

MAY 07 2002

ARTICLES OF INCORPORATION
OF
IRON HORSE CANYON HOMEOWNERS ASSOCIATION, INC. Corporations Section

The undersigned natural person of the age of twenty-one years or more, a citizen of the State of Texas, acting as the incorporator of a corporation under the Texas Non-Profit Corporation Act, hereby adopts the following Articles of Incorporation for such Corporation.

ARTICLE I.

The name of the corporation is **IRON HORSE CANYON HOMEOWNERS ASSOCIATION, INC.** hereinafter called "Association."

ARTICLE II.

The corporation is a non-profit corporation.

ARTICLE III.

The period of its duration is perpetual.

ARTICLE IV.

This corporation does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are:

1. to promote the orderly development, improvement and use of approximately 636.4 acres in Bexar County, Texas described in Exhibit "A" that is attached hereto and incorporated herein ("Iron Horse Canyon Development"), and any additional real property annexed to the **Iron Horse Canyon Development** by action of the Declarants, their successors, or assigns, as described in any subsequent plat or plats filed in the Real Property Records of Bexar County, Texas;
2. to preserve and maintain the orderly development, improvement and use of said land with the objective of enhancing the land value and establishing a desirable environment for owners and occupants of said land and improvements;

3. to establish and enforce architectural and landscaping controls of the lots and common areas within the **Iron Horse Canyon Development**;
4. to promote the health, safety and welfare of the owners and occupants within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and for these purposes to:
 - (a) 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 Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Covenants", applicable to the property and to be recorded in the Official Public Real Property Records of Bexar County, Texas, and as the same may be amended, from time to time, as therein provided, said Covenants being incorporated herein as if set forth at length;
 - (b) enter into contracts and such other agreements necessary to perform or have performed such services as may be required to accomplish the herein stated purposes of the Association, so long as no pecuniary gain or profit is realized to any member or members;
 - (c) fix, levy, collect and enforce payment by any lawful means, of all charges or assessments pursuant to the terms of the Covenants; 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 of the Association;
 - (d) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for membership use or otherwise dispose of real or personal property in connection with the affairs of the Association;
 - (e) borrow money, and with the assent of the membership vote, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal

property as security for money borrowed or debts incurred;

- (f) dedicate, sell or transfer all or any part of the Common Facilities (as that term is defined in the Covenants) 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 approved by sixty percent (60%) of the membership vote, agreeing to such dedication, sale or transfer, evidenced by an instrument signed by an Officer of the Association;
- (g) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property and Common Facilities; provided, that any such merger, consolidation or annexation shall have the assent of the membership;
- (h) have and 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 or exercise;
- (i) enter into contracts to maintain, expand, and reconstruct improvements within the boundary of the Association's Common Facilities and to allocate the cost for such activities to the owners of Lots within the **Iron Horse Canyon Development** on an equal basis.

ARTICLE V.

The street address of the initial registered office of the corporation is 1500 N.E. Loop 1604, Suite 202 San Antonio, Bexar County, Texas, 78232, and the name of its initial registered agent at such address is David Mann.

ARTICLE VI.
MEMBERSHIP

Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot, which by the Covenants of record is subject to assessment by the Association, shall be a member of the Association. The foregoing shall not 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.

ARTICLE VII.
VOTING

Voting Unit - Each Lot, defined by any Subdivision Plat of any subdivision within the **Iron Horse Canyon Development** and specifically numbered thereon shall be considered a voting unit. A single entity owning more than one Lot, whether they are adjacent, partially contiguous, or totally separated shall have each Lot counted independently for determination of vote.

Voting Rights - The Association shall have two classes of voting membership:

CLASS A Class A members shall be all Lot Owners, (with the exception of each of the Declarants named in the Covenants, so long as each such Declarant shall be a Class B member). Each Class A member 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 the owners thereof determine, but in no event shall more than one vote be cast with respect to any Lot.

CLASS B The Class B members are each of the Declarants named in the Covenants, who shall each be entitled to three (3) votes for each Lot owned by such Declarant within the subdivision developed by such Declarant within the Iron Horse Canyon Development. The Class B 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 total votes outstanding in the Class A membership exceeds by one the total votes outstanding in the Class B membership, or (b) on January 1, 2023.

Unless otherwise stated in the Covenants, the quorum required for any action on any issue submitted to the vote of the members

shall be three-fifths (60%) of all classes of membership votes then outstanding, present in person or by written proxy at time of vote. Members shall be given written notice of any meeting at which an action on any issue submitted to the membership may be considered, and such notice shall in all respects comply with the provisions of the Texas Non-Profit Corporation Act.

Amendment to these Articles shall require the assent of two-thirds (2/3) of the entire membership vote.

ARTICLE VIII.
BOARD OF DIRECTORS

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 changed by amendment to the By-Laws of the Association; provided, there shall never be less than three (3). A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting. The names and addresses of the persons who are to serve as the initial Directors are:

<u>NAME</u>	<u>ADDRESS</u>
David Mann	1500 N.E. Loop 1604 Suite 202 San Antonio, Texas 78230
Dana Mann	1500 N.E. Loop 1604 Suite 202 San Antonio, Texas 78230
Duncan Mann	1500 N.E. Loop 1604 Suite 202 San Antonio, Texas 78230
Richard Massling	1500 N.E. Loop 1604 Suite 202 San Antonio, Texas 78230
Michele Williams	1500 N.E. Loop 1604 Suite 202 San Antonio, Texas 78230

At the first annual meeting the members shall elect one (1) director for a term of one (1) year, two (2) directors for a term of two (2) years, and two (2) directors for a term of three (3) years; and at each annual meeting thereafter the members shall elect directors to fill the expiring term, having a term of three

(3) years. There shall be no cumulative voting and each member, whether in person or by written proxy, and whether Class A or Class B, may cast the number of votes to which the provisions of Article VII entitle such member. Fifty-one percent (51%) of the votes cast, whether in person or by proxy, shall be necessary to elect directors.

ARTICLE IX.

Any action required by the Texas Non-Profit Corporation Act to be taken at a meeting of the members or directors of a 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 X.

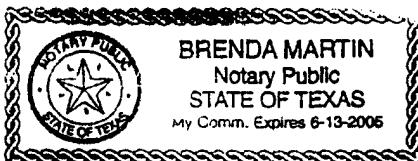
The name and street address of the incorporator is:

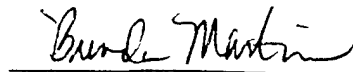
Henry W. Christopher, Jr.
5802 N.W. Expressway
San Antonio, Texas 78201


HENRY W. CHRISTOPHER JR.

STATE OF TEXAS §
§
COUNTY OF BEXAR §

These Articles of Incorporation were acknowledged, subscribed, and sworn to on the 3rd day of May, 2002, by HENRY W. CHRISTOPHER, JR.




NOTARY PUBLIC FOR THE STATE OF
T E X A S