

EXPEDITED
RECORDING COMMISSION
FILED

ARTICLES OF INCORPORATION

2001 AUG 23 P 3:48

OF

APPR Maureen Chavez

DATE APR 18-23-01 **HIGHLINE RANCH HOMEOWNERS ASSOCIATION**

TERM _____

DATE _____

1000340-2

In compliance with the requirements of § 10-3201, et seq., Arizona Revised Statutes, as amended (the “Arizona Nonprofit Corporation Act”), the undersigned states as follows:

ARTICLE I
NAME

The name of the Association is Highline Ranch Homeowners Association (the “Association”).

ARTICLE II
DEFINED TERMS

Capitalized terms used in these Articles of Incorporation without definition shall have the meanings specified for such terms in the Declaration of Covenants, Conditions and Restrictions for Highline Ranch recorded at Recorder’s No. 2001-0778026, records of Maricopa County, Arizona (the “Declaration”).

ARTICLE III
PRINCIPAL OFFICE

The principal office of the Association shall be located at City Property Management, 11022 South 51st Street, Ahwatukee, Arizona 85044.

ARTICLE IV
STATUTORY AGENT

Michael E. Woolf, whose address is 2901 North Central Avenue, Suite 200, Phoenix, Arizona, 85012, and who has been a bona fide resident of the State of Arizona for more than three (3) years, is hereby appointed and designated as the initial statutory agent for the Association.

ARTICLE V
PURPOSE OF THE ASSOCIATION

The object and purpose for which this Association is organized is to provide for the management, maintenance, and care of the Areas of Association Responsibility and other property owned by the Association or property placed under its jurisdiction and to perform all duties and exercise all rights imposed on or granted to the Association by the Project Documents. In furtherance of, and in order to accomplish the foregoing object and purpose, the Association may transact any or all lawful business for which Associations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time.

ARTICLE VI
CHARACTER OF BUSINESS

The character of the business which the Association intends to conduct in Arizona is to provide for the management, maintenance and care of the Areas of Association Responsibility and to exercise and perform such other powers and duties as are imposed on or granted to the Association by the Project Documents.

ARTICLE VII
MEMBERSHIP AND VOTING RIGHTS

Membership in the Association shall be limited to Owners of Lots and may only be transferred or terminated in conjunction with conveyance of the Lot. Membership rights may be suspended or limited if a Member is in default under the Declaration. Each Owner shall have such rights, privileges and votes in the Association as are set forth in the Project Documents. Pursuant to the Declaration, there shall be two classes of members in the Association: Class A members, which shall include all Lot Owners, and the Class B member, which shall include the Declarant. Transfer of a Class A or Class B membership shall be pursuant to the provisions set forth in the Declaration.

ARTICLE VIII
BOARD OF DIRECTORS

The number of directors constituting the initial Board of Directors shall be three (3). The names and addresses of the initial directors of the Association who shall serve until the first annual meeting of the Members or until their successors are elected and qualified are as follows:

<u>Name</u>	<u>Mailing Address</u>
Barney Feldman	2209 East Valencia Drive Phoenix, Arizona 85040
Richard Lloyd	2209 East Valencia Drive Phoenix, Arizona 85040
Barney F. Kogen	2209 East Valencia Drive Phoenix, Arizona 85040

ARTICLE IX
OFFICERS

The following persons shall be the initial officers of the Association and shall hold the positions opposite their names until the first annual meeting of the Association and until their successors have been elected and qualified:

President -	Barney Feldman
Vice President-	Richard Lloyd
Secretary -	Barney F. Kogen
Treasurer -	Barney F. Kogen

ARTICLE X
LIMITATION ON LIABILITY OF DIRECTORS AND OFFICERS

The personal liability of a director or officer of the Association to the Association or its Members for monetary damages for breach of his or her fiduciary duties as a director or officer is hereby eliminated to the extent permitted by the Arizona Nonprofit Corporation Act, as it may be amended from time to time.

ARTICLE XI
AMENDMENTS

These Articles may be amended at a regular or special meeting of the Members by the Members representing at least seventy-five percent (75%) of the total authorized votes entitled to be cast by Members of the Association present in person or by proxy at the regular or special meeting; provided, however, that the Declarant, so long as the Declarant owns any Lot, and thereafter, the Board, without a vote of Members, may amend these Articles in order to conform these Articles to the requirements or guidelines of any federal, state or local governmental agency whose approval of the Project or the Project Documents is required by law or requested by the Declarant or the Association. So long as the Declarant owns any Lot, any amendment to these Articles must be approved in writing by the Declarant. Notice of any proposed amendments to these Articles shall be made pursuant to the provisions of Article II of the Bylaws for notice of a special or regular meeting.

ARTICLE XII
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by Lot Owners representing not less than two-thirds (2/3) of the authorized votes in each class of Membership. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be disbursed in accordance with Arizona law for non-profit Associations, or as otherwise agreed to by a unanimous vote of all Members. If, and only if, the Board has received written notice that an FHA or VA loan has been obtained by an Owner within the Project and will continue in effect following dissolution, then upon dissolution of the Association the assets will be conveyed to an appropriate public agency to be used for purposes similar to those for which this Association was created or such assets shall be granted, conveyed or assigned to any nonprofit corporation, association, trust or other organization devoted to a similar purpose.

ARTICLE XIII
DURATION

The Association shall exist perpetually.

ARTICLE XIV
VA/FHA APPROVAL

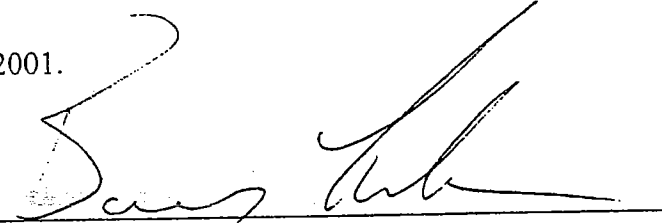
If, and only if, one or more FHA or VA loans have been obtained by Owners within the Project, as long as there is a Class B membership in the Association, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties; mergers or consolidations; mortgaging of Common Area; and dissolution or amendment of these Articles of Incorporation.

ARTICLE XV
INCORPORATOR

The name and address of the incorporator of the Association is:

<u>Name</u>	<u>Address</u>
Barney Feldman	2209 East Valencia Drive Phoenix, Arizona 85040

Dated this 16 day of June, 2001.

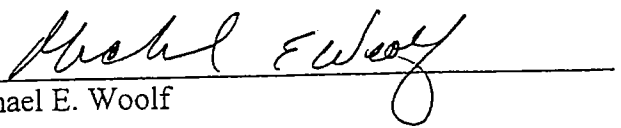


Barney Feldman, Incorporator

ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

The undersigned, having been designated to act as statutory agent for this Association, hereby accepts such appointment and agrees to act in that capacity until removal or resignation is submitted in accordance with applicable provisions of the Arizona Revised Statutes.

Dated this 16th day of June, 2001



Michael E. Woolf

ARIZONA CORPORATION COMMISSION
CORPORATIONS DIVISION

Phoenix Address: 1300 West Washington
Phoenix, Arizona 85007-2929

Tucson Address: 400 West Congress
Tucson, Arizona 85701-1347

NONPROFIT
CERTIFICATE OF DISCLOSURE

A.R.S. Section 10-3202.D.

HIGHLINE RANCH
HOMEOWNERS ASSOCIATION

EXACT CORPORATE NAME

- A. Has any person serving either by election or appointment as officer, director, trustee, or incorporator in the corporation:
1. Been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 3. Been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
 - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction?; or
 - (b) Involved the violation of the consumer fraud laws of that jurisdiction?; or
 - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes _____ No X

B. IF YES, the following information MUST be attached:

1. Full name and prior name(s) used.
2. Full birth name.
3. Present home address.
4. Prior addresses (for immediate preceding 7-year period).
5. Date and location of birth.
6. Social Security number.
7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or cause number of case.

- C. Has any person serving either by election or appointment as an officer, director, trustee or incorporator of the corporation, served in any such capacity held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked, or administratively dissolved by jurisdiction?

Yes _____ No X

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the corporation.
2. Full name, including alias and address of each person involved.
3. State(s) in which the corporation:
 - (a) Was incorporated.
 - (b) Has transacted business.
4. Dates of corporate operation.
5. A description of the bankruptcy, receivership or charter revocation including the date, court or agency and the file or cause number of the case.

D. The fiscal year end adopted by the corporation is Dec. 31.

Under penalties of law, the undersigned incorporators/officers declare that we have examined this Certificate, including any attachments, and to the best of our knowledge and belief it is true, correct and complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY DAYS OF THE DELIVERY DATE.

BY _____ DATE _____
TITLE _____

BY Darcy [Signature] DATE 8-15-01
TITLE Barney Feldman, Incorporator

BY _____ DATE _____
TITLE _____

BY _____ DATE _____
TITLE _____

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. (If more than one incorporator, please attach remaining signatures on a separate sheet of paper.)

If within sixty days, any person becomes an officer, director, or trustee and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by all incorporators, or if officers have been elected, by a duly authorized officer.