

JUN 22 1987

Corporations Section

ARTICLES OF INCORPORATION
OF
BLUE WATER SHORES PROPERTY OWNERS' ASSOCIATION

In compliance with the requirements of Article 1396.01, et. seq., the undersigned, all of whom are residents of Granbury, Hood County, Texas, and all whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

Article I

NAME

The name of the corporation is BLUE WATER SHORES PROPERTY OWNERS' ASSOCIATION, herein-after called the "Association."

Article II

PRINCIPAL OFFICE

registered
The principal office of the Association is located at 208 Dayla Way, Blue Water Shores, Granbury, Texas 76048.

Article III

REGISTERED AGENT

Charles D. Lantz, whose address is 208 Dayla Way, Blue Water Shores, Granbury, Texas 76048, is hereby appointed the initial registered agent of this Association.

Article IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association is a non-profit corporation. The Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described as:

Blue Water Shores Subdivision, according to the plat thereof recorded in Slide A-238-B, Plat Records of Hood County, Texas.

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, and for this purpose to:

(a) Exercise all of the power and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Restrictions and Reservations, hereinafter called the "Declaration," applicable to the property and recorded in Volume 1035, Page 169 et al, in the office of the County Clerk of Hood 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) 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) 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) Borrow money, and with the assent of the majority 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) 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 the officers of the corporation and by approval of the majority of the members of the corporation, agreeing to such dedication, sale or transfer;

(f) Participate in mergers and consolidations with other nonprofit 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 to the majority of the members of the Association; and

(g) Have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Texas 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 contract sellers, 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 class of voting membership. The class of members entitled to vote shall be any Lot owner in the Association who is currently in good standing with the Association with regard to the payment of any dues, fees, or assessments. When more than one person owns an interest in any Lot, only one such person shall be a member for purposes of voting. The vote for such Lots shall be exercised as they among themselves shall determine, but in no event shall more than one vote be cast with respect for any Lot.

Article VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of nine (9) Directors, who must be members of the Association. The number of directors may be changed by amendment of the Bylaws 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:

<u>Name</u>	<u>Address</u>
Barbara Bickle	242 Dayla Way, B.W.S., Granbury, Tx 76048
Cary Gore	456 Blue Water Drive, B.W.S., Granbury, Tx 76048
Rick Hughs	204 Christa Ct., B.W.S., Granbury, Tx 76048
Charles D. Lantz	208 Dayla Way, B.W.S., Granbury, Tx 76048
Eloise Lievrouw	7037 Treehaven Rd., Ft. Worth, Tx 76116
W. O. Molder	433 Blue Water Dr., B.W.S., Granbury, Tx 76048
Harvey Renois	257 Ashley Ct., B.W.S., Granbury, Tx 76048
Lorene Trimble	316 Ashley Ct., B.W.S., Granbury, Tx 76048
Golda Whitworth	235 Ashley Ct., B.W.S., Granbury, Tx 76048

At the first annual meeting the members shall elect three directors for a term on one year, three directors for a term of two years, and three directors for a term of three years; and at each annual meeting thereafter, the members shall elect three directors for a term of three years.

Article VIII

DURATION

This corporation shall exist perpetually.

Article IX

AMENDMENTS

Amendments of these Articles shall require the assent of sixty-six percent (66%) of the entire membership.

Article X

ANNEXATION OF ADDITIONAL PROPERTIES

The Association may, at any time, annex additional residential properties and common areas to the Properties described in Article IV, and so add to its membership under the provisions of Article V, provided that such annexation shall have the assent of a majority of the membership.

Article XI

MERGERS AND CONSOLIDATIONS

To the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of a majority of the entire membership.

Article XII

AUTHORITY TO MORTGAGE

Any mortgage by the Association of the Common Area defined in the Declaration shall have the assent of the majority of the entire membership of the Association.

Article XIII

AUTHORITY TO DEDICATE

The Association shall have the power 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 by the members. No such dedication or transfer shall be effective unless an instrument has been signed by the Board of Directors and has the approval of the majority of the members of the Association.

Article XIV

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 of the Association. 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 nonprofit corporation, association, trust or other organization to be devoted to purposes and uses to which they were required to be devoted by the Association.

Article XV

MEETINGS FOR ACTIONS

GOVERNED BY ARTICLES X THROUGH XIV

In order to take action under Articles X through XIV, there must be a duly held meeting. Written notice, setting forth the purpose of the meeting shall be given to all members not less than 30 days nor more than 60 days in advance of the meeting. The presence of members or of proxies entitled to cast votes shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association.

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 30th day of May, 1987.

Charles D. Lantz
Charles D. Lantz
208 Dayla Way B.W.S.
Granbury, Tx 76048

Cary Gore
Cary Gore
456 Blue Water Dr. B.W.S.
Granbury, Tx 76048

Rick Hughs
Rick Hughs
204 Christa Ct. B.W.S.
Granbury, Tx 76048

SWORN on this the 6th day of June, 1987, by the above-named incorporators.

(seal)

Nancy B. Beasley
Notary Public in and for the
State of Texas
My commission expires: 5-17-90
Typed/Printed Name of Notary:
NANCY B. BEASLEY