

BRIARPARK VILLAGE CONDOMINIUMS

INFORMATION LETTER

We are pleased that you are considering the purchase of a Condominium Unit in BRIARPARK VILLAGE CONDOMINIUMS. Before you make this decision, we want you to be aware of the workings of a condominium and how it will affect you. In this regard, we would like you to have this Information Letter to assist you in answering some of the questions you might have. Article 1301a of the Revised Civil Statutes of Texas, known as the "Condominium Act" sets forth the rights and privileges of condominium ownership, and it also defines, to a large degree, the documentation format. Conceptually speaking, the Texas Condominium Act is a child compared to the length of time Condominiums have been in existence. Historically, the condominium concept goes beyond the time of ancient Rome and walled cities of Europe. Around The Forum in ancient Rome land was at a premium. This is where condominiums were started in the Roman Empire. Of course, the walled cities of Europe were built for protection and location within the city was considered prime (especially under siege). The only alternative was to build up. The concept of the condominium is to create a horizontal boundary. In other words, it creates ownership in an air space. The word "condominium" is interesting in that it can be broken down into two Latin derivatives: con meaning with, as in concert, and dominium meaning ownership or control. Place together, we have ownership or control with others. Hence, at least from a Latin perspective, the word "condominium" makes sense. With that little bit of history regarding the roots of BRIARPARK VILLAGE CONDOMINIUMS, we believe you might be assisted, in understanding many things about the Condominium Project if we describe some of the more important features of condominium ownership and responsibilities and rights of the Unit Owner in less technical language.

Please be aware that this is a summary, and, as such, it will not actually cover every aspect of the documentation package. If you have a question regarding this summary and the document package, please make it known to us; and we will try to answer your concerns.

First of all, the Condominium Unit is created and is sold as a fee simple interest. By fee simple, we mean an estate or ownership in real estate held absolutely by a person, which can be passed to heirs or given away or sold without limitation. The Developer will furnish an Owners Title Insurance Policy at the closing of the sale of the Unit. BRIARPARK VILLAGE

CONDOMINIUMS will be built in phases. The first phase will consist of thirty-four (34) Units and four (4) Buildings. The Owners (this can be more than one (1) person) of each of the Units of BRIARPARK VILLAGE CONDOMINIUMS owns a percentage interest in the total completed Project. This interest will be based on the square footage of the Owner's particular Unit in relation to the square footage of the total Units combined. The Unit Owner will own absolutely, in fee simple, all that space between the ceiling and the floor and between the walls. This will entail any nonload-bearing walls, doors, cabinets, bathroom fixtures, etc. The percentage ownership the Unit Owner has in the overall Project is in everything except the Units, including, but not limited to, the ground underneath the Buildings, the foundations, the structures, the frames, the roofs, driveways, green areas and recreational areas. These elements are called "Common Elements" and cannot be separated from the absolute ownership in the particular Unit. These Common Elements are managed and maintained by BRIARPARK VILLAGE OWNERS, INC. This is a Texas non-profit corporation governed by By-Laws very similar to those of any other corporation in the State of Texas. Each Unit Owner is automatically a Member of the Association, which membership cannot be separated from ownership of a Unit. The By-Laws provide for officers and a Board of Directors for the Association. The Board of Directors has primary responsibility for the budget and the hiring of the management company that will actually look after the on-site upkeep and control of the Common Elements. The Board of Directors for the Association also has primary responsibility for the annual budgets that affect the Condominium Units. These budgets are initially prepared for the Board by the Developer and approved by the management company the Association will employ for the management of the Condominium Property. The management company will be a separate corporation with experience and expertise in the management of condominium property. The management company is responsible to the Association, and its activities are governed by contract.

BRIARPARK VILLAGE OWNERS, INC., as stated above, was initially developed, organized and created by the Developer. Until a sufficient number of Units in the Project are sold, the Developer, in order to insure a timely and orderly buildout and sellout of the entire Project, will have control of the Board of Directors and the affairs of the Association. However, the Declaration explicitly states that the Developer will not use this control to gain any advantage over the Unit Owners by way of retention of any residual rights or interests in the Association or through the creation of any management agreement for a term longer than one (1) year without

majority Association approval upon relinquishment of Developer control. This control will be in effect throughout the phases of the Project but in no event will it extend longer than the date upon which the Developer has sold seventy-five percent (75%) of the Units, including annexations, or August 1, 1988, whichever occurs first.

In regard to keeping the Project in top shape, we are sure you are aware that the maintenance and upkeep of the Project are funded through monthly assessments collected from the Unit Owners. The assessment amount is based upon the square footage of the particular Unit in relation to the total square footage of all Units in the Project. This includes unsold Units as well as sold Units. During the time the Developer has control over the Association, it shall be its responsibility to make up the difference between the cost of maintaining the Common Elements and the assessments received from the Unit Owners. The assessment rate will not depend upon the number of sold Units, but the total number of Units, whether sold or not. This responsibility is guaranteed by the Developer. The assessment amount is determined by such items as taxes, governmental assessments, landscaping and grounds care, Common Area lighting, repairs and renovations, garbage collection, wages, water charges, legal and accounting fees, management cost and fees, insurance and reserves.

With regard to insurance, the Association will have responsibility for the Common Elements. The Unit Owners will have responsibility for his personal property and for any personal liability coverage within his Unit.

How does a condominium project come into existence in the first place? In order to create the Condominium Regime, a Condominium Declaration, Articles of Incorporation for the Association and By-Laws are drafted. The Condominium Declaration is filed locally in the Condominium Records of Collin County. In Article I and II of the Declaration you will find definitions and terms and an in-depth description of the components of BRIARPARK VILLAGE CONDOMINIUMS in general. In Article III you will find Owner use and occupancy restrictions and rules. This Article III provides a detailed breakdown of the rights and obligations of ownership. Article IV describes the management and administration and Article V discusses maintenance assessments. You will note in Article V that the Owners Association has the right to attach a lien against a Unit in the event the Unit Owner fails to pay his assessment when due. The lien may be enforced through foreclosure of the Unit under Article 3810 of the Texas Civil Statutes. This is to insure that all Unit Owners will help to maintain the Condominium through these assessments. Article VI is about insurance and describes the procedures to be followed by the Association in the event of destruction of any of the

Units or Buildings. You will notice Article V and others are specifically directed toward Mortgagee protection. This is very important, because should you wish to sell your Unit at some future date mortgage companies or other lenders may be needed to loan money to the person who buys your Unit.

Of the Articles mentioned above, Article II is probably the most important as far as you living in BRIARPARK VILLAGE CONDOMINIUMS is concerned. The restrictions of Article II are in the Declaration to insure the kind of lifestyle and environment in BRIARPARK VILLAGE CONDOMINIUMS that will make living here more pleasant and satisfying. These restrictions may be enforced by legal means, but they become effective only when each Unit Owner voluntarily tries his utmost to conform and thereby be a better neighbor to all his fellow Unit Owners.

We appreciate your interest in BRIARPARK VILLAGE CONDOMINIUMS, and look forward to assisting you in any way we can.

PULTE HOME CORPORATION

**ARTICLES OF INCORPORATION
OF
BRIARPARK VILLAGE OWNERS, INC.**

(A Texas Non-Profit Corporation)

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 (hereinafter called the "Corporation") under the Texas Non-Profit Corporation Act (hereinafter called the "Act") do hereby adopt the following Articles of Incorporation for such Corporation.

ARTICLE I

NAME

The name of the Corporation is BRIARPARK VILLAGE OWNERS, INC.

ARTICLE II

NON-PROFIT CORPORATION

The Corporation is a non-profit corporation.

ARTICLE III

DURATION

The period of the duration of the Corporation is perpetual.

ARTICLE IV

PURPOSES AND POWERS

1. The Corporation does not contemplate pecuniary gain or profit to the Members thereof, and its specific and primary purpose is to provide for the preservation and maintenance of a Condominium Project, as

provided in the Condominium Declaration of BRIARPARK VILLAGE CONDOMINIUMS (hereinafter referred to as the "Declaration"), located in Collin County, Texas.

2. The general purposes and powers are:
 - a. To promote the common good, health, safety and general welfare of the residents within the Property;
 - b. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation arising from the Declaration applicable to the Property, as amended from time to time, and recorded or to be recorded in the Condominium Records in the Office of the County Clerk of Collin County, Texas, the Declaration being incorporated herein by reference for all purposes;
 - c. To enforce applicable provisions of the Declaration, By-Laws, any rules and regulations of the Corporation and any other instrument for the management and control of the Property;
 - d. To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to contract for and pay all expenses in connection with the maintenance, gardening, utilities, materials, supplies and services relating to the Common Elements (as defined in the Declaration) and facilities; to employ personnel reasonably necessary for administration and control of the Common Elements, including lawyers and accountants where appropriate; and to pay all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes and special assessments which are or would become a lien on any portion of the Property;
 - e. To have and to exercise any and all powers, rights and privileges, including delegation of powers as permitted by law, which the Corporation under the Act may now or hereafter have or exercise;
 - f. To acquire (by purchase, grant or otherwise), annex and merge, 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 Corporation;
 - g. To borrow money, mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed

or debts incurred in accordance with the Declaration limitations; and

- h. To act in the capacity of principal, agent, joint venturer, partner or otherwise.

The foregoing statement of purposes shall be construed as a statement both of purposes and of powers, and the purposes and powers in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercised any powers that are not in furtherance of the primary purposes of the Corporation.

ARTICLE V

REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Corporation is 1101 East Arapaho, Suite 275, Richardson, Texas, 75081, and the name of its initial registered agent at such address is Douglas G. Moss.

ARTICLE VI

INITIAL BOARD OR 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 are:

| <u>NAME</u> | <u>ADDRESS</u> |
|-----------------|---|
| Douglas G. Moss | 1101 East Arapaho, Suite 275 Richardson, Texas 75081 |
| Ronald G. Smith | 1101 East Arapaho, Suite 275 Richardson, Texas 75081 |
| Delores Ash | 1101 East Arapaho, Suite 275 |

Richardson, Texas 75081

At the first (1st) annual meeting of the Members of the Association, or any annual meeting thereafter, or special meeting of the Association called for that purpose, the number of Directors may be increased to seven (7).

ARTICLE VII

INCORPORATORS

The name and street address of each incorporator is:

| <u>NAME</u> | <u>ADDRESS</u> |
|-----------------|---|
| Douglas G. Moss | 1101 East Arapaho, Suite 275 Richardson, Texas 75081 |
| Ronald G. Smith | 1101 East Arapaho, Suite 275 Richardson, Texas 75081 |
| Delores Ash | 1101 East Arapaho, Suite 275 Richardson, Texas 75081 |

ARTICLE VIII

MEMBERSHIP

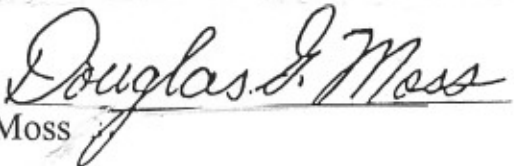
The authorized number of and qualifications for membership in the Corporation along with the appurtenant voting rights and other privileges due Unit Owners in the Condominium Project shall be as set out in the Declaration. Every person or entity who is a record Owner of a fee or undivided fee interest in any Unit which is subject to the Declaration, including contract sellers, 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 separated from ownership of any Unit which is subject to assessment by the Corporation.

ARTICLE IX

DISSOLUTION

The Corporation may be dissolved in accordance with the limitations set out in the Declaration. The Corporation is one which does not contemplate pecuniary gain or profit to the Members thereof, and it is organized solely for non-profit purposes. In the event of liquidation, dissolution or winding up of the Corporation, whether voluntarily or involuntarily, the Directors shall dispose of the Property and assets of the Corporation in such manner as they, in the exercise of their discretion (as set out in the Declaration), deem appropriate; provided, however, that such disposition shall be exclusively in the furtherance of the object and purposes for which the Corporation is formed, and shall not accrue to the benefit of any Director of the Corporation or any individual having a personal or private interest in the affairs of the Corporation or any organization which engages in any activity in which the Corporation is precluded from engaging.

IN WITNESS WHEREOF, we have hereunto set our hands this 23rd
Day of August, A.D., 1983



Douglas G. Moss