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ARTICLES OF INCORPORATION

OF

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MONTEREY VISTA HOMEOWNERS' ASSOCIATION, INC.

In compliance with the requirements of A.R.S. Section 10-1001 et. seq., the undersigned, a resident of the State of Arizona and of full age, does hereby certify:

Cather Thomas
DATE: 11-23-94
TERMS
DATE: 11-23-94
0736517-6

ARTICLE I

NAME. The name of the corporation is Monterey Vista Homeowners' Association, Inc. hereafter called the "Association."

ARTICLE II

PLACE OF BUSINESS. The principal place of business shall be in Chandler, Arizona.

ARTICLE III

PURPOSE. The purpose for which the Association is organized is the transaction of any or all lawful business for which non-profit corporations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time; provided, however, that such business shall conform with the tax-exempt organization requirements of Section 528 of the Internal Revenue Code of 1986 as amended.

ARTICLE IV

NATURE OF BUSINESS AND POWERS. This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described on Exhibit A attached hereto and by reference made a part hereof and to promote the health, safety and welfare of the residents within the above described property and any additions thereto and subsequent phases as may hereafter be brought within the jurisdiction of this Association, and for this purpose to:

(a) 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 and recorded at Recorder's No. 94-816916, in the Office of the Maricopa County Recorder and as the same may be amended from time to time as therein provided, said Declaration and amendments thereto being incorporated herein as if set forth in its entirety;

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

(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 Association;

(d) borrow money, and with the proper assent as provided in the Declaration, 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 for such purposes and subject to such conditions as may be agreed to by the

members. No such dedication or transfer shall be effective unless an instrument has been signed as provided in the Declaration;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall be approved as provided in the Declaration;

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the NonProfit Corporation Law of the State of Arizona by law may now or hereafter have or exercise.

ARTICLE V

MEMBERSHIP. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, 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. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE VI

VOTING RIGHTS. The association shall have two classes of voting membership:

(a) Class A. Class A members shall be all Owners, with the exception of the Declarant identified in the afore-described Declaration (except Declarant shall become a Class A member upon the occurrence of either contingency set forth in sub-section (b) below), and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members and the vote for such Lot shall be exercised as they determine. In no event, however, shall more than one vote be cast with respect to any Lot.

(b) Class B. The Class B member shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(1) The date Seventy-five percent (75%) of the Lots have been conveyed to owners other than a Declarant; or

(2) Five (5) years after the date the Declarant first conveys a Lot to an owner other than a Declarant; or

(3) Such other time as the Declarant shall designate in writing.

ARTICLE VII

BOARD OF DIRECTORS: INCORPORATOR. There shall be no less than three (3) nor more than nine (9) Directors, who may, but need not be members of the Association. The number of directors shall be designated in the Bylaws and may be changed by amendment thereto. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

Chris B. Heeter
5090 N. 40th Street
Suite 148
Phoenix, AZ 85018

Robert C. Speirs
5090 N. 40th Street
Suite 148
Phoenix, AZ 85018

Shannon L. Emery
5090 N. 40th Street
Suite 148
Phoenix, AZ 85018

Chris B. Heeter, is the INCORPORATOR of the corporation.

ARTICLE VIII

DISSOLUTION. The Association may be dissolved with the assent given in writing and signed as provided in the Declaration. 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. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

DURATION. The corporation shall exist perpetually.

ARTICLE X

AMENDMENTS. Amendment of these Articles shall require the assent of sixty-seven percent (67%) of each class of voting members identified in Article VI.

ARTICLE XI

INDEMNIFICATION. The power of indemnification under the Arizona Revised Statutes shall not be denied or limited by the By-Laws; provided however, said power may be expanded.

ARTICLE XII

STATUTORY AGENT. The name and address of the Association's initial statutory agent is:

Chris B. Heeter
5090 N. 40th Street
Suite 148
Phoenix, AZ 85018

ARTICLE XIII

FHA/VA APPROVAL. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 18th day of November, 1994.

By Chris B. Heeter
Chris B. Heeter
Its Incorporator

MONTEREY VISTA HOMEOWNERS' ASSOCIATION, INC.

an Arizona non-profit corporation

Consent in Lieu of Organizational Meeting
of Board of Directors Pursuant to Section 10-1095
of the Arizona Revised Statutes

The undersigned being all of the Directors of MONTEREY VISTA HOMEOWNERS' ASSOCIATION, an Arizona non-profit corporation, acting pursuant to Section 10-1095 of the Arizona Revised Statutes, do hereby consent to the adoption of, and do hereby adopt, the following resolutions and declare them to be in full force and effect as if they were adopted at a regularly scheduled meeting of the Board of Directors of the Corporation:

1. RESOLVED, that the form of Bylaws inserted in the minute book immediately preceding the minutes of this meeting be, and hereby are, approved and adopted as the Bylaws of this Corporation.
2. RESOLVED, that the seal, an impression of which is hereto affixed be, and hereby is, adopted as the seal of the Corporation.
3. RESOLVED, that the fiscal year of this Corporation for all accounting purposes, income tax purposes, reports to public agencies, and all other purposes usually recognized in connection with the meaning of the term "fiscal year" shall end on December 31 of each year.
4. RESOLVED, that the following named persons be, and they hereby are, elected to the offices stated beside their respective names, and they shall hold such office until their respective successors have been duly elected and qualified:

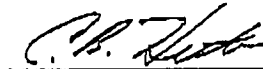
President:	Chris B. Heeter
Vice President:	Robert Speirs
Secretary:	Shannon Emery
Treasurer:	Robert Speirs

5. RESOLVED, that the officers of the Corporation be, and they hereby are, authorized, empowered and directed for and on behalf of the Corporation to open such corporate bank accounts and to designate its authorized signatories as may be necessary for the business activities of the Corporation;

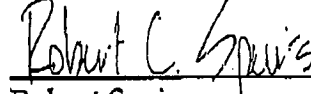
or other instrument that may be deemed by them to be necessary
for the business of the Corporation without further act or resolution
by the Board of Directors.

7. RESOLVED, that the officers of the Corporation be, and they
hereby are, authorized and directed to retain an accountant or
accountants to assist in the setting up of the books of account for
the Corporation and to advise on accounting matters, such
accountants to serve at the pleasure of the Board of Directors.

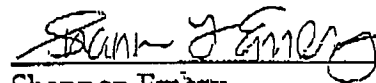
Dated: November 18, 1994



Chris B. Heeter



Robert Speirs



Shannon Emery