



The State of Texas

Secretary of State

CERTIFICATE OF INCORPORATION

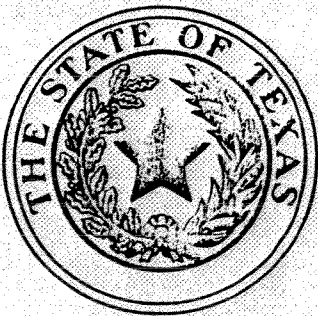
OF

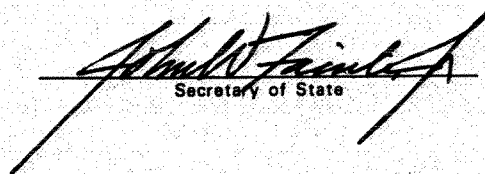
COUNCIL CREEK SOUTH PROPERTY OWNERS ASSOCIATION, INC.
CHARTER NUMBER 071921

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS,
HEREBY CERTIFIES THAT ARTICLES OF INCORPORATION FOR THE ABOVE
CORPORATION, DULY SIGNED AND VERIFIED HAVE BEEN RECEIVED IN THIS
OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY THE UNDERSIGNED, AS SUCH SECRETARY OF STATE, AND BY
VIRTUE OF THE AUTHORITY VESTED IN HIM BY LAW, HEREBY ISSUES THIS
CERTIFICATE OF INCORPORATION AND ATTACHES HERETO A COPY OF THE
ARTICLES OF INCORPORATION.

DATED SEP. 10, 1963




Secretary of State



The State of Texas

Secretary of State

SEP. 15, 1963

CLAYTON L. STANLEY, VICE PRES. & MGR.
LAKESIDE BLDG. 1001 JOHANNAN
BURNET, TX 75611

RE: COUNCIL COUNCIL PROPERTY OWNERS ASSOCIATION, INC.
CHAPTER ONE, 00071921-1

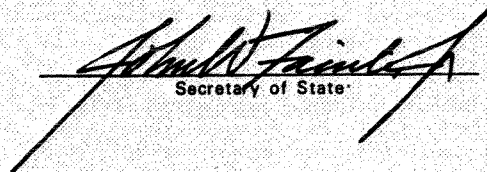
IT HAS BEEN MY PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES
OF INCORPORATION THAT CREATED YOUR CORPORATION. WE EXTEND OUR BEST
WISHES FOR SUCCESS IN YOUR NEW VENTURE.

AS A CORPORATION, YOU ARE SUBJECT TO STATE TAX LAWS. SOME NON-PROFIT
CORPORATIONS ARE EXEMPT FROM THE PAYMENT OF FRANCHISE TAXES AND MAY
ALSO BE EXEMPT FROM THE PAYMENT OF SALES AND USE TAX ON THE PURCHASE
OF TAXABLE GOODS. IF YOU FEEL THAT UNDER THE LAW YOUR CORPORATION IS
ENTITLED TO EXEMPTION YOU MUST APPLY TO THE COMPTROLLER OF PUBLIC AC-
COUNTS FOR THE EXEMPTION. THE SECRETARY OF STATE CANNOT MAKE SUCH
DETERMINATION FOR YOUR CORPORATION.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.

VERY TRULY YOURS,




Secretary of State

FILED
In the Office of the
Secretary of State of Texas
SEP 16 1983
Clerk B
Corporations Section

ARTICLES OF INCORPORATION
OF

COUNCIL CREEK SOUTH PROPERTY OWNERS ASSOCIATION, INC.

We, the undersigned natural persons, at least two (2) of whom are citizens of the State of Texas, and who are of the age of eighteen (18) years or more, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

The name of the corporation is COUNCIL CREEK SOUTH PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE TWO

The corporation is a non-profit corporation.

ARTICLE THREE

The period of its duration is perpetual.

ARTICLE FOUR

The purpose or purposes for which the corporation is organized are:

1. To collect from the property owners of Council Creek South Subdivision, Units One (1), Two (2) and Three (3), Burnet County, Texas, the annual maintenance assessment fee as provided in the deed restrictions of said subdivision, and to expend same for the maintenance of parks, roads, streets and beach areas within said subdivision;
2. To establish and collect dues and additional assessments from the members of the corporation for acquiring, constructing,

managing, maintaining and caring for property of the association, and maintaining parks, roads, streets and beach areas within said subdivision;

3. To combat deterioration of the said subdivision by constructing, erecting, maintaining, managing, and caring for, parks, roads, streets, beach areas, and other property of the corporation within said subdivision for the benefit of the members of the corporation;

4. To acquire, and exercise, the rights of the original subdivider to approve all improvements made on property within said subdivision as to design, size, construction, location on the property and to establish setback designations as to minimum and maximum setbacks from front, rear and side property lines as provided in the deed restrictions of said subdivision on file in the County Clerk's Office of Burnet County, Texas;

5. To enforce the deed restrictions of said subdivision and any other rules, regulations or laws applicable to said subdivision;

6. To receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively for charitable purposes either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c) (3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended;

7. To provide for the acquisition, construction, management, maintenance and care of the corporation property, pursuant to the provisions of Section 528 of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended; and,

8. To do any and all other acts or things necessary or that may be required in order to carry out the purpose or purposes of the corporation as hereinabove described for the general good of the members of the corporation and the property owners within said subdivision.

9. No part of the net earnings of the corporation shall inure to the benefit of any director of the corporation, officer of the corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes), and no director or officer of the corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation. No substantial part of the activities of the corporation shall be the carrying on of propoganda, or otherwise attempting, to influence legislation, and the corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

10. The corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.

11. The corporation shall not engage in any act of self dealing as defined in Section 4941 (d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.

12. The corporation shall not retain any excess business holdings as defined in Section 4943 (c) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.

13. The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.

14. The corporation shall not make any taxable expenditures as defined in Section 4945 (d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.

15. Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501 (c) (3) and/or Section 528 of the Internal Revenue Code and its regulations as they exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code and regulations as they now exist or as they may hereafter be amended.

16. Upon dissolution of the corporation or the winding up of its affairs, the assets of the corporation shall be distributed exclusively to charitable, religious, scientific, testing for public safety, literary or educational organizations which would then qualify under the provisions of Section 501 (c) (3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

ARTICLE FIVE

The street address of the initial registered office of the corporation is 1001 Buchanan Drive, Burnet, Texas 78611 and the name of its initial registered agent at such address is Clayton E. Evans.

ARTICLE SIX

The number of directors constituting the initial board of directors of the corporation is three (3), and the names and addresses of the persons who are to serve as the initial directors are:

John E. Murray
Star Route, Box 112C
Burnet, Texas 78611

W. P. Cardiff, Sr.
Star Route, Box 112E
Burnet, Texas 78611

Lyman Davenport
Star Route, Box 112H
Burnet, Texas 78611

ARTICLE SEVEN

The name and street address of each incorporator is:

John Murray
Star Route, Box 112C
Burnet, Texas 78611

W. P. Cardiff, Sr.
Star Route, Box 112E
Burnet, Texas 78611

Lyman Davenport
Star Route, Box 112H
Burnet, Texas 78611

ARTICLE EIGHT

Membership in the corporation shall be composed of all persons now, or hereafter, owning property in Council Creek South Subdivision, Units One (1), Two (2), or Three (3), which such property of said subdivision is that shown and designated in accordance with the plat, or plats, of Council Creek South Subdivision, Units One (1), Two (2), and Three (3), recorded in the Plat

Records of Burnet County, Texas, and which such person makes application for membership in the corporation and pays all fees, dues, or assessments assessed or established by the corporation. For the purpose of these Articles, a "member" is defined as follows:

(a) Every lot owner (whether one (1) or more, a natural person or otherwise) owning fee simple title to a lot, or lots, within said subdivision, and paying all fees, dues or assessments as set, established, requested and assessed by the corporation, and who are required by deed or other restriction or lien to pay the full property maintenance assessment set out in any of the restrictions and/or covenants of record affecting lots in Council Creek South Subdivision, Units One (1), Two (2) and Three (3), Burnet County, Texas;

(b) If more than one (1) owner has a fee simple interest in any one (1) lot, it is specifically provided that such multiple owners are considered as a unit to be one (1) member;

(c) If any lot owner owns more than one (1) lot, it is specifically provided herein that such owner shall have only one (1) membership.

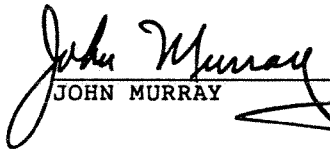
Each member as aforesaid shall have the right to cast one (1) vote per director for the election of directors and cumulative voting is herein expressly denied in the election of directors. Furthermore, each member as aforesaid shall the right to cast one (1) vote in the determination of any matters properly presented to the membership of the corporation.

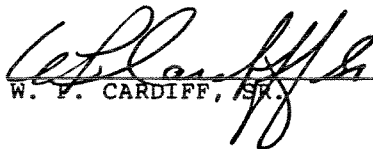
ARTICLE NINE

Amendment of these Articles shall require the vote a majority of members present at a meeting called for such purpose after notice thereof mailed to each member of the corporation at the

last known address of said member not later than thirty (30) days prior to the date designated for such meeting, such notice to inform each member of the purpose of such meeting, the proposed amendment and the place where such meeting is to be held.

IN WITNESS WHEREOF, we have hereunto set our hands, this 12th day of September, 1983.


JOHN MURRAY


W. P. CARDIFF, SR.


LYMAN DAVENPORT

THE STATE OF TEXAS

COUNTY OF BURNET

I, LULISA NANCE, a Notary Public, do hereby certify on this 12th day of September, 1983, personally appeared before me JOHN MURRAY, W. P. CARDIFF, SR. and LYMAN DAVENPORT, who, each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

Lu Lisa Nance

Notary Public in and for
Burnet County, Texas

Printed Name: LULISA NANCE

My Commission Expires: 10/20/26