



The State of Texas
Secretary of State

MAY 28 1995

MAY 22, 1995

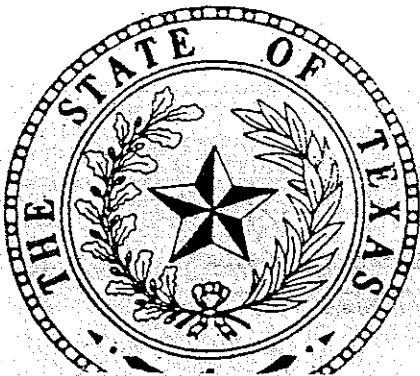
EILEEN C. STILSON
P.O. BOX 4000
THE WOODLANDS, TEXAS 77387-4000

RE: PIRATES' COVE TOWNHOME ASSOCIATION
FORMERLY: LAKE CUMO TOWNHOUSE ASSOCIATION
CHAPTER NUMBER 692584-1

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD YOUR ARTICLES OF AMENDMENT. THE APPROPRIATE EVIDENCE IS ATTACHED FOR YOUR FILES, AND THE ORIGINAL HAS BEEN FILED IN THIS OFFICE.

PAYMENT OF THE FILING FEE IS ACKNOWLEDGED BY THIS LETTER.

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



VERY TRULY YOURS,

A handwritten signature in cursive script, appearing to read "M. Daniel".

Secretary of State

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION

Pursuant to the provisions of Article 1396-4.03 of the Texas
Non-Profit Corporation Act, the undersigned corporation adopts
the following Articles of Amendment to its Articles of
Incorporation:

FILED
In the Office of the
Secretary of State of Texas

ARTICLE I

MAY 21 1985

The name of the corporation is LAKE COMO TOWNHOUSE
ASSOCIATION.

Clerk II-H
Corporations Section

ARTICLE II

The following amendments to the Articles of Incorporation
were adopted by a consent in writing signed by all members
entitled to vote with respect thereto.

"ARTICLE ONE

"Name

"The name of the Corporation is PIRATES' COVE TOWNHOME
ASSOCIATION."

Paragraphs (a), (b), (c), (d) and (e) of the Articles of
Incorporation are hereby amended to read as follows:

"ARTICLE FOUR

"Purposes

- "(a) To manage the maintenance fund known as the "Pirates'
Cove Townhome Association" maintenance fund acquired by
levy of a maintenance fund charge upon the townhome
owners of the association located at the townhome
project known as Pirates' Cove Townhomes, in Galveston
County, Texas.
- (b) The Corporation shall apply the total funds arising
from such charge, so far as the same may be sufficient,
toward the payment of expenses incurred for any and all
of the following purposes: constructing, improving,
beautifying and maintaining common areas of the town-
home project known as Pirates' Cove Townhomes, in
Galveston County, Texas, and for doing any other things
necessary and desirable in the opinion of the
Corporation to keep the appearance of the Pirates' Cove
Townhomes in neat and good order, or which it considers
of general benefit to the property owners.
- (c) The Corporation may own all common areas in said
Pirates' Cove Townhome project in Galveston County,
Texas, as reflected on the map and plat thereof
entitled Lake Como Townhouses at Pirates Beach recorded
in Volume 17, Page 111 of the Map Records of Galveston
County, Texas.

EXHIBIT A

- (d) To borrow money in the name of Pirates' Cove Townhome Association for such activities as may be contained in the covenants.
- (e) All rights, powers, privileges, duties and obligations described in the 'Declaration of Covenants, Conditions, and Restrictions', recorded under County Clerk File No. 8406238 of the Real Property Records of Galveston County, Texas (the "Declaration"), as such Declaration, has, and may be amended from time to time as therein provided."

ARTICLE III

This amendment was adopted by a consent in writing signed by all members entitled to vote with respect thereto. It was also adopted by a statement of unanimous consent of the Board of Directors of the corporation effective APRIL 15, 1985.
 Dated: APRIL 15, 1985.

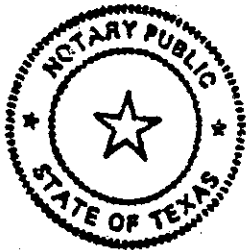
LAKE COMO TOWNHOUSE ASSOCIATION

By: [Signature]
 Alfred Lehtonen, President

By: [Signature]
 G. David Bumgardner, Secretary

THE STATE OF TEXAS S
 S
 COUNTY OF MONTGOMERY S

I, ROXANN BROWN, a Notary Public, do hereby certify that on this 16 day of APRIL, 1985, personally appeared before me, Alfred Lehtonen, being duly sworn, declare that he is President of Lake Como Townhouse Association, that he signed the foregoing document in the capacity therein set forth, and that the statements therein contained are true.



[Signature]
 Printed Name: ROXANN BROWN
 Notary Public
 State of Texas
 My Commission Expires: 11-10-87

CONSENT TO USE OF NAME

TO THE SECRETARY OF STATE
OF THE STATE OF TEXAS:

Pursuant to the provisions of Article 1396-2.04 of the Texas Non-Profit Corporation Act, the Pirates Landing Townhouses Association, a non-profit corporation organized under the laws of the State of Texas hereby consents to the use of the corporate name Pirates' Cove Townhome Association, and further, hereby consents to and endorses the organization of a new Texas Non-Profit Corporation by said name in the State of Texas.

IN WITNESS WHEREOF, the said Pirates Landing Townhouses Association has caused this consent to be executed by its President and attested under its corporate seal by its Secretary, this 9 day of April, 1985.

ATTEST:

PIRATES LANDING TOWNHOUSES
ASSOCIATION

By: [Signature]
Secretary

By: [Signature]
President

(CORPORATE SEAL)

STATE OF TEXAS §
COUNTY OF §

This instrument was acknowledged before me on April 9, 1985, 1985, by [Signature], President, of Pirates Landing Townhouses Association, a Texas non-profit corporation, on behalf of said corporation.

[Signature]
Printed Name: Roslyn Elman
Notary Public
State of Texas Galveston
My Commission Expires: 4-16-86



The State of Texas
Secretary of State

CERTIFICATE OF AMENDMENT

FOR

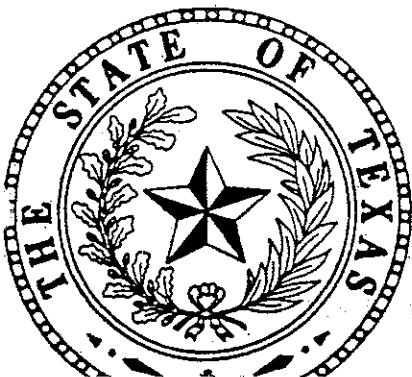
PIRATES' COVE TOWNHOME ASSOCIATION
FORMERLY

LAKE COMO TOWNHOUSE ASSOCIATION
CHARTER NUMBER 692584

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS, HEREBY CERTIFIES THAT ARTICLES OF AMENDMENT, 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 THE SECRETARY BY LAW, ISSUES THIS CERTIFICATE AND ATTACHES HERETO A COPY OF THE ARTICLES OF AMENDMENT.

DATED MAY 21, 1955



A handwritten signature in cursive script, appearing to read "W. Daniel".

Secretary of State

FILED
In the Office of the
Secretary of State of Texas

FEB 21 1984

Clerk B
Corporations Section

ARTICLES OF INCORPORATION

OF

LAKE COMO TOWNHOUSE ASSOCIATION

We, the undersigned natural persons of the age of eighteen (18) years or more, at least two (2) of whom are citizens of the State of Texas, 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

Name

The name of the Corporation is: LAKE COMO TOWNHOUSE ASSOCIATION.

ARTICLE TWO

Non-Profit Corporation

The Corporation is a non-profit Corporation.

ARTICLE THREE

Duration

The period of duration is perpetual.

ARTICLE FOUR

Purposes

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

(a) To manage the maintenance fund known as the "Lake Como Townhouse Association" maintenance fund acquired by levy of a maintenance fund charge upon the townhouse owners of the association located at Lake Como Townhouses at Pirates Beach in Galveston County, Texas.

(b) The Corporation shall apply the total funds arising from such charge, so far as the same may be sufficient, toward the payment of expenses incurred for any and all of the following purposes: constructing, improving, beautifying and maintaining common areas of the townhouses located at Lake Como Townhouses at Pirates Beach, Galveston County, Texas, and for doing any other things necessary and desirable in the opinion of the Corporation to keep the appearance of the Lake Como Townhouses at Pirates Beach in neat and good order, or which it considers of general benefit to the property owners.

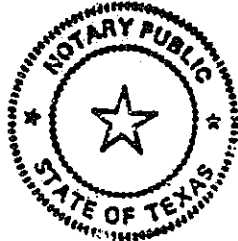
EXHIBIT 1

THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

I, ROXANN BROWN, a Notary Public, hereby certify on the 14 day of February, 1984, personally appeared before me, ALFRED LEHTONEN, G. DAVID BUMGARDNER, and EILEEN C. STILSON, who being by me duly sworn, severally declare 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.



Roxann Brown
Notary Public in and for
Montgomery County, Texas.
My Commission Expires: 11-10-87

EXHIBIT H



The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION

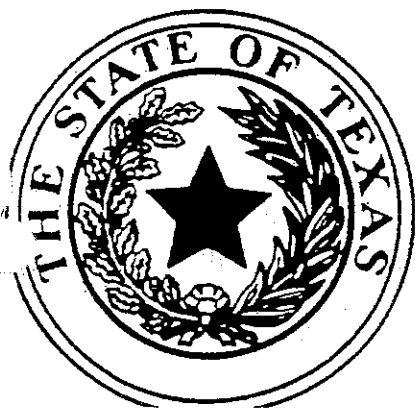
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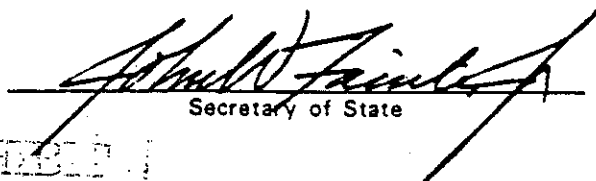
LAKE COMO TOWNHOUSE ASSOCIATION
CHARTER NUMBER 692584

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 FEB. 21, 1934




Secretary of State

EXHIBIT

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION

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Clerk II-H
Corporations Section

ARTICLE II

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were adopted by a consent in writing signed by all members
entitled to vote with respect thereto.

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"Name

"The name of the Corporation is PIRATES' COVE TOWNHOME
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Incorporation are hereby amended to read as follows:

"ARTICLE FOUR

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- "(a) To manage the maintenance fund known as the "Pirates'
Cove Townhome Association" maintenance fund acquired by
levy of a maintenance fund charge upon the townhome
owners of the association located at the townhome
project known as Pirates' Cove Townhomes, in Galveston
County, Texas.
- (b) The Corporation shall apply the total funds arising
from such charge, so far as the same may be sufficient,
toward the payment of expenses incurred for any and all
of the following purposes: constructing, improving,
beautifying and maintaining common areas of the town-
home project known as Pirates' Cove Townhomes, in
Galveston County, Texas, and for doing any other things
necessary and desirable in the opinion of the
Corporation to keep the appearance of the Pirates' Cove
Townhomes in neat and good order, or which it considers
of general benefit to the property owners.
- (c) The Corporation may own all common areas in said
Pirates' Cove Townhome project in Galveston County,
Texas, as reflected on the map and plat thereof
entitled Lake Como Townhouses at Pirates Beach recorded
in Volume 17, Page 111 of the Map Records of Galveston
County, Texas.

(c) The Corporation may own all common areas in said Lake Como Townhouse project in Galveston County, Texas, as reflected on the maps and plats recorded of said Subdivision.

(d) To borrow money in the name of Lake Como Townhouse Association for such activities as may be contained in the covenants.

(e) All rights, powers, privileges, duties and obligations described in the "Declaration of Covenants, Conditions, and Restrictions" of Lake Como Townhouses at Pirates Beach, recorded under County Clerk File No. 8406238 of the Real Property Records of Galveston County, Texas (the "Declaration"), as such Declaration may be amended from time to time as therein provided.

(f) All powers, rights and duties of any non-profit Corporation which are authorized or permitted by the Texas Non-Profit Corporation Act.

ARTICLE FIVE

(a) Membership. Every person or entity who is a record owner of a Townhouse Lot, including contract purchasers, shall be a Member of the Corporation. 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 separate from ownership of a Townhouse Lot. Ownership of such Townhouse shall be the sole qualification for membership.

(b) Voting Rights. The Corporation shall have one class of voting membership:

All members shall be Owners and each of the Owners shall be entitled to one (1) vote for each Townhouse Lot owned by him. When more than one person owns a fee interest in any Townhouse Lot, all such interested persons shall be members; however, the vote for such Townhouse Lot in which more than one person has a fee interest shall be cast by the person or persons having a majority interest; and in the event the persons having a majority interest are not able to agree in respect to a vote upon any matter, then such Owners shall not have a right to vote on such matter as there shall be no fractional votes.

ARTICLE SIX

Bylaws

The initial bylaws of the corporation shall be adopted by its Board of Directors, and the power to alter, amend or repeal the bylaws or adopt new Bylaws shall be vested solely in the Board of Directors.

ARTICLE SEVEN

Dissolution

In the event of the dissolution of the corporation, by lapse of time or otherwise, when it has or is entitled to any interest in any funds or property of any kind, real or personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership, but shall be transferred and set over unto a non-profit organization which is engaged in activities substantially similar to the purpose of the corporation, and, if none be then in existence, then such funds or property or rights thereto shall be thereafter administered and applied to public charitable purposes by trustee or trustees to be appointed pursuant to law by a court of competent jurisdiction upon suitable proceedings brought for the purpose.

ARTICLE EIGHT

Additional Provisions

A. RECEIPT AND DISPOSITION OF FUNDS. The corporation may take and hold donations, grants, devises or bequeaths which may be made in the support of its purposes. All funds of the corporation, whether from donation or otherwise, in excess of the expenditures necessary for the proper administration of such funds shall be used exclusively for carrying on the work in promoting the general welfare purposes for which the corporation is formed as herein set forth.

B. CAPITAL FORMATION AND DISPOSITION OF ASSETS. The corporation is a non-profit corporation, without capital stock, organized solely for the purposes specified in Article Four, and no part of its property, real or personal, tangible or intangible, whether income or principal, shall ever become the property of any director, officer, or employee of the corporation, or of any individual having a personal or private interest in the activities of the corporation, nor shall any such director, officer, employee or individual receive or be lawfully entitled to receive any profit from the operations of the corporation except a reasonable allowance for salaries or other compensation for personal services actually rendered in carrying out one or more of its stated purposes.

C. PROHIBITED CORPORATE ACTIVITIES. The corporation shall not:

- (1) lend any part of its assets to;
- (2) pay any compensation (other than that as set forth in Article Eight) to;
- (3) make any part of its services available on a preferential basis to;
- (4) make any purchase of any securities or any other property for more than adequate consideration in money or money's worth from;
- (5) sell any securities or other property for less than adequate consideration in money or money's worth to; or
- (6) engage in any other transaction which results in a diversion of any part of its assets to;

any person or other entity which has made a contribution to the corporation; a member of the family of an individual who has made a contribution to the corporation; or a corporation controlled by any person or other entity which has made a contribution to this corporation through the ownership, directly or indirectly, of fifty percent or more of the total combined voting power of the corporation. The directors shall not engage, participate or intervene in any other activity or transaction which would cause the corporation to lose its status as a non-profit corporation under the provisions of Article 1396-2.02 of Vernon's Texas Civil Statutes or corresponding provisions hereinafter in effect; and the use, directly or indirectly, of any part of the corporation's assets in any such activity or transaction is hereby expressly prohibited.

D. PROXY VOTING; CUMULATIVE VOTING. The right to vote by proxy is hereby expressly denied. The right to use cumulative voting is hereby expressly denied.

ARTICLE NINE

Initial Registered Office and Agent

The street address of the initial registered office of the Corporation is 2002 Timberloch Place, The Woodlands, Texas 77380, and the name of its initial registered agent at such address is Paul W. Wommack.

ARTICLE TEN

Directors

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 Directors until the first annual meeting of the members, or until their successors are elected or qualified are:

<u>Name</u>	<u>Address</u>
Alfred Lehtonen	2201 Timberloch Place The Woodlands, Texas 77380
G. David Bumgardner	2002 Timberloch Place The Woodlands, Texas 77380
Dave Srader	Route 1, Box 149B Galveston, Texas

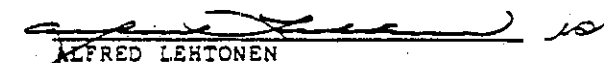
ARTICLE ELEVEN

Incorporators


The name and street address of each Incorporator is:

<u>Name</u>	<u>Address</u>
Alfred Lehtonen	2201 Timberloch Place The Woodlands, Texas 77380
G. David Bumgardner	2002 Timberloch Place The Woodlands, Texas 77380
Eileen C. Stilson	2002 Timberloch Place The Woodlands, Texas 77380

IN WITNESS WHEREOF, we have hereto set our hands this
the 14 day of February, 1984.


ALFRED LEHTONEN


G. DAVID BUMGARDNER


EILEEN C. STILSON