

FEB 07 1992

Corporations Section

**ARTICLES OF INCORPORATION  
OF THE  
HERITAGE SQUARE COMMUNITY ASSOCIATION, INC.**

WE, the undersigned natural persons of the age of twenty-one (21) years or more, at least two 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 of such corporation:

**ARTICLE I**

The name of the corporation is HERITAGE SQUARE COMMUNITY ASSOCIATION, INC.

**ARTICLE II**

The Association is a non-profit corporation.

**ARTICLE III**

The period of its duration is perpetual.

**ARTICLE IV**

The purpose or purposes for which the Association is organized are: to provide for maintenance, preservation and architectural control of the residential Lots and Common Area, if any, within HERITAGE SQUARE, a residential subdivision in Harris County, Texas, or any other areas created by the dedication of additional property to the said subdivision (herein collectively called the "Property" or "Development"), by the Developer of the Property (herein called the "Developer") and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

(a) exercise the powers and privileges and to perform all of the duties and obligations as set forth in those restrictions applicable to the above-described Property and recorded in the Official Public Records of Real Property of Harris County, Texas;

(b) fix, levy, collect and enforce payment by any

lawful means, all charges or assessments pursuant to the terms of the Declaration of Covenants, Conditions and Restrictions filed of record covering the Property, to pay all expenses in connection herewith and all office and other expenses incident to the conduct of the business of the Association including all licenses, taxes or governmental charges levied or imposed against any property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for the public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for borrowed money or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area, if any, to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members authorizing the Directors to act in behalf of the members for the purpose of accomplishing such dedication, sale or transfer;

(f) notwithstanding the foregoing paragraph (e), the Board of Directors may from time to time without authorization of the membership, grant or dedicate easements with respect to the Common Area, if any, as may be necessary or convenient to provide or assist in utility service to the Property;

(g) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, if any, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members; however, upon submission and approval by the Federal Housing Administration and/or Veterans Administration of a general plan for the entire development of HERITAGE SQUARE and of additional stage(s) of section(s) of HERITAGE SQUARE, such stage(s) or section(s) will be annexed either (i) by the Board of Directors of the Association without such approval by the membership, or (ii) unilaterally by the Developer of HERITAGE SQUARE by

the filing of a Declaration of Covenants, Conditions and Restrictions for such additional stage(s) or section(s) vesting assessment rights as to Lots in such stage(s) or section(s) in the Association (without consent of the membership);

(h) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of Texas by law may now or hereafter have to exercise.

#### ARTICLE V

The street address of the initial registered office of the corporation is One Riverway, Suite 1800, Houston, Texas 77056 and the name of the initial registered agent is James R. Moore.

#### ARTICLE VI

The name and street address of each incorporator is:

<u>NAME</u>	<u>ADDRESS</u>
James R. Moore	One Riverway, Suite 1800 Houston, Texas 77056
John L. Mattern	One Riverway, Suite 1800 Houston, Texas 77056
Steven M. Gilmore	One Riverway, Suite 1800 Houston, Texas 77056

#### ARTICLE VII

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners of Lots in Haritage Square, with the exception of the Developer, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote of such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. Class B members shall be the Developer and shall be entitled to three votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening

of either of the following events, which ever occurs earlier:

- (a) When the total votes outstanding in Class A membership, including votes in duly annexed areas pursuant to the Declaration of Covenants, Conditions and Restrictions filed of record covering the Property, if any, equal or exceed the total votes outstanding in Class B membership, or
- (b) On the first day of January, 2000.

#### ARTICLE VIII

The affairs of this Association shall be managed by a board of five (5) directors who need not be members of the Association. The number of directors may be increased by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of initial directors until selection of their successors in accordance with the Bylaws are:

<u>NAME</u>	<u>ADDRESS</u>
James R. Moore	One Riverway, Suite 1800 Houston, Texas 77056
John L. Mattern	One Riverway, Suite 1800 Houston, Texas 77056
Steven M. Gilmore	One Riverway, Suite 1800 Houston, Texas 77056
Barbara Puckett	One Riverway, Suite 1800 Houston, Texas 77056
Joanne Gerych	One Riverway, Suite 1800 Houston, Texas 77056

#### ARTICLE IX

Any person who at any time shall serve or shall heretofore have served, as a director, officer or employee of the Corporation, or of any other enterprise at the request of the Corporation, and the heirs, executors, and administrators of such person, shall be indemnified by the Corporation against all costs and expenses (including but not limited to counsel fees, amounts or judgments paid, and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit, or proceeding, whether civil, criminal, administrative, or other, in which he may be involved by virtue of such person being or having been such director, officer, or employee, provided, however, that

such indemnity shall not be operative with respect to (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of his duties as such director, officer, or employee, or (ii) any matter settled or compromised, unless in the opinion of independent counsel selected by or in a manner determined by the Board of Directors, there is not reasonable ground for such person being adjudged liable for negligence or misconduct in the performance of his duties as such director, officer, or employee, or (iii) any amount paid or payable to the Corporation or such other enterprise. The foregoing indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of shareholder, or otherwise.

#### ARTICLE X

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be used for similar purposes.

#### ARTICLE XI

Amendment of these articles shall require the assent of seventy-five percent (75%) of the aggregate votes of the entire membership.

#### ARTICLE XII

Subject to the provisions of preceding Article IV, as long as there is a Class B membership, the following acts will require the prior approval of the Federal Housing Administration and/or Veterans Administration: annexation of additional properties, mergers and consolidations, and the dissolution and amendment of these Articles, mortgaging of Common Area, if any, and dedication of Common Area, if any.

IN WITNESS HEREOF, we have hereunto set our hands, this day  
3rd day of February, 1992.

JR Moore  
JAMES R. MOORE

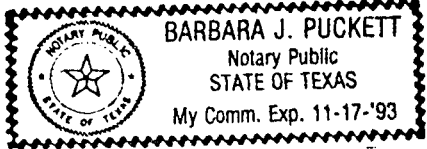
John L. Mattern  
JOHN L. MATTERN

Steven M. Gilmore  
STEVEN M. GILMORE

THE STATE OF TEXAS       §  
  §  
COUNTY OF HARRIS       §

I, the undersigned notary public, hereby certify that on the  
3rd day of February, 1992, personally appeared JAMES  
R. MOORE, JOHN L. MATTERN and STEVEN M. GILMORE, who, being by me  
first duly sworn, severally declared that they are the persons who  
signed the foregoing document as incorporators, and that the  
statements thereon contained are true and correct.

Barbara J. Puckett  
Notary Public in and for  
the State of T E X A S



Printed Name \_\_\_\_\_

My commission expires: \_\_\_\_\_

BYLAWS OF THE  
HERITAGE SQUARE COMMUNITY ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is HERITAGE SQUARE COMMUNITY ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at One Riverway, Suite 1800, Houston, Texas 77056, but meetings of members and directors may be held at such places within the state of Texas, county of Harris, as may be designated by the Association's Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to HERITAGE SQUARE COMMUNITY ASSOCIATION, INC., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declarations of Covenants, Conditions and Restrictions filed of record covering sections of Heritage Square, and such additional sections of Heritage Square thereto as may hereinafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area and commercial reserves, if any, excluded from the scope of the Declaration of Covenants, Conditions and Restrictions.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Developer" shall mean and refer to Heritage Square Venture, L.P. its successors and assigns if such successors or assigns should acquire undeveloped real property from the Developer for the purpose of developing the property as a portion of Heritage Square Community Association, Inc.

## ARTICLE IV

### BOARD OF DIRECTORS: SELECTION AND TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a board of five (5) directors, who need not be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect two (2) directors for terms of two (2) years, and three (3) directors for terms of three (3) years; and at each annual meeting thereafter, the members shall elect directors for terms of two (2) years as may be needed.

Section 3. Removal. Any director may be removed from the board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association.

Section 5. Action Taken Without a Meeting. In the absence of a meeting, by obtaining the written approval and consent of all the directors, the directors shall have the right to take any action which they could take at a meeting. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## ARTICLE V

### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the board of directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a member of the board of directors, and two (2) or more members of the Association. The nominating committee shall be appointed by the board of directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at such annual meeting. The nominating committee shall make as many nominations for election to the board of directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the board of directors shall be by secret written ballot. At such election the members or

(c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws or the Articles of Incorporation, or the Restrictions;

(d) declare the office of a member of the board of directors to be vacant in the event each such member shall be absent from three (3) consecutive regular meetings of the board of directors; and

(e) employ manager(s), accountant(s), bookkeeper(s), attorney(s), and independent contractor(s), or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the board of directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such statement is requested in writing by one-fourth (1/4th) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) as more fully provided in the Restrictions, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same; if in the judgment of the Association it is necessary;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the board before the

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

President

(a) The President shall preside at all meetings of the board of directors; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes of the Association.

Vice-President

(b) The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members, keep the corporate seal of the Association and affix it upon the minutes of the meetings of the board of directors and members and upon all other papers requiring said seal; serve notice of meetings of the board and of the members; keep appropriate records showing the members of the Association together with their addresses; and perform such other duties as required by the board.

Treasurer

(d) The Treasurer shall receive and deposit or cause to be received and deposited in appropriate bank accounts all monies of the Association and shall disburse or direct the disbursement of such funds as directed by the board of directors; shall co-sign all promissory notes of the Association; keep proper books of account, cause a report of the Association's books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting. Copies of these documents shall be available for purchase at a reasonable cost.

## ARTICLE IX

### COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Restrictions and a Nominating Committee, as provided by these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

## ARTICLE X

### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Articles of Incorporation, the Bylaws of the Association and the Restrictions shall be available for inspection by any member at the principal office of the Association where copies may be purchased at a reasonable cost.

## ARTICLE XI

### REMEDIES FOR NON-PAYMENT OF ASSESSMENT

As more fully provided in the Restrictions, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

## ARTICLE XII

### AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.