

ARTICLES OF INCORPORATION
OF
KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.

FILED
In the Office of the
Secretary of State of Texas

AUG 01 1983

Clerk A
Corporations Section

We, the undersigned, being natural persons over the age of twenty-one (21) years and 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 for such Corporation.

ARTICLE ONE

The name of the Corporation is: KARANKAWA TOWNHOUSE OWNERS ASSOCIATION, INC.

ARTICLE TWO

The Corporation is a non-profit Corporation.

ARTICLE THREE

The period of its duration shall be perpetual.

ARTICLE FOUR

The purpose or purposes for which the Corporation is organized are:

- 1) To provide for the administration, management, maintenance, preservation and control of Karankawa Townhouses, a townhouse project located in Galveston County, Texas.
- 2) To exercise all powers and perform all duties imposed upon this Corporation in accordance with the Declaration of Covenants, Conditions and Restrictions of Karankawa Townhouses, as such may hereafter be amended, including, without limitation, to fix, levy, collect and enforce payment by lawful means of all charges or assessments affecting such Townhouse project; to pay all expenses in connection therewith and all expenditures incident to the conduct of the business and administration of the Townhouse project, and all licenses, franchise taxes and governmental charges levied or imposed against this Corporation or the Common Area of the Townhouse project.
- 3) In connection with the affairs of such Townhouse project, to buy, sell, and deal in real property, personal property and services and to exercise any and all other powers under the Texas Non-Profit Corporation Act by law now or hereafter exercised.

The aforesaid statement of purposes should be construed as a statement of both purposes and of powers and shall be broadly construed to effectuate its intent.

ARTICLE FIVE

The street address of the initial registered office of the Corporation is 6904 Lasker Drive, Galveston, Texas 77551, and the name of its initial registered agent at such address is Patrick Reilly.

ARTICLE SIX

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:

Robert Tresch, Jr. - 2803 Greenfield, Sugarland, Texas 77479
Cynthia Sunseri - Route 1, Box 149X50, Galveston, Texas 77551
William Sanders - 11614 Hillbrook, Houston, Texas 77070

ARTICLE SEVEN

The names and addresses of the Incorporators are:

Robert Tresch, Jr. - 2803 Greenfield, Sugarland, Texas 77479
Cynthia Sunseri - Route 1, Box 149X50, Galveston, Texas 77551
William Sanders - 11614 Hillbrook, Houston, Texas 77070

ARTICLE EIGHT

Every person or entity who is a record owner of a lot in Karankawa Subdivision, Section 2, a Subdivision in Galveston County, Texas, (except those persons or entities holding interest only as security for the performance of an obligation) and only such persons or entities, shall be Members of this Corporation. Membership in this Corporation shall be appurtenant to and may not be separated from ownership of any lot in Karankawa Subdivision, Section 2. Ownership of such lot or interest therein shall be the sole qualification for membership in this Corporation. The Corporation may (but shall not be required) to issue certificates evidencing membership therein. There shall be two classes of voting membership in the Corporation. Class "A" members shall be owners with the exception of Declarant (William Sanders) and shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any lot, all such persons shall be members. The vote for 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. Class "B" members shall be the Declarant, and he shall be entitled to three (3) 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, whichever occurs later:

(i) When the total votes outstanding in Class "A" membership equals the total votes outstanding in Class "B" membership; or (ii) Five (5) years from the date on which the first lot is conveyed by Declarant to another owner.

Cumulative voting in the election of Directors or in other exercises

of the right to vote is prohibited. Any owner of a lot who is in default in any provisions of the Declaration of Covenants, Conditions and Restrictions of Karankawa Subdivision, Section 2, shall not be entitled to vote at any meeting of the Corporation so long as such default is in existence.

ARTICLE NINE

Except as otherwise provided in the Declaration of Covenants, Conditions and Restrictions of Karankawa Subdivision, Section 2, these Articles of Incorporation may be amended only upon the affirmative vote of holders of seventy-five percent (75%) of the total number of Percentage Ownership Interests assigned to those Members qualified to vote, and such amendment shall become effective upon its recordation in the Official Public Records of Galveston County, Texas.

IN WITNESS WHEREOF, we have hereunto set our hands this 2nd day of January, 1983.

Robert Tresch, Jr.
ROBERT TRESCH, JR.

Cynthia Sunseri
CYNTHIA SUNSERI

William Sanders
WILLIAM SANDERS

STATE OF TEXAS
COUNTY OF Galveston

I, Cathy J. Sweeten, a Notary Public, do hereby certify that on this 2nd day of January, 1983, personally appeared before me Robert Tresch, Jr., Cynthia Sunseri and William Sanders, who, each being by me first duly sworn, severally declared that they are the persons who signed the foregoing instrument as incorporators, and that the statements contained therein are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

Cathy J. Sweeten
NOTARY PUBLIC in and for
Galveston County, Texas.