

FILED  
In the Office of the  
Secretary of State of Texas

MAY 22 1975

*James B. Chote*  
Deputy Director, Corporation Division

ARTICLES OF INCORPORATION  
OF  
PLAYA DE ORO TOWNHOUSE ASSOCIATION, INC.

In compliance with the requirements of the Non-Profit Corporation Act of the State of Texas, the undersigned, all of whom are citizens of the State of Texas, and all of whom are eighteen (18) years of age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I

The name of the corporation is PLAYA DE ORO TOWNHOUSE ASSOCIATION, INC., hereafter called the "Association," and is a non-profit corporation

ARTICLE II

The principal office of the Association is located at 3201 Isla Bahia Way, El Paso, Texas.

ARTICLE III

The post office address of the corporation's initial registered office is 6070 Gateway East, El Paso, Texas 79991, and the name of its initial registered agent at such address is Crawford S. Kerr, Jr.

ARTICLE IV

PURPOSE AND POWER OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and control of the Common Areas within that certain tract of property describe as:

All of Blocks 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 & 11, PLAYA DE ORO, an addition to the City of El Paso, El Paso County, Texas, containing 18.653 acres, as shown on the map and plat in Book 45, Page 15, Plat Records of El Paso County, Texas, and being a portion of Section 38, Block 80, Township 2, Texas & Pacific Railroad Survey, El Paso County, Texas;

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 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 "Declaration," applicable to the property and recorded in Book 589 , Page 1465 , of the Deed Records of El Paso County, Texas, said Declaration being incorporated herein as if set forth at length:

(b) fix, levy, collect and enforce payment by any lawful means, 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 of the Association;

(c) 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;

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

(e) 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 seventy-five (75%) per cent of each class of members, agreeing to such dedication, sale or transfer;

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

## ARTICLE V

### MEMBERSHIP

Every person or entity who is a record owner of a fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers, 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 an obligation. Membership shall be appurtenant to and may not be separate from ownership of any lot which is subject to assessment by the Association.

## ARTICLE VI

### VOTING RIGHTS

The association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant 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 for 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. The Class B member(s) shall be the Declarant and 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 earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on March 30, 1977.

## ARTICLE VII

### 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 of the By-Laws of the

Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
<u>Patrick O. Russell</u>	<u>3616 McRae, El Paso, Texas</u>
<u>Louie Giallanza</u>	<u>3616 McRae, El Paso, Texas</u>
<u>R. F. Haynsworth</u>	<u>6044 Gateway East, El Paso, Texas</u>
<u>R. T. Dempsey</u>	<u>6044 Gateway East, El Paso, Texas</u>
<u>Crawford S. Kerr, Jr.</u>	<u>6070 Gateway East, El Paso, Texas</u>

At the first annual meeting the members shall elect one director for a term of one year, two directors for a term of two years and two directors for a term of three years; and at each annual meeting thereafter the members shall elect a director or directors, as the case may be, for a term of three (3) years to replace the outgoing director or directors, as the case may be.

#### ARTICLE VIII

##### DISSOLUTION

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, both real and personal, of the Association shall be dedicated to an appropriate public energy to be used for purposes similar to those for which this Association was created. In the event that 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 devoted to such similar purposes.

#### ARTICLE IX

##### DURATION

The corporation shall exist perpetually.

#### ARTICLE X

##### AMENDMENTS

Amendment of these Articles shall require the assent of 75 percent of the entire membership.

#### ARTICLE XI

Any indebtedness or liability, direct or contingent, must be authorized by an affirmative vote of a majority of the votes cast by the members of the Board of Directors at a lawfully held meeting. The highest amount of indebtedness or liability, direct or contingent, to which this corporation must be subject at any one time shall not exceed one hundred fifty per cent (150%) of its income for the previous fiscal year, except that additional amounts may be authorized by an affirmative vote of two-thirds (2/3) of the members.

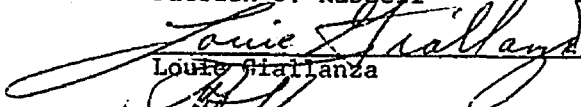
#### ARTICLE XIII

##### NOTICE AND QUORUM

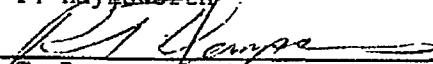
For those actions which, by the provisions of preceding Articles, require a vote of the members, there must be a duly held meeting. Written notice, setting forth the purpose of the meeting shall be given to all members not less than 30 days nor more than 60 days in advance of the meeting. The presence of members or of proxies entitled to cast sixty (60%) per cent of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. In the event that two-thirds (2/3) of the Class A membership or two-thirds (2/3) of the Class B membership, if any, are not present in person or by proxy, members not present may give their written assent to the action taken thereat.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Texas, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation, this 31st day of March, 1975.

  
Patrick O. Russell

  
Louie Giallanza

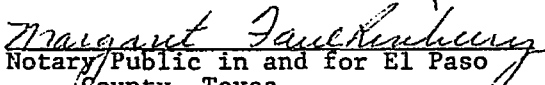
  
R. F. Haynsworth

  
R. T. Dempsey

  
Crawford S. Kerr Jr.

THE STATE OF TEXAS )  
COUNTY OF EL PASO )

I, the undersigned, a Notary Public, do hereby certify that on this 31st day of March, 1975, personally appeared before me PATRICK O. RUSSELL, LOUIE GIALLANZA, R. F. HAYNSWORTH, R. T. DEMPSEY and CRAWFORD S. KERR, JR., who, each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

  
Notary Public in and for El Paso  
County, Texas

My Commission Expires:  
June 1, 1975