

JAN 30 2006

Corporations Section

CERTIFICATE OF FORMATION
of
RIVER'S RUN AT THE BRAZOS OWNERS ASSOCIATION, INC.
(A TEXAS NONPROFIT CORPORATION)

I, the undersigned natural person of the age of eighteen (18) years or more, acting as organizer of a corporation under the Texas Business Organizations Code, do hereby adopt the following Certificate of Formation for such corporation.

ARTICLE ONE

NAME

The name of the corporation is RIVER'S RUN AT THE BRAZOS OWNERS ASSOCIATION, INC.

ARTICLE TWO

NON-PROFIT CORPORATION

The corporation is a nonprofit corporation.

ARTICLE THREE

PURPOSES

The purposes for which the corporation is organized are as follows:

(1) The specific and primary purpose for which this corporation is organized is to govern the affairs of that certain property known as River's Run at the Brazos, Section One (1), a Fort Bend County subdivision according to the map or plat thereof recorded under County Clerk's File No. 2005053901 of the Map Records of Fort Bend County, Texas and any other subdivisions in Fort Bend County, Texas brought within the jurisdiction of the corporation (the "Properties"). IT SHALL NOT BE ONE OF THE PURPOSES OF THE ASSOCIATION TO PROVIDE SECURITY TO THE RESIDENTS OF THE PROPERTIES OR THEIR GUESTS AND INVITEES. NEITHER VENTANA DEVELOPMENT READING, LTD., A TEXAS LIMITED PARTNERSHIP, ITS SUCCESSORS, ASSIGNS, BENEFICIARIES OR PARTNERS OR THE DEVELOPER OF ANY ADDITIONAL PROPERTIES BROUGHT WITHIN THE JURISDICTION OF THE ASSOCIATION (THE "DEVELOPER"), THE ASSOCIATION, ITS BOARD, NOR ITS OFFICERS, DIRECTORS OR ITS AGENTS SHALL EVER IN ANY WAY, BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTIES NOR SHALL THEY BE LIABLE FOR ANY LOSS OR DAMAGE BY REASON OR ALLEGED FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN, IF ANY.

(2) The general powers of the corporation are:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the corporation as set forth in that certain instrument entitled "Declaration of Covenants, Conditions and Restrictions for River's Run at the Brazos, Section One (1), A Subdivision in Fort Bend County, Texas" (the "Declaration") and as the same may be amended or supplemented from time to time as therein provided, as well as the restrictive covenants of any other subdivisions brought within the jurisdiction of the corporation;

(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 corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the corporation;

(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 corporation;

(d) borrow money, mortgage, 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;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area; and

(g) have and exercise any and all powers, rights and privileges which a corporation organized under the Texas Business Organizations Code or any successor statute by law may now or hereafter have or exercise.

(3) Notwithstanding any of the foregoing statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purpose of this corporation as set forth in Paragraph (1) of this Article Three, and nothing contained in the foregoing statement of purposes shall be construed to authorize this corporation to carry on any activity for the profit of its members, or to distribute any gains, profits, or dividends to its members as such.

ARTICLE FOUR **MEMBERSHIP**

Each owner, whether one person or more of a lot in the Properties shall, upon and by virtue of becoming such owner, automatically become and shall remain a member of the corporation until ownership of the lot ceases for any reason, at which time the membership in the corporation

Association shall also automatically cease. Membership in the corporation shall be appurtenant to and shall automatically follow the ownership of each lot and may not be separated from such ownership.

ARTICLE FIVE **VOTING RIGHTS**

The Corporation shall have two (2) classes of voting membership:

- Class A. Class A members shall be all owners of the lots in the Properties, with the exception of Developer, and shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any lot. Holders of future interests not entitled to present possession shall not be considered as owners for the purposes of voting hereunder.
- Class B. The Class B member(s) shall be Developer, or its successors or assigns so designated in writing by Developer, and shall be entitled to seven (7) votes for each lot in the Properties owned. The Class B membership shall cease and be converted to Class A membership when the last vacant lot in the Properties is sold to an owner, other than the Developer or a builder (as the term builder is defined in the Declaration).

ARTICLE SIX **INITIAL REGISTERED OFFICE AND AGENT**

The street address of the initial registered office of the corporation is 1616 S. Voss Road, Suite 500, Houston, Texas 77057, and the name of its initial registered agent at such address is Roy D. Hailey.

ARTICLE SEVEN **MANAGEMENT**

The affairs of the corporation shall be managed by its board of directors, which shall initially consist of three (3) directors, who need not be members of the corporation. The Developer shall appoint all of the directors of the corporation until the end of the Class B membership; thereafter, the directors shall be elected as set forth in the bylaws of the corporation. The number of directors can be increased as provided in the bylaws of the corporation. 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>
James B. Grover	10375 Richmond Ave., Suite 930 Houston, Texas 77042
Paul Grover	10375 Richmond Ave., Suite 930 Houston, Texas 77042

Suzanne Grover

10375 Richmond Ave., Suite 930
Houston, Texas 77042

ARTICLE EIGHT
ORGANIZER

The name and street address of the organizer is:

NAME

ADDRESS

James B. Grover

10375 Richmond Ave., Suite 930
Houston, Texas 77042

ARTICLE NINE
DISSOLUTION

The corporation may be dissolved by the vote of not less than two-thirds (2/3rds) of both classes of the members (as long as there are Class B members), which vote will be taken at a meeting of the members. Upon dissolution of the corporation, other than incident to a merger or consolidation, the assets of the corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE TEN
AMENDMENTS

Amendment of this Certificate of Formation shall require the assent of two thirds (2/3rds) of both classes of the members of the corporation (as long as there are Class B members) that are in attendance (either in person or by proxy), and entitled to vote at a meeting of the members called for such purpose.

ARTICLE ELEVEN
INDEMNIFICATION

The corporation shall indemnify any director or former director, officer or former officer of the corporation to the fullest extent allowed by the Texas Business Organizations Code.

ARTICLE TWELVE
WRITTEN CONSENT

Provided the provisions of Section 22.220 of the Texas Business Organizations Code are fully complied with, any action required by the Texas Business Organizations Code to be taken at a meeting of members, directors, or any committee of the corporation or any action that may be taken without a meeting if a consent in writing setting forth the action to be taken is signed by a sufficient number of members, directors, or committee members as would be necessary to take that action at a meeting at which all of the members, directors, or members of the committee were present and voted.

IN WITNESS WHEREOF, we have hereunto set our hand, this 24th day of January, 2006.

By: James B. Grover
James B. Grover

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was executed before me on this 24 day of January, 2006
by James B. Grover for the purposes and consideration expressed therein.

Paul Savage Grover
Notary Public in and for the State of Texas

112102

