 75087

Norma Lilly
1935 Hidden Valley
Rockwall TX 75087

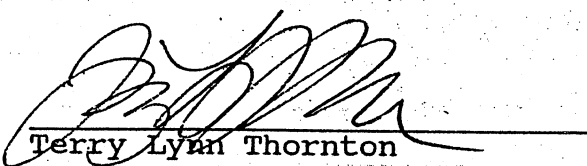
Earl Sloan
1485 Plummer Drive
Rockwall TX 75087

ARTICLE TEN

The name and address of the incorporator is:

Terry Lynn Thornton
2626 Cole, Suite 900
Dallas, Texas 75204

IN WITNESS WHEREOF, I have hereunto set my hand this the 10th
day of April, 1995.


Terry Lynn Thornton

STATE OF TEXAS)
)
COUNTY OF DALLAS)

SUBSCRIBED AND SWORN TO BEFORE ME by the said TERRY LYNN THORNTON, who, being by me first duly sworn, declared that she is the person who signed the foregoing document as incorporator and the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this the ~~19th~~ ^{APRIL} day of ~~January~~, 1995.



Joan E. Thompson

Notary Public, State of Texas