

**ARTICLES OF INCORPORATION**

JUN 10 2003

**OF**

**Corporations Section**

**7H RANCH PROPERTY OWNERS ASSOCIATION**

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, does hereby adopt the following Articles of Incorporation for such corporation:

**ARTICLE ONE**

The name of the corporation is the 7H RANCH PROPERTY OWNERS ASSOCIATION. It is hereinafter sometimes referred to as the "Corporation".

**ARTICLE TWO**

The Corporation is a non-profit corporation.

**ARTICLE THREE**

The period of its duration is perpetual.

**ARTICLE FOUR**

The purposes for which this Corporation is organized are: to maintain and administer any and all Common Area of SEVEN HILLS RANCH (the "Subdivision"), being Lots 1 through 79, Block 1, Lots 1 through 24, Block 2, Lots 1 through 52, Block 3, and Lot 1, Block 4, of Canham Ranch Subdivision Unit 1, Comal County, Texas, according to plat thereof recorded in Volume 14, page 246, *et seq.*, Deed and Plat Records of Comal County, Texas, any future amendments thereof, and such additional lands as may be brought within the jurisdiction of the Corporation; to administer and enforce the covenants, conditions and restrictions for the Subdivision and such additional lands; to collect and disburse the assessments and charges due the Corporation as set forth in the Declaration of Covenants, Conditions and Restrictions for the Subdivision, including any

amended or supplemental declarations thereto, and for all such additional lands; and for such other lawful non-profit purposes as the Corporation may determine that are not inconsistent herewith. The Corporation shall be operated exclusively for such purposes, and no part of its net earnings shall inure to the benefit of any private shareholder or individual, no substantial part of its activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

The Corporation shall have all powers allowed by the law of Texas to be exercised by nonprofit corporations.

**ARTICLE FIVE**

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:

NAME	ADDRESS
J.W. Wood	3923 A Childress Houston, Texas 77005
Anna Marie Wood	3923 A Childress Houston, Texas 77005
Tom S. Taylor	25595 Lewis Ranch Road New Braunfels, Texas 78132

The number of directors may be changed to not less than three, nor more than nine, directors by amendment to the By-Laws of the Corporation.

**ARTICLE SIX**

The street address of the initial registered office of the Corporation is 3923 A Childress, Houston, Texas 77005, and the name of its initial registered agent at such address is J.W. Wood.

**ARTICLE SEVEN**

The name and street address of each incorporator is:

<b>NAME</b>	<b>ADDRESS</b>
Steven R. Brook	745 East Mulberry, Ninth Floor San Antonio, Texas 78212

**ARTICLE EIGHT**

The Corporation is a non-profit corporation, without capital stock, organized solely for non-profit purposes, and no director, officer or employee of the Corporation, nor any individual having a personal or private interest in the activities of the Corporation, shall ever be lawfully entitled to receive any profit from the operations of the Corporation, except reasonable compensation for services rendered in carrying out one or more of its stated purposes. The Corporation shall not engage in, and none of its funds or property shall be devoted to, carrying on propaganda or otherwise attempting to influence legislation.

**ARTICLE NINE**

Every person or entity who is a record owner of a fee or undivided interest in any platted lot (a "Lot") situated within SEVEN HILLS RANCH, Comal County, Texas, and such additional lands as may become subject to the jurisdiction and assessment of the Corporation, shall be a member of the Corporation (a "Member"), provided, however, that any person or entity holding an interest in any such Lot or Lots merely as security for the performance of an obligation shall not be a Member. The Corporation may issue certificates to its Members, to evidence their membership.

**ARTICLE TEN**

The Corporation shall have two (2) classes of voting membership: "Class A" Members shall be all members other than the "Class B" Member.

Class A Members shall be every person or entity as defined in Article Nine, with the

exception of Canham Ranch, Ltd., its successors and assigns, as provided in the Declaration. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article Nine. When more than one person is the owner of any Lot, all such persons shall be Members, and the vote of such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

The Class B Member shall be Canham Ranch, Ltd., and its successors and assigns, provided that Canham Ranch, Ltd., may assign its Class B membership, or a portion thereof, and such assignee shall be a Class B member. The Class B Member shall be entitled to five votes for each Lot in which it holds the interest required by Article Nine, provided that the Class B membership shall become converted to a Class A membership on the happening of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or
- (b) December 31, 2008.

From and after the happening of these events, whichever occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to one vote for each Lot in which it holds the interest required for membership under Article Nine.

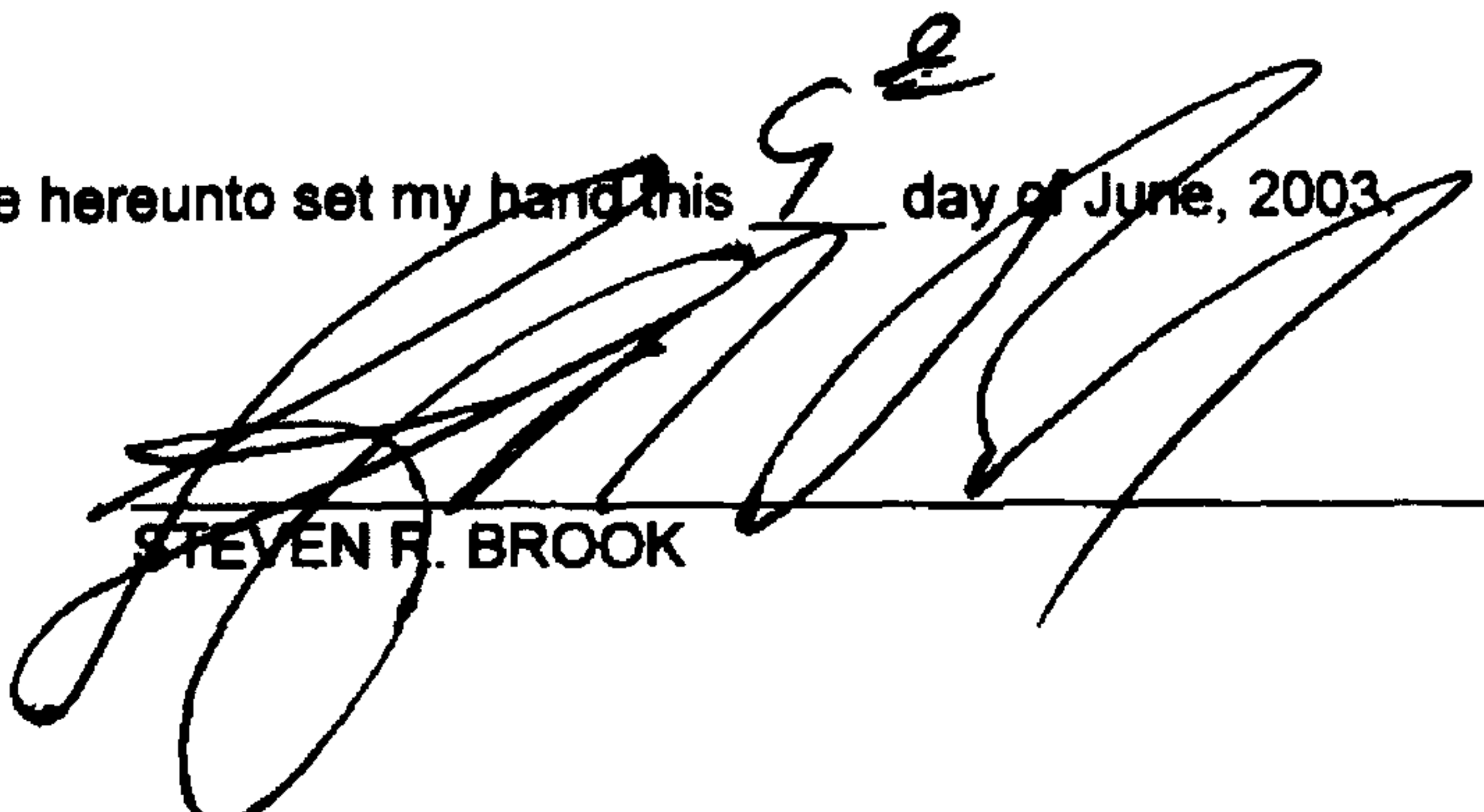
#### **ARTICLE ELEVEN**

The Corporation shall be entitled to indemnify its officers, directors, and those acting on its behalf, including members of an Architectural Control Committee or other similar committee, to the fullest extent allowed by the Texas Non-Profit Corporation Act or other applicable law.

#### **ARTICLE TWELVE**

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the total of all votes outstanding as determined under Article Ten.

IT WITNESS WHEREOF, I have hereunto set my hand this 9<sup>th</sup> day of June, 2003.

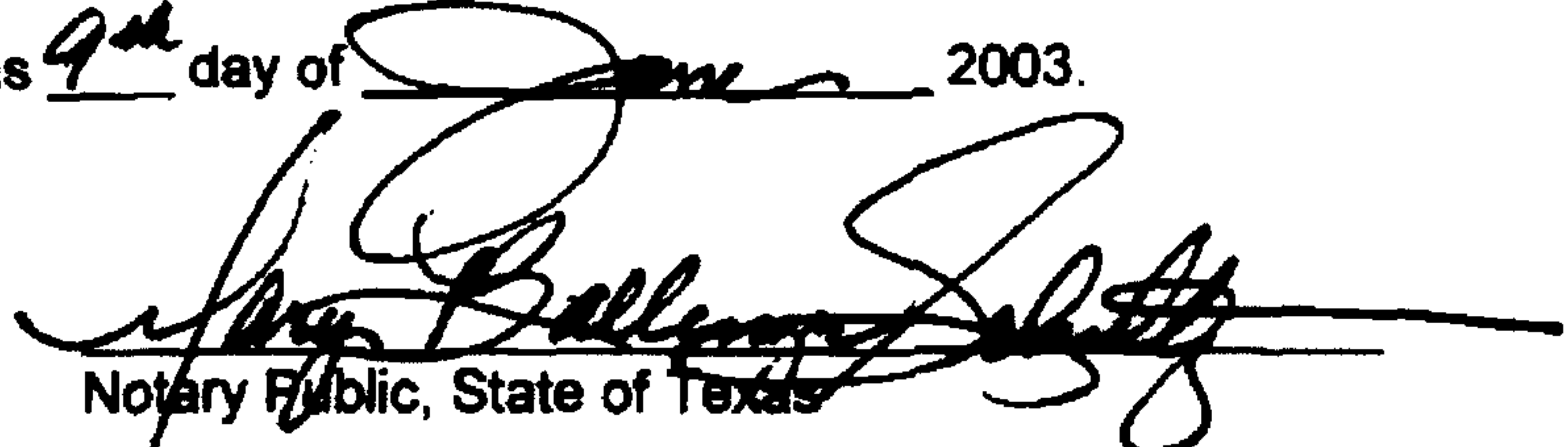
  
\_\_\_\_\_  
STEVEN R. BROOK

THE STATE OF TEXAS  
COUNTY OF BEXAR

Before me, a notary public, on this day personally appeared STEVEN R. BROOK, known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements contained therein are true and correct, and acknowledged such instrument.

Given under my hand and seal this 9<sup>th</sup> day of June 2003.



  
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Notary Public, State of Texas

AFTER RECORDING RETURN TO:  
Steven R. Brook  
Langley & Banack, Inc.  
745 E. Mulberry, #900  
San Antonio, Texas 78212

Doc# 200506027680  
# Pages 25  
07/28/2005 11:52AM  
Official Records of  
COMAL COUNTY  
JOY STREATER  
COUNTY CLERK  
Fees \$62.00

