



# The State of Texas

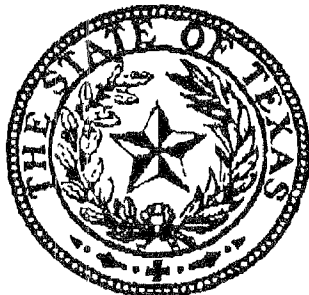
SECRETARY OF STATE

The undersigned, as Secretary of State of the State of Texas, HEREBY CERTIFIES that the attached is a true and correct copy of the following described instruments on file in this office:

WATERFALL CROSSING CONDOMINIUM ASSOCIATION, INC

Articles of Incorporation

June 24, 1980



IN TESTIMONY WHEREOF, I have heretofore signed my name officially and caused to be imprinted hereon the Seal of State at my office in the City of Austin, this

29th day of September, A D 19 86

Secretary of State

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ARTICLES OF INCORPORATION  
OF  
WATERFALL CROSSING CONDOMINIUMS

FILED  
JUN 2 1980  
CITY OF DALLAS  
CORPORATION DIVISION

We, the undersigned natural persons of the age of twenty-one 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 for a nonprofit corporation:

ARTICLE ONE

Definitions

The following words, when used in these Articles of Incorporation, shall have the following meanings:

(a) "Association" shall mean and refer to the corporation incorporated hereunder

(b) "Apartment" shall mean an enclosed space consisting of one (1) or more rooms occupying all or a part of a floor in a building of one (1) or more floors or stories, regardless of whether it is designed for a residence or for any other type of independent use, provided it has a direct exit to a thoroughfare or to common space leading to a thoroughfare. Each Apartment shall be the element of a Condominium which is not owned in common with the Owners of other Condominiums in the Project. Each Apartment shall consist of a fee simple interest bounded by the interior surfaces of the perimeter walls, floors, ceilings, windows and doors thereof (including any covered parking space allocated to any Apartment), and an Apartment includes both the portions of the building so described and the air space

so encompassed Heating or air conditioning equipment serving an Apartment exclusively shall be a part of such Apartment

(c) "Common Elements" shall mean both the General Common Elements, as hereinafter defined, and the Limited Common Elements, as hereinafter defined

(d) "Condominium" shall mean the entire estate in the real property owned by any Owner, consisting of an undivided interest in the General Common Elements, any Limited Common Elements allocated to his Apartment, and ownership of a separate interest in an Apartment,

(e) "Developer" shall mean Waterfall Crossing Joint Venture, a joint venture, its successors and any assignee, other than an Owner, who shall receive by assignment from the said Waterfall Crossing Joint Venture, all or a portion of its rights hereunder as such Developer, by an instrument expressly assigning such rights of Developer to such assignee

(f) "Declaration" shall mean and refer to that certain Declaration and Master Deed for the Waterfall Crossing Condominiums applicable to the Property and to be recorded in the Condominium Records of Dallas County, Texas, and as the same may be amended or supplemented from time to time as therein provided.

(g) "General Common Elements" shall mean and include the following

(i) the Land, as hereinafter defined,

(ii) all streets, roads, drives and other thoroughfares upon the Land which have not been dedicated to and accepted by the City of Richardson, Texas,

(iii) the foundations, bearing walls, perimeter walls and columns;

(iv) roofs, halls, lobbies, stairways, and entrances and exits or communication ways;

(v) the compartments or installations of central services, such as central air conditioning and heating, power, light, electricity, telephone, gas, cold and hot water, plumbing, reservoirs, water tanks and pumps, incinerators and the like, and all similar devices and installations existing for common use.

(vi) the premises and facilities, if any, used for the maintenance or repair of the Condominium Project;

(vii) all common recreational facilities, such as the club house building, swimming pool and the grounds, yards and walkways;

(viii) greens, gardens, balconies and patios (subject to the provisions of Section 2.03 of the Declaration), storage sheds, service streets and parking areas; and

(ix) all other elements desirable or rationally of common use or necessary to the existence, upkeep and safety of the Project

(h) "Land" shall mean and refer to that certain tract or parcel of land containing approximately 4.3275 acres and located in Dallas County, Texas, as more particularly described in the Declaration

(i) "Limited Common Elements" shall mean and include those items which would otherwise be considered General Common Elements which are reserved by Developer for the use of Owners of specific Apartments to the exclusion of other Owners, such as entry halls, stairways, patios and parking spaces, both open and covered. The Limited Common Elements shall either be designated by Developer on the Plan or in each Condominium deed with both an address and a letter corresponding to an Apartment address and letter as set forth in the Plan and such Limited Common Elements shall be appurtenant to each such Apartment.

(j) "Member" shall mean and refer to each Owner (including Developer) as provided herein in Article Nine

(k) "Mortgage" shall mean a first lien deed of trust, as well as a first lien mortgage on one or more Condominiums

(l) "Mortgagee" shall mean a beneficiary under or holder of a Mortgage who has given to the Association written notice that it is the beneficiary under or holder of a Mortgage affecting all or any part of the Project, as hereinafter defined

(m) "Owner" shall mean and refer to every person or entity who is a record owner of a fee or an undivided fee interest in any Condominium, including contract sellers. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

(n) "Plan" shall mean the Condominium Plan of the Project filed for record by Developer and any amendments thereto

(o) "Property" shall mean and refer to the Land, together with the easements appurtenant thereto

(p) "Project" shall mean the Property and all structures and improvements now or hereafter erected thereon, together with all additions which may hereafter be made thereto as provided in Article II of the Declaration.

## ARTICLE TWO

### Name

The name of the Association is Waterfall Crossing Condominium Association, Inc

## ARTICLE THREE

### Term

The period of duration of the Association is perpetual.

ARTICLE FOUR

Purposes and Powers

The Association is a non-profit corporation and does not contemplate pecuniary gain or profit to the Members hereof. The specific purposes for which it is formed are to provide a governing body for all the Owners for the acquisition, construction, management, maintenance, repair, replacement and care of the Common Elements, and to preserve the beautification of the Common Elements pursuant to Article III of the Declaration, and for these purposes,

(a) To borrow money and to 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;

(b) To maintain the Common Elements,

(c) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, and reference to the Declaration is hereby made for all purposes;

(d) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments provided for by the terms of the Declaration and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including any licenses, taxes or governmental charges which may be levied or imposed against the Common Elements or any other property owned by the Association;

(e) Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the

resident of the Project, provided that no part of the net earnings of the Association shall inure to the benefit of or be distributable to any Member, Director or officer of the Association, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Association affecting one or more of its purposes), and no Member, Director or officer of the Association, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Association and provided further that no part of the activities of the Association shall be carrying on propaganda, or otherwise attempting to influence legislation, or participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office

#### ARTICLE FIVE

##### Place of Business, Registered Office

The principal place of business of the Association will be at 7995 LBJ Freeway, Suite 118, Dallas, Texas 75251. The post office address of the initial registered office of the Association is 7995 LBJ Freeway, Suite 118, Dallas, Texas 75251, and the name of its initial registered agent at such address is R. W. Ramsey.

#### ARTICLE SIX

##### Directors

The business and affairs of the Association shall be managed by a Board of Directors consisting of the number of directors determined from time to time as provided in the Bylaws of the Association. The number of directors may be changed by amendment of the Bylaws of the Association, but shall in no event be less than three (3) nor more than seven (7). The initial Board of Directors of the Association

shall consist of three (3) directors. Directors need not be members of the Association. Directors shall be elected by the Members in the manner determined by the Bylaws, and may be removed and vacancies on the Board of Directors shall be filled in the manner provided for in the Bylaws.

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

Don Dixon	7995 LBJ Freeway Suite 118 Dallas, Texas 75251
R. W. Ramsey	7995 LBJ Freeway Suite 118 Dallas, Texas 75251
Edward H. Levitt	7995 LBJ Freeway Suite 118 Dallas, Texas 75251

#### ARTICLE SEVEN

##### Incorporators

The name and street address of each of the incorporators are:

William A. Thau	2200 First National Bank Bldg. Dallas, Texas 75202
Edward F. Walker	2200 First National Bank Bldg. Dallas Texas 75202
Thomas L. Bloodworth	2200 First National Bank Bldg. Dallas, Texas 75202

#### ARTICLE EIGHT

##### Members

Every person or entity who is now or hereafter becomes an Owner shall automatically be a member of the Association and membership in the Association shall be appurtenant to and may not be separated from ownership of any Condominium. Change of membership in the Association shall be established only when the following have been accomplished:

(a) An Assignment or other instrument of transfer establishing a change in the record title to a Condo-



minium shall have been duly executed and recorded in the office of the County Clerk of Dallas County, Texas and

(b) The Owner transferring the Condominium shall have notified the Board of Directors in writing of the name and address of the transferee and the nature of the transfer and the Apartment transferred, as well as such other information relative to the transfer and transferee as the Board of Directors may reasonably request. Such notice shall also contain an executed or certified copy of the instrument of transfer

The provisions of this paragraph shall not apply to sales of Condominiums by Developer

The interest and proportionate share of each Member in the Association shall not be assigned, hypothecated or transferred in any manner whatsoever except as an appurtenance to a Condominium.

#### ARTICLE NINE

##### Voting Rights of Members

The Association shall have two classes of voting memberships.

CLASS A Class A Members shall be all Members with the exception of Developer. Class A Members shall be entitled to one vote for each Condominium in which they hold the interest required for membership. When more than one person holds such interest or interests in any Condominium, all such persons shall be Members, and the vote for such Condominium shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Condominium.

CLASS B: The Class B Member(s) shall be Developer. The Class B Member(s) shall have a total number of votes equal to one (1) more than the total number of votes of the Class A members. However, at such times as the total number

of Condominiums owned by the Class A Members equals or exceeds three (3) times the total number of Condominiums owned by the Class B Member(s), the Class B Member(s) shall, during the time such equality or excess continues, be entitled to only one (1) vote for every Condominium owned by it. Notwithstanding any other provision of this Article from and after December 31, 1981, the Class B Member(s) shall be entitled to only one vote for every such Condominium.

#### ARTICLE TEN

##### Merger and Consolidation

To the extent permitted by law, the Association may participate in mergers and consolidations only with other nonprofit corporations organized for the same general purpose as the Association.

#### ARTICLE ELEVEN

##### Indemnification of Directors and Others

The Members of the Board of Directors and officers of the Association shall not be personally liable to the Association, Owners or others for any mistake of judgment or for any acts or omissions made in good faith acting as such Board members or officers individually or collectively. Each member of the Board of Directors and each officer shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, or any settlement thereof, by reason of his being or having been a member of the Board of Directors or an officer of the Association, whether or not he is a member of the Board of Directors or an officer at the time such expenses are

incurred, except in such cases where in the member of the Board of Directors or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association.

#### ARTICLE TWELVE

##### Amendments

Amendment of these Articles shall require the assent of the Members entitled to cast two-thirds (2/3) of the votes of the Association; provided, that no amendment shall be made which would cause these Articles to be in conflict with the terms or provisions of the Declaration or which would change the status and purpose of the Association as a non-profit corporation

#### ARTICLE THIRTEEN

##### Distribution of Assets Upon Dissolution

Upon dissolution of the Association, the assets both real and personal of the Association shall be (i) granted conveyed and assigned to any nonprofit corporation, association, trust or other organization engaged in activities substantially similar to those of the Association and which are qualified as exempt organizations under the Internal Revenue Code of 1954 or the corresponding provisions of any future United States Internal Revenue law, or (ii) dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association

IN WITNESS WHEREOF, we have hereunto set our hands this  
18th day of June, 1980

William A. Thau  
William A. Thau  
Edward F. Walker  
Edward F. Walker  
Thomas L. Bloodworth  
Thomas L. Bloodworth

THE STATE OF TEXAS )  
COUNTY OF DALLAS )

I, Marilyn Pearce, a Notary Public in and  
for said County and State, do hereby certify that on the  
17th day of June, 1980, personally appeared  
before me William A. Thau, Edward F. Walker and Thomas L.  
Bloodworth, who being by me duly sworn declared that they  
were the persons who signed the foregoing document as incor-  
porators, and that the statements therein contained are  
true

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

Marilyn Pearce  
Notary Public in and for  
Dallas County, Texas

My Commission Expires:  
6-17-81