

ARTICLES OF INCORPORATION  
OF  
ASSOCIATION OF CHAUCER ESTATES

0473-0037-4  
23365JMM



# The State of Texas

Secretary of State

MAR. 20, 1990

CLIFTON W. BAKER  
14785 PRESTON RD STE 485  
DALLAS TX 75240


RE:  
ASSOCIATION OF CHAUCER ESTATES  
CHARTER NUMBER 01253926-01

THIS IS TO ADVISE YOU THAT THE ABOVE REFERENCED CORPORATION'S REPORT REQUIRED BY ARTICLE 1396-9.01, TEXAS NON-PROFIT CORPORATION ACT, HAS BEEN FILED IN THIS OFFICE, AND YOUR REMITTANCE OF \$5.00 HAS BEEN APPLIED AS THE FILING FEE FOR SAME.

AS THE LAW DOES NOT PROVIDE FOR THE FURNISHING OF A CERTIFICATE OF FILING, THIS LETTER MAY BE USED AS EVIDENCE OF SUCH FILING.

SINCERELY,

CORPORATIONS SECTION  
STATUTORY FILINGS DIVISION

  
Antonio O. Garza, Jr. Secretary of State

ARTICLES OF INCORPORATION

OF

ASSOCIATION OF CHAUCER ESTATES

FILED  
In the Office of the  
Secretary of State of Texas

DEC 18 1992

Corporations Section

I, the undersigned for the purpose of forming a nonprofit corporation under the Texas Nonprofit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I

Name. The name of the corporation is ASSOCIATION OF CHAUCER ESTATES (the "Association").

ARTICLE II

Nonprofit. The Association is a nonprofit corporation.

ARTICLE III

Duration. The period of duration of the Association is perpetual.

ARTICLE IV

Purpose. The specific primary purposes for which the Association is formed are to provide for maintenance, preservation, and architectural control of the residence lots and common area within a certain subdivided tract of real property described as the Chaucer Estates in the Town of Flower Mound, Denton County, Texas, and to promote the health, safety, and welfare of the residents within the above-described subdivision and such addition thereto as may hereafter be brought within the jurisdiction of the Association for such purpose.

In furtherance of such purposes, the Association shall have power to:

1. Perform all of the duties and obligations of the Association as set forth in a certain Declaration of Covenants, Conditions, and Restrictions for Chaucer Estates, in the Town of Flower Mound, Denton County, Texas (the "Declaration") applicable to the subdivision recorded in the public records of Denton County, Texas.

2. Affix, levy, and collect all charges and assessments pursuant to the terms of the Declaration, and enforce payment thereof by any lawful means; and 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 on the property of the Association;

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

4. Borrow money and, subject to the consent by vote or written instrument of each class of voting members, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

5. Dedicate, sell, or transfer all or any part of the common areas to any municipality, public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon the members. No such dedication or transfer shall be effective unless an instrument has been signed by each class of voting members, agreeing to such dedication, sale or transfer.

6. Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, or annex additional residential property and common areas, provided that any merger, consolidation, or annexation shall have the consent by vote or written instrument of each class of voting members;

7. Have and exercise any and all powers, rights and privileges that a corporation organized under the Texas Nonprofit Corporation Act by law may now or hereafter have or exercise.

The Association is organized and shall be operated exclusively for the aforementioned purposes. The activities of the Association shall be financed by assessments on members as provided in the declaration, and no part of any net earnings shall insure to the benefit of any member.

## ARTICLE V

Members. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessments by the Association, including contract sellers, but excluding persons holding title merely as security for performance of an obligation, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a lot which is subject to assessment by the Association.

The Association shall have three classes of voting members as follows:

Class A. Class A members shall be all owners of lots with the exception of Class B members and Class C member, 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 such members may determine among themselves, but in no event shall more than one vote be cast with respect to any lot owned by Class A members.

Class B. The Class B members shall be bona fide owners of lots engaged in the process of constructing residential dwellings for sale. Class B members shall be nonvoting members of the Association. The class B membership shall cease and be converted to Class A membership as provided in the Declaration.

Class C. The Class C member shall be the declarant, as such term is defined in the Declaration, who shall be entitled to six (6) votes for each lot owned and for each lot owned by Class B members who purchased lots initially owned by the Class C member. The Class C membership shall cease as provided in the Declaration.

#### ARTICLE VI

Registered Office and Registered Agent. The street address of the initial registered office of the Association is Alpine Development Company, 14785 Preston Road, Suite 485, Dallas, Texas 75240, and the name of its initial registered agent at such address is Clifton W. Baker.

#### ARTICLE VII

Initial Directors. The number of directors constituting the initial Board of Directors of the Association is 3, and the names and addresses of the persons who are to serve as the initial directors until their successors are elected and qualified as set forth in the Bylaws of the Association are:

	<u>Name</u>	<u>Address</u>
1.	Clifton W. Baker	Alpine Development Company 14785 Preston Road, Suite 485 Dallas, Texas 75240
2.	Gregory R. Baker	Alpine Development Company 14785 Preston Road, Suite 485 Dallas, Texas 75240

3. Karen A. Martin

Alpine Development Company  
14785 Preston Road, Suite 485  
Dallas, Texas 75240

### ARTICLE VIII

Incorporator. The name and address of the incorporator is:

<u>Name</u>	<u>Address</u>
Clifton W. Baker	Alpine Development Company 14785 Preston Road, Suite 485 Dallas, Texas 75240

### ARTICLE IX

Restrictions. The Association shall be subject to the following restrictions:

1. The Association shall not engage in any activity or pursue any purpose that would impair, or cause the Association to lose, its status as a tax-exempt corporation.
2. No part of the net earnings or assets of the Association shall inure to the benefit of or be distributable to its directors or officers, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and contributions in furtherance of the purposes set forth in Article IV hereof. No substantial part of the activities of the Association shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Association shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the Association shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income taxation under section 501(c)(3) of the Code, or (b) by a corporation to which contributions are deductible under section 170(c)(2), 2055 and 2522 of the Code.
3. If the Association becomes a private foundation described in section 509 of the Code, the Association shall: (i) distribute its income for each taxable year at such time and in such manner as not to subject it to tax under section 4942 of the Code; (ii) not engage in any act of self-dealing which would subject it to tax under section 4941 of the Code; (iii) not retain any excess business holdings which would subject it to tax under section 4943 of the Code; (iv) not make any investments which would subject it to tax under section 4944 of the Code; and (v) not make any taxable expenditures which would subject it to tax under section 4945 of the Code.

ARTICLE X

Disposition of Assets on Dissolution. On dissolution, the assets of the Association shall be distributed to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event such distribution is refused acceptance, such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization organized and operated for such similar purposes.

IN WITNESS WHEREOF, I have hereunto set my hand this 12/15/92.

INCORPORATOR:

Clifton W. Baker  
CLIFTON W. BAKER

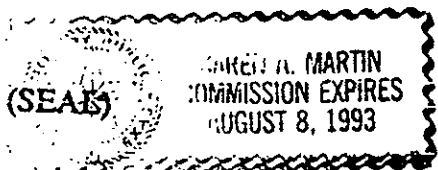
STATE OF TEXAS

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COUNTY OF DALLAS

I, Loren A. Martin, a Notary Public, do hereby certify that on this December 15, 1992, personally appeared Clifton W. Baker, who, being by me first duly sworn, declared that he is the person who signed the foregoing document as the Incorporator and the statements therein contained are true.

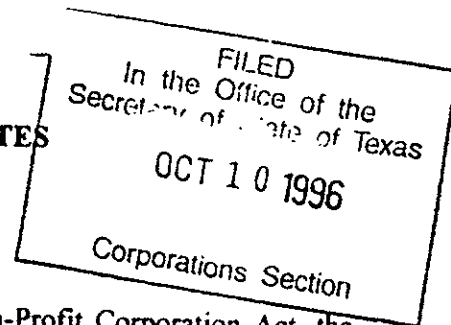
IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.



Loren A. Martin  
Notary Public In and For the  
State of Texas

23365JMM

ASSOCIATION OF CHAUCER ESTATES  
ARTICLES OF AMENDMENT



Pursuant to the provisions of Article 1396-4.03 of the Texas Non-Profit Corporation Act, the undersigned corporation adopts the following Articles of Amendment:

ARTICLE ONE

The name of the Corporation is Association of Chaucer Estates.

ARTICLE TWO

The following amendment to the Articles of Incorporation was adopted by the members of the Association on April 30, 1996. Quorum was present at such meeting and the following amendment received at least two-thirds of the votes which members present at such meeting in person or by proxy were entitled to cast.

ARTICLE THREE

The general nature of the amendment is to amend and restate Article IX regarding restrictions of the Association Article IX of the Articles of Incorporation shall be amended and restated in its entirety as follows:

"ARTICLE IX

***Restrictions.*** *The Association shall be subject to the following restrictions:*

- 1. The Association shall not engage in any activity or pursue and purpose that would impair, or cause the Association to lose, its status as a Texas non-profit corporation.*
- 2. No part of the net earning or assets of the Association shall inure to the benefit of or be distributable to its directors or officers, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and contributions in furtherance of the purposes set forth in Article IV hereof."*

Dated as of April 30, 1996.

ASSOCIATION OF CHAUCER ESTATES

By: \_\_\_\_\_

*Clifton W. Baker*  
Clifton W. Baker, President