

DURAND & ASSOCIATES, P. C.  
ATTORNEYS AT LAW

DANIEL C. DURAND III\*  
CHARLES E. BEACHLEY III\*

OF COUNSEL:  
RUTH E. BROCK\*\*

\*MEMBER OF THE COLLEGE OF  
THE STATE BAR OF TEXAS

\*\*BOARD CERTIFIED:  
RESIDENTIAL REAL ESTATE  
COMMERCIAL REAL ESTATE

\*BOARD CERTIFIED:  
CIVIL TRIAL  
FAMILY LAW

May 27, 1999

Secretary of State  
Corporations Section  
P. O. Box 13697  
Austin, Texas 78711-3697

Re: Lakes of Shady Shores

Dear Sir:

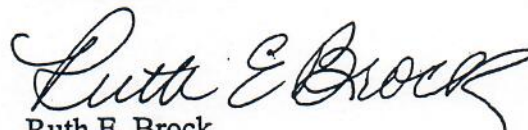
Enclosed with this letter are Restated Articles of Incorporation, in duplicate, for The Lakes of Shady Shores Homeowners Association, a non-profit corporation.

After you have reviewed the Restated Articles of Incorporation, if they are acceptable, please return one copy, along with your Certificate of Incorporation.

I have enclosed our check in the amount of \$25.00 to cover the required filing fee.

Thank you for your assistance.

Sincerely,

  
Ruth E. Brock

Enclosures

✓ cc: Allen Newbrand

DCD/pjs  
0899:99116SSL

~~COPY FOR RAN MINTZ, SECY H.O.A.~~

**RESTATED ARTICLES OF INCORPORATION  
OF  
THE LAKES OF SHADY SHORES HOMEOWNERS ASSOCIATION,  
A TEXAS NON-PROFIT CORPORATION**

**Article One**

THE LAKES OF SHADY SHORES HOMEOWNERS ASSOCIATION, pursuant to the provisions of Article 4.06 of the Texas Non-Profit Corporation Act, hereby adopts Restated Articles of Incorporation which accurately copy the Articles of Incorporation and all amendments thereto that are in effect to-date and as further amended by such Restated Articles of Incorporation as hereinafter set forth and which contain no other change in any provision thereof:

**Article Two**

The Articles of Incorporation of the corporation are amended by the Restated Articles of Incorporation as follows:

Article II of the Articles of Incorporation is deleted in its entirety.

Article III is modified to read as follows:

**REGISTERED AGENT AND REGISTERED OFFICE**

The street address of the registered office of the corporation is 522 Edmonds, Suite 101, Lewisville, Denton County, Texas 75067, and the name of its initial registered agent at such address is Daniel C. Durand, III.

Article IV is modified to read as follows:

**PURPOSE AND POWERS OF THE ASSOCIATION**

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes 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 described as:

All that certain tract or parcel of land lying and being situated in the W.D. Durham Survey, Abstract 330, and the M.E.P. & P.R.R. Company Survey, Abstract 911, Denton County, Texas and being part of Tract 2, Parcels Three, Five, Eight, Eleven, Thirteen and Fourteen, as described in a Substitute Trustee's Deed from Ron J. Hoyl, Substitute Trustee, to First Gibraltar Bank, FSB, on the 5th day of March, 1991, recorded in Volume 2936, Page 631, Real Property Records of Denton County, Texas and being more particularly described as follows:



**COMMENCING** at the Southeast corner of the Merritt Subdivision as filed in Cabinet C, Slide 324, Plat Records of Denton County, Texas;

**THENCE** East a distance of 30.00 feet to an iron pin found on the North line of Shady Shores Road and the East line of Meadowlark Road as recorded in Volume 468, Page 302, Deed Records and Cabinet C, Page 324, Plat Records of Denton County, Texas, at the Southwest corner of Tract 2, Parcel Three, recorded in Volume 2936, 631, Real Property Records, Denton County, Texas, and also being the Southeast corner of the Gideon Walker Survey, Abstract 1330;

**THENCE** North 00 Degrees 10 Minutes 22 Seconds East with the East line of Gideon Walker Survey and the East line of Meadowlark Road a distance of 2749.47 feet to an iron pin found at the Southeast corner of Parcel Six, on the West line of Parcel Thirteen;

**THENCE** North 00 Degrees 10 Minutes 47 Seconds East with the West line of Meadowlark Lane and the West line of Parcel Thirteen a distance of 51.71 feet to an iron pin found at the Southwest corner of a tract deeded to Susahanne Turner, recorded in Volume 842, page 348, Deed Records of Denton County, Texas tract and the Northwest corner of said Parcel Thirteen'

**THENCE** South 88 Degrees 27 Minutes 12 Seconds East with a fence on the North line of Parcel Thirteen and the South line of said Turner tract a distance of 965.33 feet to an iron pin found at a fence corner post;

**THENCE** South 00 Degrees 10 Minutes 33 Seconds West along and near a fence a distance of 2791.76 feet to an iron pin found at a fence corner post at the Southeast corner of Parcel Five, on the North line of Shady Shores Road;

**THENCE** North 89 Degrees 00 Minutes 44 Seconds West with the South line of Parcels Five and Three on the North line of Shady Shores Road a distance of 965.00 feet to the Point of Beginning and containing in all 61.9499 acres of land.

and to promote the health, safety and welfare of the residents within the above-described property, and for this purpose to:

(a) 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, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the County Clerk of Denton 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 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) 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) 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 of two-thirds (2/3) of the members; and

Article VII is modified to read as follows:

### **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 VIII is modified to read as follows:

### **BOARD OF DIRECTORS**

The affairs of this Association shall be managed by a Board of three (3) 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 present duly elected Board of Directors of the Association, to serve until the selection of their successors, are:

NAME	ADDRESS
Allen J. Newbrand	105 Lakeside Drive, Shady Shores, TX 76208
William Roberts	108 Island Circle, Shady Shores, TX 76208
Lee Miller	102 Island Circle, Shady Shores, TX 76208

Each director will serve for a term of three (3) years. The directors' terms will be staggered so that a position on the Board of Directors will come up for election at each annual Meeting of the Members of the Association.

Article IX is modified to read as follows:

### DISSOLUTION

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 nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

Article XI is modified to read as follows:

### AMENDMENTS

Amendment of these Articles shall require the assent of two-thirds (2/3) of the aggregate number of votes, present in person or by proxy at a meeting called for such purpose.

Article XII is modified to read as follows:

### LIABILITIES

The highest amount of indebtedness or liability, direct or contingent, to which this Association may be subject at any one time shall not exceed 150 percent of its income for the previous fiscal year, *provided that* additional amounts may be authorized by 75 percent of the entire membership.

Article XIII is deleted in its entirety.



Article XIV is modified to read as follows:

### **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 two-thirds (2/3) of the membership.

Article XV is modified to read as follows:

### **AUTHORITY TO MORTGAGE**

Any mortgage by the Association of the Common Area defined in the Declaration shall have the assent of two-thirds (2/3) of the membership.

Article XVI is modified to read as follows:

### **AUTHORITY TO DEDICATE**

The Association shall have 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 to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to cast two-thirds (2/3) of the votes of the membership.

Article XVII is deleted in its entirety.

Article XVIII is modified to read as follows:

### **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 purposes of the meeting shall be given to all members not less than 10 days nor more than 60 days in advance of the meeting. The presence of members or of proxies entitled to cast two-thirds (2/3) of the votes of the members 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.



### **Article Three**

Each such amendment made by these Restated Articles of Incorporation has been effected in conformity with the provisions of the Texas Non-Profit Corporation Act and such Restated Articles of Incorporation were duly adopted in the following manner:

The Restated Articles of Incorporation as so amended were adopted at a meeting of the members held on April 11, 1999, at which a quorum was present and the Restated Articles of Incorporation, as so amended, received at least two-thirds (2/3) of the votes which members present or represented by proxy at such meeting were entitled to cast.

### **Article Four**

The Articles of Incorporation and all amendments and supplements thereto are hereby superseded by the following Restated Articles of Incorporation which accurately copy of the entire text thereof and, as amended, as above set forth:

#### **Article I NAME**

The name of the corporation is The Lakes of Shady Shores Homeowners Association, hereafter called the "Association".

#### **Article II REGISTERED AGENT AND REGISTERED OFFICE**

The street address of the registered office of the corporation is 522 Edmonds, Suite 101, Lewisville, Denton County, Texas 75067, and the name of its initial registered agent at such address is Daniel C. Durand, III.

#### **Article III PURPOSE AND POWERS OF THE ASSOCIATION**

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes 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 described as:

All that certain tract or parcel of land lying and being situated in the W.D. Durham Survey, Abstract 330, and the M.E.P. & P.R.R. Company Survey, Abstract 911, Denton County, Texas and being part of Tract 2, Parcels Three, Five, Eight, Eleven, Thirteen and Fourteen, as described in a Substitute Trustee's Deed from Ron J. Hoyl, Substitute Trustee, to First Gibraltar Bank, FSB, on the 5th day of March, 1991, recorded in Volume 2936, Page 631, Real Property Records of Denton County, Texas and being more particularly described as follows:



**COMMENCING** at the Southeast corner of the Merritt Subdivision as filed in Cabinet C, Slide 324, Plat Records of Denton County, Texas;

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**THENCE** North 89 Degrees 00 Minutes 44 Seconds West with the South line of Parcels Five and Three on the North line of Shady Shores Road a distance of 965.00 feet to the Point of Beginning and containing in all 61.9499 acres of land.

and to promote the health, safety and welfare of the residents within the above-described property, and for this purpose to:

(a) 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, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the County Clerk of Denton 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 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) 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) 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 of two-thirds (2/3) of the members; and

#### **Article IV NON-PROFIT CORPORATION**

The corporation will have and may exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Texas may now or hereafter have or exercise. The corporation is a non-profit corporation.

#### **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**

Members shall be all Owners and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote



for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

## **Article VII BOARD OF DIRECTORS**

The affairs of this Association shall be managed by a Board of three (3) 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 present duly elected Board of Directors of the Association, to serve until the selection of their successors, are:

NAME	ADDRESS
Allen J. Newbrand	105 Lakeside Drive, Shady Shores, TX 76208
William Roberts	108 Island Circle, Shady Shores, TX 76208
Lee Miller	102 Island Circle, Shady Shores, TX 76208

Each director will serve for a term of two (2) years. The directors' terms will be staggered so that a position on the Board of Directors will come up for election at each annual meeting of the Members of the Association.

## **Article VIII DISSOLUTION**

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 nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

## **Article IX DURATION**

The corporation shall exist perpetually.



**Article X  
AMENDMENTS**

Amendment of these Articles shall require the assent of two-thirds (2/3) of the aggregate number of votes, present in person or by proxy at a meeting called for such purpose.

**Article XI  
LIABILITIES**

The highest amount of indebtedness or liability, direct or contingent, to which this Association may be subject at any one time shall not exceed 150 percent of its income for the previous fiscal year, *provided that* additional amounts may be authorized by 75 percent of the entire membership.

**Article XII  
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 two-thirds (2/3) of the membership.

**Article XIII  
AUTHORITY TO MORTGAGE**

Any mortgage by the Association of the Common Area defined in the Declaration shall have the assent of two-thirds (2/3) of the membership.

**Article XIV  
AUTHORITY TO DEDICATE**

The Association shall have 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 to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to cast two-thirds (2/3) of the votes of the membership.

**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 purposes of the meeting shall be given to all members not less than 10 days nor more than 60 days in advance of the meeting. The presence of members or of proxies entitled to cast two-thirds (2/3) of the votes of the members 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.

**Article XVI  
ACTION WITHOUT A MEETING**

So long as the Board of Directors represents enough votes to approve any action set forth herein unilaterally, said action may be taken by the Board by a vote without holding a meeting of the members.

Dated this 29<sup>th</sup> day of May, 1999.

THE LAKES OF SHADY SHORES  
HOMEOWNER'S ASSOCIATION

Allen J. Newbrand  
Allen J. Newbrand, President

Pamela K. Mintz  
Pamela Mintz, Secretary

STATE OF TEXAS  
COUNTY OF DENTON

Before me, a notary public, on this day personally appeared Allen J. Newbrand, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein are true and correct.

Given under my hand and seal of office this 29<sup>th</sup> day of May, 1999.

Angie Godinez  
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

STATE OF TEXAS  
COUNTY OF DENTON



Before me, a notary public, on this day personally appeared Pamela Mintz, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein are true and correct.

Given under my hand and seal of office this 29<sup>th</sup> day of May, 1999.

Angie Godinez  
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

REB/pjs  
0599:99116

