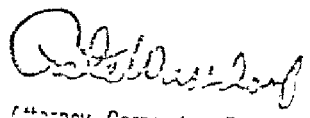


ARTICLES OF INCORPORATION
OF
QUAIL FOREST
HOMEOWNERS ASSOCIATION, INC.

FILED
In the Office of the
Secretary of State of Texas

JUL 19 1978


Attorney, Corporation Person

WE, the undersigned and natural persons of the age of ~~twenty-one~~ 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 for such corporation:

ARTICLE I
CORPORATE NAME

The name of the corporation is QUAIL FOREST HOMEOWNERS ASSOCIATION, INC.

ARTICLE II
CORPORATE STATUS

The corporation is a non-profit corporation.

ARTICLE III
DURATION

The period of its duration is perpetual.

ARTICLE IV

The corporation is formed for the purposes of providing for maintenance, preservation and architectural control of the properties, residential lots, houses and Community Properties subject to the Covenants, Conditions and Restrictions applicable to that certain tract of land in Harris County, Texas, known as Quail Forest, Section One Subdivision, being 30.5236 acres of land out of the J. H. Callahan

Survey, Abstract 10, Harris County, Texas, and any additional properties that may hereafter be brought within the jurisdiction of this Association and to promote the health, safety and welfare of the residents within the above-described property and to:

1. 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 or subdivision named above and recorded or to be recorded in the Official Public Records of Real Property of Harris County, Texas, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;
2. 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; and
3. have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of Texas may by law now or hereafter have or exercise; provided that none of the objects or purposes herein set out shall be construed to authorize the corporation to do any act in violation of said Non-Profit Corporation Act or Part Four of the Texas Miscellaneous Corporation Laws Act, and all such objects or purposes are subject to said Acts.

ARTICLE V

The street address of the initial registered office of the corporation is 748 Esperson Building, Houston, Texas 77002, and the name of its initial registered agent at such address is R. Craig Rathmann.

ARTICLE VI

DIRECTORS

The affairs of the Association shall be managed by a Board of not less than three (3) Directors, who need not be members of the

Association. The number of Directors may be changed by amendment of the Bylaws of the Association. The number of Directors constituting the initial Board of Directors is three, and the names and addresses of the persons who are to serve as the initial Directors are:

E. Mitchell Smith, Jr.
7715 San Felipe
Houston, Texas 77063

George Dean
748 Esperson Building
Houston, Texas 77002

R. Craig Rathmann
748 Esperson Building
Houston, Texas 77002

ARTICLE VII

The name and street address of each incorporator is:

E. Mitchell Smith, Jr.
7715 San Felipe
Houston, Texas 77063

George Dean
748 Esperson Building
Houston, Texas 77002

R. Craig Rathmann
748 Esperson Building
Houston, Texas 77002

ARTICLE VIII

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any property which is subject to a maintenance charge assessment by the Association, including contract sellers, such persons or entities being hereinafter referred to as "Owner", 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. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of the property which is subject to assessment by the Association. Ownership of such property shall be the sole qualification for membership.

ARTICLE IX

VOTING RIGHTS

The Association shall have two classes of membership:

Class A. Class A members shall be all of those Owners as defined in Article VIII with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article VIII. When more than one person holds such 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 shall be Quail Forest Development Corporation, a Texas corporation, the Declarant as defined in the Declaration. The Class B member shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership by Article VIII; provided, however, that 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:

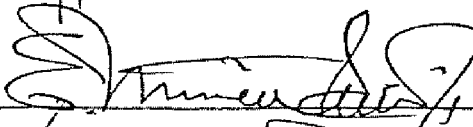
- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) on January 1, 1988.

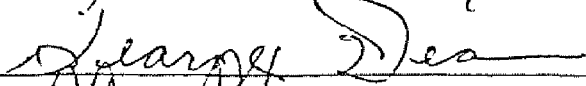
Provided, however, that the Class B membership shall be automatically reinstated whenever additional property is subjected to the jurisdiction of the Association as provided in the Declaration. Said class B membership as reinstated will be subject to subsequent termination at midnight of the day following ten (10) years after the date of the reinstatement of the Class B membership or at the time when, once again, the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, whichever occurs earlier.

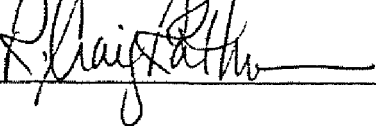
ARTICLE X
DISSOLUTION

Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created or shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. Dissolution of the Association must be approved in writing and signed by not less than two-thirds (2/3s) of each class of members.

IN WITNESS WHEREOF, we the undersigned, have hereunto set our hands this 10th day of July, 1978







THE STATE OF TEXAS)

COUNTY OF HARRIS)

I, Maurine Matteson, a Notary Public, do hereby certify that on this 12 day of July, 1978, personally appeared before me, E MITCHELL SMITH, JR, GEORGE DEAN, and R. CRAIG KATTMANN, 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 contained therein are true.

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

Maurine Matteson
Notary Public in and for Harris County,
T E X A S