

Non-Profit

ARTICLES OF
INCORPORATION AS
AMENDED 3/25/85



The State of Texas

SECRETARY OF STATE

CERTIFICATE OF AMENDMENT OF

CANYON LAKE HILLS PROPERTY OWNERS ASSOCIATION

The undersigned, as Secretary of State of the State of Texas, hereby certifies that Articles of Amendment to the Articles of Incorporation of the above corporation duly signed and verified pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this Office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in the Secretary by law, hereby issues this Certificate of Amendment to the Articles of Incorporation and attaches hereto a copy of the Articles of Amendment.

Dated MAY 02, 19 85

Secretary of State



FILED
In the Office of the
Secretary of State of Texas

MAY 02 1985

Clerk II-G
Corporations Section

ARTICLES OF AMENDMENT
OF THE ARTICLES OF INCORPORATION OF
CANYON LAKE HILLS PROPERTY OWNERS ASSOCIATION

ARTICLE I.

The name of the corporation is CANYON LAKE HILLS PROPERTY OWNERS ASSOCIATION.

ARTICLE II.

The following amendment to the Articles of Incorporation was adopted pursuant to Article X of the Articles of Incorporation which were filed with the Secretary of State of Texas on July 22, 1982.

Article IV is amended to read as follows:

The purpose or purposes for which the corporation is organized are: to collect and hold assessments collected from the property owners in Canyon Lake Hills, Unit No. 1; Canyon Lake Hills, Unit No. 2; Canyon Lake Hills, Unit No. 3; Canyon Lake Hills, Unit No. 4; Canyon Lake Hills, Unit No. 5; and Canyon Lake Hills, Unit No. 6, Subdivisions in Comal County, Texas, as provided in the Deed Restrictions applicable to property in said Subdivisions, and to disburse these funds as and when necessary to comply with the usage thereof as designated in said Deed Restrictions, and to take over and stand in the shoes of the original subdivider of said Subdivisions with reference to any act or thing necessary in connection with providing maintenance and preservation of the appearance of the public areas in said Subdivisions as contemplated and provided for in the Deed Restrictions aforesaid. Furthermore, it shall be the purpose of the corporation to own and maintain the non-residential, non-commercial properties and areas within said Subdivisions dedicated for the general use and benefit of property owners therein.

Article VIII is amended to read as follows:

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay

reasonable compensation for services rendered and to make distributions in furtherance of the purposes set forth in Article IV hereof. No substantial part of the activities of the corporation shall be the carrying on of propoganda, or otherwise attempting to influence legislation, and the corporation 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 corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from Federal Income Tax.

Article XI is amended to read as follows:

In the event of the liquidation or dissolution of the corporation, whether voluntary or involuntary, no member, director or officer shall be entitled to any distribution or diversion of its remaining property or its proceeds, and the balance of all money and other property received by the corporation from any source, after the payment of all debts and obligations of the corporation, shall be used or distributed exclusively for purposes within those set forth in Article IV of these Articles of Incorporation.

ARTICLE III.

Pursuant to Article X of the Articles of Incorporation the majority of the members present at a meeting called for the purpose of amending these Articles of Incorporation shall approve the amendments as set forth above.

ARTICLE IV.

In all other respects the Articles of Incorporation filed with your office on July 22, 1982 shall remain in full force and effect and in no other respects changed.



President



Secretary

ARTICLES OF INCORPORATION

JUL 22 1982

OF

CLERK OF
Corporation Division

CANYON LAKE HILLS PROPERTY OWNERS ASSOCIATION

We the undersigned natural persons of the age of eighteen (18) years or more, at least two of whom are 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 of such corporation:

ARTICLE I.

The name of the corporation is CANYON LAKE HILLS PROPERTY OWNERS ASSOCIATION.

ARTICLE II.

The corporation is a non-profit corporation.

ARTICLE III.

The period of its duration is perpetual.

ARTICLE IV.

The purpose or purposes for which the corporation is organized are: To collect and hold assessments collected from the property owners in Canyon Lake Hills, Unit No. 1; Canyon Lake Hills, Unit No. 2; Canyon Lake Hills, Unit No. 3; Canyon Lake Hills, Unit No. 4; Canyon Lake Hills, Unit No. 5; and Canyon Lake Hills, Unit No. 6, Subdivisions in Comal County, Texas, as provided in the Deed restrictions applicable to property in said Subdivisions, and to disburse these funds as and when necessary to comply with the usage thereof as designated in said Deed restrictions, and to take over and stand in the shoes of the original subdivider of said Subdivisions with reference to any act or thing necessary in connection with providing maintenance and preservation of the appearance of the public areas in said Subdivisions as contemplated and provided for in the Deed restrictions aforesaid. Furthermore, it shall be the

purpose of the corporation to own and maintain the non-residential, non-commercial properties and areas within said Subdivisions dedicated for the general use and benefit of property owners therein. The operations aforesaid are to be exclusively limited to the type of operations contemplated by Section 501(c)(4) of the Internal Revenue Code.

ARTICLE V.

Membership in the association shall be composed of all persons now or hereafter owning property in Canyon Lake Hills, Unit No. 1; Canyon Lake Hills, Unit No. 2; Canyon Lake Hills, Unit No. 3; Canyon Lake Hills, Unit No. 4; Canyon Lake Hills, Unit No. 5; and Canyon Lake Hills, Unit No. 6, according to Plats thereof recorded in Volume 2, Page 17; Volume 2, Page 18; Volume 2, Page 19; Volume 2, Page 37; Volume 2, Page 38; and Volume 2, Page 39, Map and Plat Records of Comal County, Texas. For the purpose of these Articles, a "member" is defined as follows:

(a) Every lot owner (whether one or more, a natural person, or otherwise) owning fee simple title and/or a contract to acquire fee simple title, and required by contract, deed, or other restriction or lien to pay the full property maintenance assessment set out in any of the covenants and restrictions of record affecting the title to property in said Subdivisions.

(b) If more than one owner has a fee simple interest and/or a contract to acquire a fee simple interest in any one lot, it is specifically provided that such multiple owners are considered as a unit to be one member.

Each member shall, regardless of the number of lots owned, have the right to cast one vote per Director for the election of Directors and one vote in the determination of any other matters properly presented to the membership of the association. Cumulative voting is hereby expressly denied in the election of Directors.

ARTICLE VI.

The affairs of the association shall be managed by a Board of five Directors, each of whom must 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 initial Directors until the selection of their successors are:

ROBERT L. KOONS
Route 4, Box 365R
New Braunfels, Texas 78130

LOU LENZ
Route 4, Box 374Z
New Braunfels, Texas 78130

ESTHER FORD
Route 4, Box 376
Canyon Lake, Texas 78130

EDWIN A. ZWALD
Route 4, Box 362Z
Canyon Lake, Texas 78130

RUTH HISER
Route 4, Box 361K
Canyon Lake, Texas 78130

ARTICLE VII.

The street address of the initial registered office of the corporation is Route 4, Box 365R, New Braunfels, Texas 78130, and the name of its initial Registered Agent at such address is Robert L. Koons.

ARTICLE VIII.

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make distributions in furtherance of the purposes set forth in Article IV hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the

corporation 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 corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501(c)(4) of the Internal Revenue Code of 1954 (or the corresponding provision of any future U.S. Internal Revenue law).

ARTICLE IX.

The members, Directors, and officers of the corporation shall not, directly or indirectly:

(A) Sell or exchange, or lease, any property of the corporation to;

(B) Lend money of the corporation or extend credit on behalf of the corporation to;

(C) Furnish goods, services, or facilities of the corporation on a basis more favorable than that on which such goods, services or facilities are made available to the general public, to;

(D) Pay any compensation on behalf of the corporation in excess of reasonable compensation for services rendered to or for the corporation affecting one or more of its purposes, to;

(E) Engage in any other activities or transactions which divert any portion of the corporation's property and assets, to;

any person, corporation, partnership, trust, or unincorporated enterprise who has contributed property or money to the corporation.

ARTICLE X.

Amendment of these Articles shall require the vote of a majority of the members present at a meeting called for such purpose after notice thereof mailed to each member of the association at the last known address of said member not later than thirty (30) days prior to the date designated for such meeting, such notice to inform each member of the purpose of such meeting, the proposed amendment, and the place where such meeting is to be held.

ARTICLE XI.

In the event of the liquidation or dissolution of the corporation, whether voluntary or involuntary, no member, director or officer shall be entitled to any distribution or diversion of its remaining property or its proceeds, and the balance of all money and other property received by the corporation from any source, after the payment of all debts and obligations of the corporation, shall be used or distributed exclusively for purposes within those set forth in Article IV of these Articles of Incorporation and within the intendment of Section 501(c)(4) of the Internal Revenue Code and the Regulations thereunder, as the same now exist or as they may be hereafter amended from time to time.

ARTICLE XII.

The name and address of each incorporator is:

ROBERT L. KOONS
Route 4, Box 365R
New Braunfels, Texas 78130

LOU LENZ
Route 4, Box 374Z
New Braunfels, Texas 78130

ESTHER FORD
Route 4, Box 376
Canyon Lake, Texas 78130

EDWIN A. ZWALD
Route 4, Box 362Z
Canyon Lake, Texas 78130

RUTH HISER
Route 4, Box 361K
Canyon Lake, Texas 78130

IN WITNESS WHEREOF, we have hereunto set our hands this 19th
day of July, 1982.

Robert L. Koons
ROBERT L. KOONS

Edwin A. Zwald
EDWIN A. ZWALD

Lou Lenz
LOU LENZ

Ruth Hiser
RUTH HISER

Esther Ford
ESTHER FORD