

NOV. 09 2005

ARTICLES OF INCORPORATION

OF

Corporations Section

PRAIRIE RIDGE HOMEOWNERS ASSOCIATION, INC.

I, the undersigned natural person of the age of eighteen (18) years or more, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, hereby adopt the following Articles of Incorporation for a non-stock, non-profit corporation:

ARTICLE I

DEFINITIONS

The following words when used in these Articles of Incorporation shall have the following meanings:

(a) "Common Area" shall mean all real and personal property which the Corporation now or hereafter owns, leases or otherwise holds possessory or use rights in for the common use and enjoyment of the Owners.

(b) "Corporation" shall mean and refer to Prairie Ridge Homeowners Association, Inc., its successors and assigns.

(c) "Declarant" shall refer to 287 Prairie Ridge, L.P., a Texas limited partnership, or any successor, successor-in-title or assignee who takes title to any portion of its interest under the Declaration.

(d) "Declaration" means and refers to that certain Declaration of Covenants, Conditions and Restrictions for Prairie Ridge applicable to the Properties executed by 287 Prairie Ridge, L.P., as Declarant, and PRA Prairie Ridge, L.P., a Texas limited partnership, and recorded in the office of the County Clerk of Dallas County, Texas, as the same may be amended.

(e) "Member" shall refer to a Person entitled to membership in the Corporation, as provided in Article III of the Declaration.

(f) "Owner" shall refer to one or more Persons who hold the record title to any Unit, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Unit is sold under a recorded contract of sale, and the contract specifically so provides, the purchaser (rather than the fee owner) will be considered the owner.

(g) "Person" shall refer to a natural person, a corporation, a partnership, trustee or any other legal entity.

(h) "Properties" shall mean and refer to the real property as described in Exhibit "A" attached to the Declaration, together with such additional property as is hereafter subjected to the Declaration in accordance with Article IX of the Declaration.

(i) "Unit" shall mean a portion of the Properties, whether improved or unimproved, which may be independently owned and conveyed and which is intended for development, use,

and occupancy as an attached or detached residence for a single family. The term shall refer to the land, if any, which is part of the Unit as well as any improvements thereon. The term shall include its meaning, by way of illustration but not limitation, condominium units, townhouse units, cluster homes, patio or zero lot line homes, and single-family detached houses on separately platted lots, as well as vacant land intended for development as such, but shall not include Common Areas, common property of any Village Association as defined in the Declaration, or property dedicated to the public. In the case of a structure containing multiple dwellings, each dwelling shall be deemed to be a separate Unit.

ARTICLE II

NAME

The name of the Corporation is Prairie Ridge Homeowners Association, Inc.

ARTICLE III

NON-PROFIT CORPORATION

The Corporation is a non-profit corporation. The Corporation is organized in accordance with, and shall operate for non-profit purposes only pursuant to, the Texas Non-Profit Corporation Act, and does not contemplate pecuniary gain or profit to its Members. No Member, director or Person from whom the Corporation may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Corporation be paid as a salary or as compensation to, or distributed to or inure to the benefit of any Member or director; provided, however, always (i) that reasonable compensation may be paid to any Member while acting as an agent or employee of the Corporation for services rendered in effecting one (1) or more of the purposes of the Corporation and (ii) that any director may, from time to time, be reimbursed for actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation. 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 or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles of Incorporation, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the non-profit purposes of this Corporation.

ARTICLE IV

PURPOSE OF THE CORPORATION

The Corporation is organized as a non-profit corporation for the sole purpose of exercising all of the powers and privileges, and performing all of the duties and obligations, of the Corporation as set forth in the Declaration. The general purpose for which the Corporation is formed pursuant to the Declaration is for the following purposes: improve, beautify, maintain, manage and operate the Common Area, and pay taxes and insurance premiums thereon, and to promote the recreation, health, safety, convenience and welfare of the members of the

Corporation, such benefits to include, by way of illustration but not limitation: providing professional management or financial services; providing patrol or watchman service; providing service contractors to manage and maintain recreational facilities; providing and maintaining lighting standards fixtures and facilities, plumbing equipment and drainage systems for the Common Area; fogging for insect control; providing garbage and rubbish pickup; maintaining the unpaved portion of, and any esplanades on, any street or right of way adjoining the Properties; as maintaining landscaping and other improvements (including without limitation, walls, retaining walls, monuments, signage and irrigation systems) contained within the esplanades and cul-de-sacs in any public streets located within the Properties, or in any landscape reserves; enforcing the provisions contained in the Declaration; employing one or more architects, engineers, attorneys, or other consultants, for the purpose of advising the Corporation in carrying out duties and authority as set forth herein or, for the maintenance and/or improvement of the Common Area for the benefit of the members of the Corporation.

ARTICLE V

REGISTERED OFFICE; REGISTERED AGENT

The street address of the initial registered office of the Corporation is 975 One Lincoln Centre, 5400 LBJ Freeway, Dallas, Texas 75240. The name of its initial registered agent at such address is Julian Hawes, Jr.

ARTICLE VI

DURATION

The period of duration of the Corporation is perpetual.

ARTICLE VII

INCORPORATOR

The name and street address of the incorporator is:

Terry Landry
9400 N. Central Expressway, Suite 1616
Dallas, Texas 75231

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of the Corporation shall be managed by a Board of Directors consisting initially of three (3) individuals. The Board shall fulfill all of the functions of, and possess all powers granted to, Boards of Directors of non-profit corporations pursuant to the Texas Non-Profit Corporation Act. The number of Directors of the Corporation may be changed by amendment of the bylaws of the Corporation. The names and addresses of the three persons who are to act in the capacity of initial Directors until the selection of their successors are:

NAME AND ADDRESS

Julian Hawes, Jr.
975 One Lincoln Centre
5400 LBJ Freeway
Dallas, Texas 75240

Leon J. Backes
975 One Lincoln Centre
5400 LBJ Freeway
Dallas, Texas 75240

Kyle Kruppa
975 One Lincoln Centre
5400 LBJ Freeway
Dallas, Texas 75240

All of the powers and prerogatives of the Corporation shall be exercised by the initial Board of Directors named above until the first annual meeting of the Corporation.

ARTICLE IX

MEMBERSHIP

Every person or entity who is now or hereafter becomes an Owner shall automatically be a Member of the Corporation, and membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Corporation.

ARTICLE X

VOTING RIGHTS

The Corporation shall have two classes of voting membership, Class A and Class B; and the same shall have the voting rights provided in the Declaration. No Owner, other than the Declarant under the Declaration, shall be entitled to vote at any meeting of the Corporation until such owner has presented to the Corporation evidence of ownership of a qualifying property interest in a Unit. The vote of each qualifying owner may be cast by such Owner or by proxy given to such Owner's duly authorized representative.

ARTICLE XI

NO STOCK

The Corporation shall have no stock or shares.

ARTICLE XII

DISSOLUTION

Upon dissolution of the Corporation, other than incident to a merger or consolidation, no Member, director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution of any assets of the Corporation. The assets both real and personal of the Corporation shall be dedicated (or contributed, in the case of reserve funds or other cash sums) to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those in which they were required to be devoted by the Corporation. 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 organization engaged in activities substantially similar to those of the Corporation and which are qualified as exempt organizations under the Internal Revenue Code of 1986 or the corresponding provisions of any United States Internal Revenue law.

ARTICLE XIII

LIMITATION OF DIRECTOR LIABILITY

A director of the Corporation shall not be personally liable to the Corporation for monetary damages for any act or omission in his capacity as a director, except to the extent otherwise expressly provided by a statute of the State of Texas. Any repeal or modification of this Article shall be prospective only, and shall not adversely affect any limitation of the personal liability of a director of the Corporation existing at the time of the repeal or modification.

ARTICLE XIV

INDEMNIFICATION

In accordance with Article 2.22A of the Texas Non-Profit Corporation Act, the Corporation may indemnify to the full extent permitted by law any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding. Such indemnification shall be provided in the manner and under the terms, conditions and limitations set forth in the bylaws of the Corporation. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled under any bylaw, agreement, vote of Members or otherwise.

ARTICLE XV

BYLAWS

The initial bylaws of this Corporation shall be adopted by the Board of Directors. The power to alter, amend or repeal the bylaws or adopt new bylaws is reserved to the Board of Directors, subject to the Declarant's rights relating thereto as provided in the initial bylaws.

ARTICLE XVI

RELATED PARTIES

To the full extent permitted by Article 2.30 of the Texas Non-Profit Corporation Act and subject to the requirements thereof, (a) the Corporation may enter into contracts and transact business with one or more of its directors, officers, employees or Members, or with any firm of which any one or more of its directors, officers, employees or Members are members or with any corporation or association in which any one or more of its directors, officers, employees or Members are shareholders, directors, officers or employees; (b) any such contract or transaction shall not be invalidated or in any wise affected adversely by the fact that any such person has or may have interests therein which are or might be adverse to the interest of the Corporation, and (c) no director, officer, employee or shareholder having such adverse interest shall be liable to the Corporation or to any shareholder or creditor thereof, or to any other person, for any loss or liability incurred by reason of any such contract or transaction; nor shall any such director, officer, employee or shareholder be accountable to the Corporation, or otherwise, for any gains or profits realized thereon; provided always that, any such contract or transaction shall not, at the time at which it was entered into, have been actually fraudulent as to the Corporation and shall not have been upon terms at such time that were actually fraudulent on the Corporation.

ARTICLE XVII

AMENDMENT

Any amendment of these Articles of Incorporation shall be by proposal submitted to the membership of the Corporation except in certain instances as specified in the bylaws in which an amendment may be made by the Declarant. Other than such amendments by the Declarant, any such proposed amendment shall be adopted only upon an affirmative vote by the holders of more than fifty percent (50%) of the total number of votes of the Corporation, as determined under the Declaration. Also, until termination of the Class B membership, these Articles of Incorporation may not be amended without the approval of the Declarant. In the case of any conflict between the Declaration and these Articles, the Declaration shall control, and in the case of any conflict between these Articles and the Bylaws of the Corporation, these Articles shall control.

This document will become effective when the document is filed by the Secretary of State of the State of Texas. The undersigned incorporator signs these Articles of Incorporation subject to the penalties imposed by law for the submission of a false or fraudulent document.

IN WITNESS WHEREOF, I have hereunder set my hand this 9th day of November, 2005.



Terry Lakdry