

## Summary of December 1<sup>st</sup> IFCIA Special Meeting

See the attached Agenda for the IFCIA special meeting and the attachments.

### History of Inwood Forest Homes Association

In October of 2008, during the lawsuit regarding the golf course property, the attorney's for Inwood Forest Partners, LP, asserted that IFCIA was not the homeowners' association for Sections 6, 10, 12 and 16-19 of Inwood Forest. **(See IF map and # 1 of the agenda attachments.)** They noted that Inwood Forest Homes Association (IFHA) was referred to in the deed restrictions for those sections, not IFCIA. The board was not aware of this.

For the purpose of the lawsuit, IFCIA's attorneys at Hoover Slovacek, LLP (HS), recommended that we talk to three homeowners, one from each of three of the affected sections, and ask them to sign an affidavit stating that they agreed to assign their Rights to Enforce Restrictions to IFCIA. This was done and filed with the court. The issue was brought up once in a hearing with Judge Wilson. The argument did not go anywhere.

In March of 2011, HS, was hired by the IFCIA board to take over the legal work on deed restrictions and past due collections. In April, HS reminded the IFCIA board that there was an issue with IFHA and that it needed to be corrected.

IFHA dates back to the late 1960's. During the lawsuit, we found out that the property that makes up Sections 6, 10 & 12 had been owned by Houston Baptist College. Sections 16-19 were properties that had been owned by a previous owner of the Inwood Forest golf course and were sold off a few lots at a time for single family homes.

Based upon HS's research, they found that IFHA had a 3 member board. The members of the IFHA corporation were the board members. The IFHA by-laws allowed for the board members "...to vote to include all building site owners in Inwood Forest as members of the Corporation." There was no evidence that the lot owners were made members of IFHA and if it was done, it was not filed with the Secretary of State's office. None of the persons listed as board members in 1973 could be located.

Based upon a review of the Texas Secretary of State's website, it was noted that one amendment had been made to the Articles of Incorporation and filed in 1973. **(See #2 of the agenda attachments.)** The original Articles of Incorporation stated that "The purpose for which Inwood Forest Homes Association is formed are civic and social, for the benefit and betterment of the residents and property owners of Inwood Forest..." This was **amended** in October of 1973 to read "The purpose or purposes for which the said corporation is organized are civic and social, for the benefit and betterment of the residence and property owners of SECTIONS SIX (6), TEN (10) and TWELVE (12) of Inwood Forest, a residential subdivision in Harris County, Texas." Sections 16-19 were not developed until later in the 1970's.

In January of 1974, IFCIA held their annual meeting. The minutes note that “A motion was made to include all residents of the Inwood Forest subdivisions to become members in good standing of the corporation subject to the by-laws of the corporation as of this date. Seconded. Motion carried.” **(See #3 of the agenda attachments.)**

Based upon this information and a few other documents that still exist, it appears that IFHA’s board became inactive and IFCIA became the homeowners association for all sections of Inwood Forest.

The person listed as IFHA’s registered agent died in September of 1980. Nothing was filed with the Secretary of States office to note this or change the registered agent. Mail continued to be sent to the agent’s old office address per the documentation on file with the Secretary of State. Eventually, in March of 2007, the IFHA was involuntarily dissolved for state purposes since it had not filed periodic reports in a number of years. This affects the corporation’s rights to operate within a state. The corporate entity still exists for legal purposes.

It was noted that in the time IFCIA has acted as the homeowners association for these sections, all lot owners in these sections have been notified of all IFCIA meetings, they have been allowed to vote in all IFCIA elections, they have received security patrols, had their esplanades maintained, had deed restrictions enforced and dues collected and had membership in the Inwood Forest community pool, the same as all other Inwood Forest lot owners.

### **Merger of IFHA and IFCIA with IFCIA being the Surviving Entity**

In order to correct this situation for legal purposes, HS recommended that the following steps be taken:

1. Have the IFCIA membership appoint 3 members to the reconstituted board of directors of IFHA for the limited purposes of :
  - (1) appointing officers and a registered agent for IFHA
  - (2) filing the delinquent periodic report with the Secretary of State to reinstate the corporate charter and
  - (3) vote on a merger of IFHA with IFCIA
2. Have the reconstituted IFHA board of directors meet to take the 3 steps noted in # 1 above. **(See # 8 of the agenda attachments for this meeting’s agenda.)**
3. Have the IFCIA board of directors meet to adopt a plan of merger to merge with IFHA, with IFCIA being the surviving entity. **(See # 9 of the agenda attachments for this meeting’s agenda.)**
4. Have the IFCIA membership meet to adopt the plan of merger to merge with IFHA with IFCIA being the surviving entity.

Note: Prior to the December 1<sup>st</sup> special meeting, one resident from each of the following sections, 6, 12 & 16, was briefed on this issue and asked if they would agree to be appointed to the IFHA board for the limited purposes noted above. They agreed and were introduced to the IFCIA membership at the special meeting.

### **Outcome of the December 1<sup>st</sup> IFCIA Special Meeting**

1. The **IFCIA membership** voted on the following motion:

**RESOLVED: that the following Inwood Forest lot owners are appointed as members of the reconstituted board of directors of IFHA, for the limited purposes of (1) appointing officers and a registered agent for IFHA, (2) filing the delinquent periodic report with the SOS to reinstate the corporate charter, and (3) voting on a merger of IFHA with IFCIA:**

**Donna Davis, a resident of Section 6**

**Rob Burchfield, a resident of Section 12**

**Randy Brown, a resident of Section 16**

The vote was 58 in FAVOR of the motion, 1 AGAINST and 1 ABSTENTIAN. The motion carried. The meeting of the IFCIA membership was recessed.

2. A meeting of the **IFHA board** began. The IFHA board voted on the following motion:

**RESOLVED: that the board of directors agrees that it is in the best interests of IFHA and its lot owners to file a periodic report and an application for reinstatement with the Texas Secretary of State.**

**FURTHER RESOLVED: that the following persons are appointed as officers of IFHA:**

**President – Rob Burchfield**

**Secretary – Randy Brown**

**FURTHER RESOLVED: that Carl DeBarbieris, whose address is Genesis Community Management, 9700 Richmond, Suite 230, Houston, Tx 77042, is appointed as the corporation's registered agent.**

**FURTHER RESOLVED: that immediately following the corporation's reinstatement, the board of directors agrees to adopt the attached plan of merger, in compliance with the Texas Business Organizations Code, to merge with IFCIA, with IFCIA being the surviving entity.**

The vote for this motion was unanimous. The motion carried. The IFHA board meeting was adjourned.

**See #7 of the agenda attachments for a copy of a periodic report and # 6 of the attachments for a copy of the plan of merger.**

3. The meeting of the **IFCIA board** began. The IFCIA board voted on the following motion:

**RESOLVED: that the board of directors agrees to adopt the attached plan of merger, in compliance with the Texas Business Organizations Code, to merge with IFHA, with IFCIA being the surviving entity.**

The vote for this motion was unanimous. The motion carried. The IFCIA board meeting was adjourned.

4. The meeting of the **IFCIA membership** was reconvened. The IFCIA membership voted on the following motion:

**RESOLVED: that the resolution of the board of directors to adopt the attached plan of merger, in compliance with the Texas Business Organizations Code, to merge with IFHA, with IFCIA being the surviving entity, is approved by the members.**

The vote was 60 in FAVOR and 0 AGAINST. The motion carried and the meeting of the IFCIA membership was adjourned.

HS will prepare all necessary documentation to be filed to effect the merger of IFHA with IFCIA.

Prepared December 4, 2011