

**ARTICLES OF INCORPORATION**  
**OF**  
**FOREST AT MILLRIDGE HOMEOWNERS ASSOCIATION, INC.**

I, the undersigned, being of the age of eighteen years or more, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, Tex. Civ. Stat. Ann. art. 1396-1.01, *et seq.*, as it may be amended, do hereby adopt the following Articles of Incorporation for such corporation:

Article 1. Name. The name of the corporation is Forest at Millridge Homeowners Association, Inc. (“Corporation” or “Association”).

Article 2. Duration. The Corporation shall have perpetual duration.

Article 3. Applicable Statute. The Corporation is a non-profit corporation organized pursuant to the provisions of the Texas Non-Profit Corporation Act, Article 1396-1.01 *et seq.*

Article 4. Purposes and Powers. The Corporation does not contemplate pecuniary gain or benefit, direct or indirect, to its members. In way of explanation and not of limitation, the purposes for which it is formed are:

- (a) to be and constitute the Association to which reference is made in the Declaration of Covenants, Conditions, Restrictions and Easements of Forest at Millridge, to be recorded in the Office of the County Clerk of Harris County, Texas, as it may be amended from time to time (the “Declaration”), to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the Bylaws and as provided by law; and
- (b) to provide an entity for the furtherance of the interests of the owners of property subject to the Declaration.

In furtherance of its purposes, the Corporation shall have the following powers, which, unless indicated otherwise by the Declaration or Bylaws, may be exercised by the Board of Directors:

- (a) all of the powers conferred upon non-profit corporations by common law and the statutes of the State of Texas;
- (b) all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the Bylaws, or the Declaration, including, without limitation, the following:

- (i) to fix, levy, and collect assessments and other charges, including late fees, to be levied against the property subject to the Declaration and to enforce payment thereof by any lawful means;
- (ii) to manage, control, operate, maintain, preserve, repair and improve the common area and facilities, and any property subsequently acquired by the Corporation, or any property owned by another, for which the Corporation, by rule, regulation, Declaration or contract, has a right or duty to provide such services;
- (iii) to enforce covenants, conditions or restrictions affecting any property to the extent the Corporation may be authorized to do so under the Declaration or Bylaws;
- (iv) to engage in activities which will actively foster, promote and advance the common interests of all owners of property subject to the Declaration;
- (v) to acquire by gift, purchase or otherwise, to own, sell, convey, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, hold, use, improve, build upon, operate, maintain and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Corporation, which shall include the power to foreclose its lien on any property subject to the Declaration by judicial means;
- (vi) to borrow money for any purpose subject to such limitations as may be contained in the Declaration or Bylaws;
- (vii) to enter into, make, perform and enforce contracts of every kind and description and to do all other acts necessary, appropriate or advisable in carrying out any purpose of the Corporation, with or in concert with any other association, corporation or other entity or agency, public or private;
- (viii) to act as agent, trustee or other representative of other corporations, firms or individuals and, as such, to advance the business or ownership interests in such corporations, firms or individuals;
- (ix) to adopt, alter and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the affairs of the Corporation; provided, however, such Bylaws may not be inconsistent with or contrary to any provisions of the Declaration; and

- (x) to provide or contract for services benefiting the property subject to the Declaration, including, without limitation, garbage removal and any and all supplemental municipal services as may be necessary or desirable.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; provided, none of the objects or purposes herein set out shall be construed to authorize the Corporation to do any act in violation of the Texas Non-Profit Corporation Act, and all such objects or purposes are subject to said Act.

The powers specified in each of the paragraphs of this Article 4 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of this Article 4.

Article 5. Definitions. All capitalized terms used in these Articles of Incorporation shall be defined in the same manner as defined in the Declaration, which definitions are incorporated herein by this reference.

Article 6A. Membership. The Corporation shall be a membership corporation without certificates or shares of stock. Every record owner, whether one or more persons or entities of title to any developed or undeveloped lot or lots subject, by covenants of record, to assessment by the Association, including, contract sellers, developers and builders, shall be a voting 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 lot which is subject to assessment by the Association. Any mortgagee or lienholder who acquires title to any lot which is a part of the above-described property, to the extent that the lot or lots are subject to the provisions of the Declaration, through judicial or non-judicial foreclosure, shall be a member of the Association. The members shall be entitled to a vote in accordance with the Declaration and Bylaws.

Article 6B. Classes of Membership. The corporation shall have two classes of voting members. For purposes of the definitions of Members, Owners, Declarant, and Lot, the same shall be as provided in the Declaration. The classes and their members are as follows:

Class A. Class A members shall be all Owners (as defined in the Declaration) with the exception of Declarant (as defined in the Declaration) and shall be entitled to one vote for each Lot (as defined in the Declaration) in which they hold the interest required for membership. When more than one person holds such interest in any Lot, all such persons shall be members, but the vote for such Lot shall be exercised as they, among themselves unanimously agree, but in no event shall more than one vote be cast with respect to any Lot.

Class B. Declarant shall be the only Class B member, and shall be entitled to three (3) votes for each Lot in which Declarant holds the interest required for Membership. Class B Membership shall cease and be converted to Class A membership upon the happening of either of the following events: (i) when the total votes outstanding in Class A membership equals three (3) times the total votes outstanding in the Class B membership; or (ii) five years from the date hereof.

Article 7. Board of Directors. The business and affairs of the Corporation shall be conducted, managed and controlled by a Board of Directors (the "Board"). The Board may delegate such operating authority to such companies, individuals or committees as it, in its discretion, may determine. The Board shall consist of no less than three (3) and no more than five (5) members. The initial Board shall consist of the following three (3) members:

<u>Name</u>	<u>Address</u>
Donald H. Dildy	10924 Grant Rd., Suite 114 Houston, Texas 77070
Sandra Cirksena	10924 Grant Rd., Suite 114 Houston, Texas 77070
Shari Raschner	10924 Grant Rd., Suite 114 Houston, Texas 77070

The method of election, removal and filling of vacancies, and the term of office and number of directors shall be as set forth in the Bylaws.

Article 8. Liability of Directors. To the fullest extent permitted by Texas statutes, as the same exist or as they may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits broader limitation than permitted prior to such amendment), a director of the Corporation shall not be liable to the Corporation for monetary damages for an act or omission in the director's capacity as a director. Any repeal or amendment of this Article 8 by the Corporation shall be prospective only and shall not adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such repeal or amendment.

Article 9. Dissolution. The Corporation may be dissolved only as provided in the Declaration, Bylaws, and by the laws of the State of Texas. Upon dissolution of the Corporation, other than incident to a merger or consolidation, the assets of the Corporation shall be distributed only for tax exempt purposes to one or more organizations which are exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, or its successor statute, or which are described in Section 170(c)(1) or (2) of the Internal Revenue Code of 1986, or its successor statute, pursuant to a plan of distribution adopted as provided in the Texas Non-Profit Corporation Act.

Article 10. Amendments. Subject to the provisions of the Texas Non-Profit Corporation Act, these Articles of Incorporation may be amended with the approval of Declarant, the Board, and seventy-five percent (75%) of the total votes in the Association. No amendment shall conflict with the Declaration nor shall any amendment be effective to impair or dilute any rights which have been to any members by virtue of the Declaration.

Article 11. Indemnification. Subject to the limitations of Article 1396-2.22.A of the Texas Non-Profit Corporation Act, the Corporation shall indemnify a person who was, or is threatened to be a named defendant or respondent in a proceeding because the person is or was an officer or director of the Corporation. Additionally, the Corporation may indemnify a person who is or was an employee, trustee, agent or attorney of the Association, against any liability asserted against him or her and incurred by him or her in such capacity and arising out of his or her status as such a person.

Article 12. Action Without a Meeting. Any action required by the Texas Non-Profit Corporation Act to be taken at a meeting of the members or directors of the Corporation or any action that may be taken at a meeting of the members or directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members, directors or committee members as would be necessary to take that action at a meeting at which all of the members, directors or members of the committee were present and voted.

**Article 13. Registered Agent and Office.** The initial registered office of the Corporation is:

10924 Grant Rd., Suite 114  
Houston, Texas 77070

and the initial registered agent at such address is:

Donald H. Dildy.

Article 14. Incorporator. The name and address of the incorporator is as follows:

Dennis McQueen  
1415 Louisiana, 22<sup>nd</sup> Floor  
Houston, Texas 77002

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation on this \_\_\_\_ day of October 2005.

\_\_\_\_\_  
Dennis McQueen