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AZ. COMM. COMMISSION  
FOR THE STATE OF AZ.  
FILED

Jul 30 2 05 PM '90

APPR DATE APRR EILED  
TERM *Tomie Blair*  
DATE *7/29/90*

ARTICLES OF INCORPORATION

OF

225422-5 PARK SCOTTSDALE II TOWNHOUSE CORP.

AZ. COMM. COMMISSION  
FOR THE STATE OF AZ.  
FILED

Jul 20 3 11 PM '90

APPR DATE APRR EILED  
TERM *Tomie Blair*  
DATE *7/24/90* TIME *10:30 AM*

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned persons have this day associated themselves together for the purpose of forming a corporation under and pursuant to the rules of the State of Arizona, and for that purpose hereby adopt the following Articles of Incorporation:

ARTICLE I.

The name of the corporation shall be:

PARK SCOTTSDALE II TOWNHOUSE CORP. *(Kau)*

ARTICLE II.

This corporation is organized pursuant to the general non-profit corporation laws of the State of Arizona.

ARTICLE III.

The names and post office addresses of the incorporators are as follows:

BETTE JENNINGS  
5827 N. Granite Reef Road  
Scottsdale, AZ 85250

LUCETTE ROJECK  
6841 N. Granite Reef Road  
Scottsdale, AZ 85250

JEANNE WALKER  
8424 E. Montebello  
Scottsdale, AZ 85250

ARTICLE IV.

The number of directors of this corporation to act initially shall be seven (7), but such number may be changed by the By-Laws duly adopted. The following persons were elected January 16, 1990 at Scottsdale, Arizona, to serve as directors until the election of their successors:

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BETTE JENNINGS  
5827 N. Granite Reef Road  
Scottsdale, AZ 85250

JEANNE WALKER  
8424 E. Montebello  
Scottsdale, AZ 85250

JOAN STAMPER  
8464 E. Montebello  
Scottsdale, AZ 85250

LEO MICHAUD  
8602 E. MacKenzie Drive  
Scottsdale, AZ 85250

LUCETTE ROJECK  
6841 N. Granite Reef Road  
Scottsdale, AZ 85250

ILENE SHAY  
8444 E. Montebello  
Scottsdale, AZ 85250

JOAN SILBERSCHLAG  
8512 E. Montebello  
Scottsdale, AZ 85250

#### ARTICLE V.

The principal place of business of the corporation shall be at the City of Scottsdale, but the corporation may establish other offices within and without the State of Arizona and hold its meetings at such places as the By-Laws may provide.

#### ARTICLE VI.

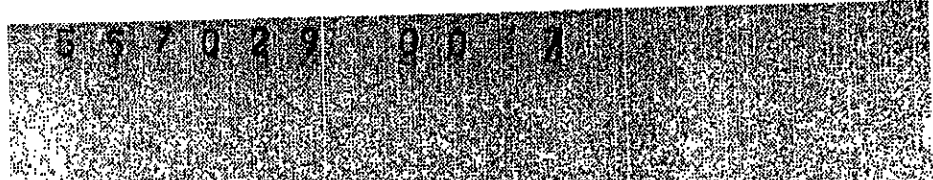
The general nature of the business to be transacted and the objectives and purposes of the corporation shall be as follows:

A. To conduct any and all lawful business or enterprises within the State of Arizona as defined in A.R.S. 10-1005.

B. To own, operate and/or maintain certain property and improvements to be used in common by and for the benefit of the owners of residences constructed within the following described premises:

Tracts A, B and C, together with the South 15.00 feet of Tract D, PARK SCOTTSDALE FOUR, in the City of Scottsdale, County of Maricopa State of Arizona, according to plat thereof filed in Book 96 of Page 18, official records of said County of Maricopa.

C. To enable the financing of construction of such residences and common elements with or without the assistance of



mortgage insurance under the National Housing Act.

D. To accept such property and improvements as may be conveyed to the corporation and to maintain and otherwise manage landscaping, parking areas, walk areas, common elements, recreational areas and facilities upon such property. To pay all taxes and assessments, if any, which may properly be levied against such property or other property acquired by or owned by the corporation. To repair, maintain, rehabilitate and restore the real property and any improvements located thereon; to impress liens against the individual residence units and their fractional or percentage interests in the common elements appurtenant thereto, to secure the payment of obligations due from the owners thereof to the corporation and to collect, foreclose or otherwise enforce, compromise, release, satisfy and discharge said demands, and to do all other acts necessary to the filing, maintenance and discharge of said liens; to take any action necessary to enforce the covenants, restrictions, reservations and conditions which at present or in the future affect said property described in Article VI, Paragraph A above, either by recording Restrictions, By-Laws of the corporation, rules and regulations of the corporation, or in any other way created; and in addition thereto, to do any and all lawful things and acts which the corporation, at any time, and from time to time, shall, in its discretion, deem to be to the best interests of the members of the corporation, and to pay all costs and expenses in connection therewith and in connection with any and all the purposes of the corporation, and further, to do any and all lawful things which may be advisable, proper, authorized or

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permitted to be done by the corporation under and by virtue of any condition, covenant, restriction, charge or assessment affecting said property, or any portion thereof, and to do and perform any and all acts which may be either necessary for or incidental to the exercise of any of the foregoing powers, or for the peace, health, comfort, and further, to do any and all things and exercise all rights and powers permitted to non-profit corporations under the laws of the State of Arizona, including the power to mortgage or encumber any property owned by it.

E. To enter into, perform, and carry out contracts of any kind necessary to, or in connection with, or incidental to, the accomplishment of the purposes of the corporation, including, but not limited to, any contract or contracts with the Federal Housing Commissioner which may be desirable or necessary to comply with the requirements of the National Housing Act, as amended, and the Administrative Rules and Regulations of the Commissioner thereunder, relating to the regulation or restriction of mortgagor corporations as to rents, sales, charges, capital structure, rate of return and methods of operation.

F. To borrow, and loan money, and give, take and hold security and collateral; to execute, make, issue, take and receive notes, bonds, debentures, mortgages, pledges and other evidences of indebtedness and security, of any and all kinds whatsoever, in furtherance of any or all of the objects of its business.

G. To make contracts of any kinds and descriptions with third parties, firms and corporations; to make contracts with any of the officers, directors, members of the council of co-owners or

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employees of this corporation, individually or otherwise and without limitation, restriction or prejudice, which contracts shall be considered and construed on the same basis as contracts with third persons, all in furtherance of the organization, management, operation, objects or purposes of the corporation.

H. To do and perform any and all acts and things and to transact any business, not inconsistent with law, which may be necessary, incidental to or convenient in carrying out any of the business or purposes of the corporation.

#### ARTICLE VII.

The corporation shall be a non-stock corporation and shall be owned equally by its members, and no dividends or pecuniary profits shall be paid to its members. Membership in this corporation shall be regulated by the By-Laws.

#### ARTICLE VIII.

The time of commencement of this corporation shall be the date upon which the Articles of Incorporation are filed with the Arizona Corporation Commission.

#### ARTICLE IX.

The affairs of the corporation shall be conducted by a Board of Directors consisting of an odd number of not less than five nor more than seven members, except as may be fixed from time to time by the members of the council of co-owners, and such other officers as the Board of Directors may select from time to time, including a President, a Vice-President, a Secretary and a

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the President may not at the same time hold the office of Vice-President or of Secretary.

The Directors shall be elected by the members of the council of co-owners at the first and each ensuing annual meeting thereof, as provided for in the By-Laws of this corporation. The Directors, other than those named in Article IV above, must be members of the council of co-owners.

ARTICLE X.

Any indebtedness or liability, or direct or contingent, must be authorized by an affirmative vote of a majority of the votes cast by the members of the Board of Directors at a lawfully held meeting; and approved by the Arizona Corporation Commission, to the extent required by the laws of the State of Arizona.

ARTICLE XI.

The private property of each and every officer, director and member of the council of co-owners of this corporation shall at all times be exempt from all debts and liabilities of the corporation.

ARTICLE XII.

This corporation hereby appoints GARY C. HENDRICKSON, 20 E. Main Street, Suite 500, Mesa, Arizona 85201, who is now and has been for more than three years last past, a bona fide resident of the State of Arizona, as its lawful statutory agent, upon whom all notices and processes, including service of summons, may be served, and which, when so served, shall be lawful, personal service upon this corporation. The Directors may, at any time, appoint another agent for such purpose, and the filing of such other appointment

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shall revoke this or any other previous appointment of such agent.

**ARTICLE XIII.**

The first annual meeting of the council of co-owners of the corporation shall be held in January of each year, or within one (1) year from the date of incorporation, whichever is sooner. Thereafter, the annual meetings of the council of co-owners shall be held in January of each year, or at such other time as the council of co-owners may by majority vote approve. The annual meetings of the Board of Directors and the members of the council of the co-owners shall be held at the office of the corporation or at such other office or offices at such other places as may be designated by the Board of Directors. There shall be no less than two (2) meetings of the Board of Directors during each fiscal year.

**ARTICLE XIV.**

These Articles of Incorporation may be amended by the affirmative vote of a majority of the members of the council of co-owners. However, no amendment shall be made which would in any manner be deemed to be in conflict with or contrary to the terms of any promissory note, mortgage, regulatory agreement, document and/or instrument executed by the corporation in obtaining insurance under the National Housing Act.

IN WITNESS WHEREOF, the undersigned persons have hereunto set their hands this 4th day of June, 1990.

Jeanne Walker  
JEANNE WALKER  
Bette Jennings  
BETTE JENNINGS  
Lucette Rojeck  
LUCETTE ROJECK



STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

This instrument was acknowledged before me this 14th  
day of June, 1990, by JEANNE WALKER, BETTE JENNINGS, and  
LUCETTE ROJECK.

WITNESS my hand and official seal.

Jane C. May  
Notary Public

My Commission Expires:

10-18-92

CONSENT OF STATUTORY AGENT

I, GARY C. HENDRICKSON, having been designated to act as  
Statutory Agent, hereby consent to act in said capacity until  
resignation or removal pursuant to the laws of the State of  
Arizona.

DATED: 6-8-90

GARY C. HENDRICKSON