

**NOTICE OF DEDICATORY INSTRUMENTS  
FOR  
GRAYSTONE HILLS COMMUNITY ASSOCIATION, INC.**

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STATE OF TEXAS                   §  
  §  
COUNTY OF MONTGOMERY       §

The undersigned, being the authorized representative of Graystone Hills Community Association, Inc., a property owners' association as defined in Section 202.001 of the Texas Property Code (the "Association"), hereby certifies as follows:

1.     Subdivision: The Subdivision to which the Notice applies is described as follows:

Graystone Hills, Section One (1), a subdivision in Montgomery County, Texas according to the map or plat thereof recorded in Cabinet Z, Sheet 407, of the Map Records of Montgomery County, Texas

and

Graystone Hills, Section Two (2), a subdivision in Montgomery County, Texas according to the map or plat thereof recorded in Cabinet Z, Sheets 405 and 406, of the Map Records of Montgomery, Texas.

2.     Restrictive Covenants. The description of the document(s) imposing restrictive covenants on the Subdivision, the amendment(s) to such document(s), and the recording information for such document(s) are as follows:
- a.     Documents:     Declaration of Covenants, Conditions and Restrictions for Graystone Hills
- b.     Recording Information:     Montgomery County Clerk's File No. 2006091233
3.     Dedicatory Instruments: In addition to the Restrictive Covenants identified in Paragraph 2, above, the following documents are Dedicatory Instruments governing the Association:
- a.     Certificate of Formation; and
- b.     ByLaws.

True and correct copies of such Dedicatory Instruments are attached to this Notice.

This Notice is being recorded in the Official Records of Real Property of Montgomery County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Notice is true and correct and that the copies of the Dedicatory Instruments attached to this Notice are true and correct copies of the originals.

*Rick S. Butler*

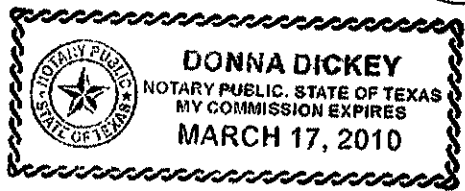
Rick S. Butler, authorized representative

THE STATE OF TEXAS       §  
  §  
COUNTY OF MONTGOMERY   §

BEFORE ME, the undersigned notary public, on this day personally appeared Rick S. Butler, authorized representative of Graystone Hills Community Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this the 10<sup>th</sup> day of August, 2006, to certify which witness my hand and official seal.

*Donna Dickey*  
\_\_\_\_\_  
Notary Public in and for the State of Texas



Return to:  
Rick S. Butler  
Butler & Hailey, P.C.  
1616 South Voss Road, Suite 500  
Houston, Texas 77057

JUN 30 2006

**CERTIFICATE OF FORMATION**  
*of*  
**GRAYSTONE HILLS COMMUNITY ASSOCIATION, INC.**  
**(A TEXAS NONPROFIT CORPORATION)**

**Corporations Section**

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 GRAYSTONE HILLS COMMUNITY 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 subdivision known as Graystone Hills, Montgomery County, Texas according to the map or plat thereof recorded or to be recorded in the Map Records of Montgomery County, Texas and any other real property 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 THE DECLARANT, AS IDENTIFIED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR GRAYSTONE HILLS, ITS SUCCESSORS, ASSIGNS, BENEFICIARIES OR PARTNERS OR THE CORPORATION, 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 Graystone Hills" (the "Declaration") and as the same may be amended or

supplemented from time to time, 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 (as defined in the Declaration) 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 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 those Owners as defined in Section 4.2 of the Declaration, with the exception of Declarant, and shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership in Section 4.2 of the Declaration. 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 among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.
- **Class B.** The Class B Member(s) shall be Declarant, its successors and assigns. The Class B Member shall be entitled to ten (10) votes for each Lot in which it holds the interest required for membership by Section 4.2 of the Declaration. Class B membership shall cease and be converted to Class A membership as provided in the Declaration.

**ARTICLE SIX**  
**INITIAL REGISTERED OFFICE AND AGENT**

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

**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 until the First Meeting of the Members as provided in the Declaration. The Declarant shall appoint all of the Directors of the corporation until the First Meeting; thereafter, the Directors shall be elected as set forth in the Bylaws of the corporation. The number of Directors may 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:

<b><u>NAME</u></b>	<b><u>ADDRESS</u></b>
Tim Fitzpatrick	550 Greens Parkway, Suite 100 Houston, Texas 77067
Tommy Weaver	550 Greens Parkway, Suite 100 Houston, Texas 77067
Nan Peavey	550 Greens Parkway, Suite 100 Houston, Texas 77067

**ARTICLE EIGHT**  
**ORGANIZER**

The name and street address of the organizer is:

<u>NAME</u>	<u>ADDRESS</u>
Rick S. Butler	1616 South Voss Road, Suite 500 Houston, Texas 77057

**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, I have hereunto set my hand, this 27<sup>th</sup> day of June, 2006.

By: *Rick S. Butler*  
Rick S. Butler

THE STATE OF TEXAS §  
  §  
COUNTY OF HARRIS §

This instrument was executed before me on this 27<sup>th</sup> day of June, 2006 by Rick S. Butler for the purposes and consideration expressed therein.

*Donna Dickey*  
Notary Public in and for the State of Texas

