

ARTICLES OF INCORPORATION
OF
AUBURN RIDGE HOMEOWNERS ASSOCIATION, INC.

FILED
In the Office of the
Secretary of State of Texas
SEP 01 1994
Corporations Section

* * *

ARTICLE ONE

The name of the Corporation is AUBURN RIDGE HOMEOWNERS ASSOCIATION, INC. (the "Association").

ARTICLE TWO

The corporation is a non-profit corporation.

ARTICLE THREE

The period of duration is perpetual.

ARTICLE FOUR

The purposes for which the Corporation is organized are:

(a) to promote the recreation, health, safety and welfare of the residents of the property described on Exhibit "A" attached hereto (the "Property") such services may include providing security protection, and sanitary services;

(b) to improve and maintain the common area, including but not limited to, maintaining and operating boulevards, esplanades, medians and lighting systems and recreational facilities within the Property, and any additions thereto as may hereafter be brought within the jurisdiction of the Association;

(c) to exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Auburn Ridge Subdivision Declaration of Easements, Restrictions, Covenants and Conditions (the "Declaration") applicable to the Property and recorded in the Official Public Records of Real Property of Bexar County, Texas, and as the same may be amended from time to time as therein provided, the Declaration being incorporated herein as if set forth in full;

VOL 8593 PG 2047 RECORDED 5:31 PM

(d) to fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith 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 the Property;

(e) acquire (by gift, purchase or otherwise), 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 Association;

(f) borrow money, and with the consent of two-thirds (2/3rds) of each class of members, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(g) dedicate, sell or transfer all or any part of the common area 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 (2/3rds) of each class of members, agreeing to such dedication, sale or transfer;

(h) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall have the consent of two-thirds (2/3rds) of each class of members; and

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

ARTICLE FIVE

Every record owner, whether one or more persons or entities, of fee simple title in any lot located within the Property shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is located within the Property.

ARTICLE SIX

The Association shall have three (3) classes of voting membership:

CLASS A: Class A members shall be all owners with the exception of UTSA Blvd. Partners, Ltd., a Texas limited partnership, or its assignee, declarant under the Declaration (the "Declarant"), and shall be entitled to one (1) vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot

shall be exercised as such owners among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.

CLASS B: The Class B member(s) shall be the Builders (as defined in the Declaration) and shall be entitled to one vote for each lot owned.

CLASS C: The Class C member shall be the Declarant, or its assignee, and shall be entitled to three (3) votes for each lot owned. The Class B and C membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the Class B or C members no longer own any Lots situated within the Properties;
- (b) on January 1, 2004.

ARTICLE SEVEN

The affairs of the Association shall be managed by a board of three (3) directors, who need not be members of the Association. The number of directors may be changed by amendment of the bylaws of the Association. Notwithstanding the foregoing, until the election of directors at the first annual meeting of the members, the three (3) initial board of directors shall so serve. The names and addresses of the persons who are to serve as the initial directors are as follows:

<u>Name</u>	<u>Address</u>
Charles Midkiff	100 N.E. Loop 410, Suite 1500 San Antonio, Texas 78216
Walter G. Busby	100 N.E. Loop 410, Suite 1500 San Antonio, Texas 78216
J. Steven Brown	100 N.E. Loop 410, Suite 1500 San Antonio, Texas 78216

ARTICLE EIGHT

The street address of its initial registered office is 100 N.E. Loop 410, Suite 1500, San Antonio, Bexar County, Texas 78216 and the name of its initial registered agent at such address is Walter G. Busby.

ARTICLE NINE

The name and address of the incorporator is:

CATHLEEN L. CHAPMAN
300 Convent Street, Suite 1500
San Antonio, Texas 78205

Cathleen L Chapman

Incorporator