

ARTICLES OF INCORPORATION

OF

CROWN POINT HOMEOWNERS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, residents of the State of Arizona, and citizens of the United States, having voluntarily associated ourselves together for the purpose of forming a corporation not for profit under and pursuant to the laws of the State of Arizona, and for that purpose do hereby adopt these Articles of Incorporation.

ARTICLE I

The names and addresses of all the incorporators are:

James W. Anderson
5620 East Bell Road
Phoenix, Arizona 85255

Heyward R. Anderson
5620 East Bell Road
Phoenix, Arizona 85255

ARTICLE II

The name of the corporation shall be Crown Point Homeowners Association, Inc., and shall be hereafter referred to as the "Association."

ARTICLE III

The principal place of business of the Association shall be Scottsdale, Maricopa County, Arizona, but other offices may be maintained in the State of Arizona, or at such other

place or places within or without the State of Arizona as may be established from time to time by the Board of Directors.

ARTICLE IV

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 residential lots and common areas within that certain residential subdivision as described in the Plat of Crown Point, recorded in Book ____ of Maps, page ____, records of Maricopa County, State of Arizona.

The purpose of the Association shall be to promote the health, safety and welfare of the residents within the above described property and any additions thereto 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 of Crown Point, hereinafter called the "Declaration," applicable to the property and recorded in the office of the County Recorder of Maricopa County, Arizona, in Docket ____ commencing at Page __, as amended from time to time as therein provided, said Declaration as amended being incorporated herein as if set forth at length;

(b) Enforce all covenants, conditions, restrictions, liens, assessments, easements and other rights provided or established in the Declaration; to fix, assess, levy, collect and enforce by all lawful means, all assessments, charges and funds provided for under the Declaration, these Articles of Incorporation, and the By-Laws; and to disburse and use the proceeds of any and all such charges and any other funds for the payment of taxes, insurance, and for the maintenance of the commonly owned areas and certain other areas designated in the Declaration, and to improve, repair, replace, maintain, rehabilitate and restore any real and personal property, and for

the promotion of any and all purposes herein mentioned in any lawful manner deemed desirable by the board of directors pursuant to the provisions hereof and of the Declaration and the By-Laws, with the expenses and costs of all of the foregoing to be paid out of the general funds of this 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, subject to the limitations, 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, and further subject to the limitations contained in the Declaration, as may be agreed to by the members, and no such dedication or transfer shall be effective unless an instrument has been signed by eighty percent (80%) of the members agreeing to such dedication, sale or transfer; and further, no such dedication, sale or transfer shall be effective unless adequate provision has been made for the maintenance, repair and replacement of the common areas, which areas are described in the Declaration.

(f) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common areas, provided that any such merger, consolidation or annexation shall have the assent of eighty percent (80%) of each of the members.

(g) Make contracts with third parties, firms and corporations and to perform work thereunder, and to make contracts with any of the officers, directors, stockholders or employees of these corporations, individually and without limitations, restrictions or prejudice, which contracts, when and if made, shall be considered and construed on the same basis as contracts with third parties, all in furtherance of the management, operation, objects and purposes of this corporation;

(h) Operate without profit so that no part of its net earnings or assets shall ever be distributed as a dividend or inure to the benefit of any member, director or individual;

(i) Establish terms and conditions applicable to membership in the Association which are not inconsistent with the provisions of the Declaration;

(j) Create any boards, committees or councils deemed to be convenient by the board of directors for supervising, implementing, enforcing and/or carrying out its powers, privileges, duties and obligations herein set forth;

(k) Do all other things necessary and appropriate in furtherance of any of the foregoing.

Notwithstanding the foregoing, the Association shall be a non-profit corporation under the laws of the State of Arizona and shall be restricted to those activities and functions which are allowed to and permitted by such non-profit corporations. Further, it is intended that the Association be a Homeowners Association qualifying under Section 528 of the Internal Revenue Code of 1954, as amended, and that the powers, rights and authorities of the Association shall be limited to those not prohibited by associations maintaining such status.

ARTICLE V

Every Owner of a Lot within the Development (as those terms are defined in the Declaration), which Lot is subject by the Declaration to assessment by the Association, 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

The Association shall have one (1) class of voting membership being all Owners (as defined in the Declaration) and

such Owners 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. The vote for such lot shall be exercised as they among themselves determine, and pursuant to the By-Laws, but in no event shall more than one vote be cast with respect to any lot.

ARTICLE VII

The control and management of this Association shall be vested in a board of directors. The board of directors shall be composed of not less than three (3) nor more than nine (9) persons, as provided in the By-Laws, but the number of directors may be changed by amendment of the By-Laws of the Association. During the period between the date of incorporating this corporation and the first meeting of the members of the corporation, or until their successors are elected, the following individuals shall serve as directors of the corporation:

James W. Anderson
5620 East Bell Road
Phoenix, Arizona 85255

Heyward R. Anderson
5620 East Bell Road
Phoenix, Arizona 85255

Steven M. Campbell
5620 East Bell Road
Phoenix, Arizona 85255

After the first meeting of the members, all directors shall be elected at the annual meeting of the members of the Association; for a term of one year, or until their successors shall have been elected and qualified; and in accordance with Section 10 of

Article XIV of the Constitution of the State of Arizona cumulative voting shall be allowed. The annual meeting of the members of the Association shall be as provided in the By-Laws.

ARTICLE VIII

The Association may be dissolved at a special meeting called for that purpose and only with the vote of not less than ninety percent (90%) of the vote of the members and only after adequate provision has been made for the maintenance, repair and replacement of the common areas and other designated areas, which areas are described 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 nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

The board of directors shall elect a President, one or more Vice Presidents, Secretary and Treasurer and assistants thereto. The time and method of electing said officers and the length of their term shall be fixed in the By-Laws. The President and Vice President shall be members of the board of directors, but the Secretary and Treasurer and their assistants need not be

members of the board of directors. The board of directors may further elect an executive committee from among its membership. Any vacancies in the board of directors or in any office may be filled by the remaining directors and the person so chosen to fill a vacancy shall serve during the unexpired term of his predecessor and until his successor is duly elected and qualified.

ARTICLE X .

The board of directors shall have the power to adopt the original By-Laws of the Association, which By-Laws may be changed or amended by the directors, together with the concurrence of a majority of a quorum of the members present at any meeting called for that purpose. The By-Laws may prescribe, among other things, the date of the annual meeting, the method of electing officers, the liability of the members for dues or assessments, the terms and conditions upon which a membership may be transferred, and such other regulations and rules as may be required, provided the same are not contrary to law or inconsistent with the objectives or purposes of the corporation.

ARTICLE XI

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

ARTICLE XII

The time of the commencement of this corporation shall be the date of filing of these Articles of Incorporation with the Arizona Corporation Commission, and the term shall be

perpetual unless terminated pursuant to applicable laws of the State of Arizona.

ARTICLE XIII

The members, officers and directors, and members of the executive committee, shall not be individually or personally liable for the Association's debts or other liabilities, and the private property of such individuals shall be exempt from any Association debts or liabilities.

ARTICLE XIV

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, provided that in the event of a settlement the indemnification herein shall apply only when the board of directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE XV

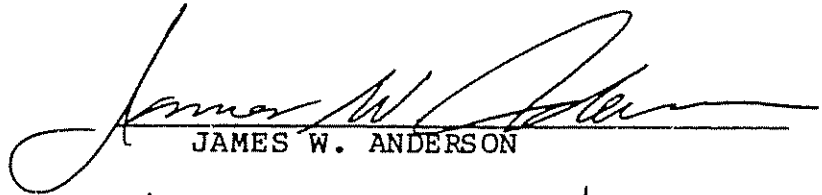
This corporation does hereby appoint JACK N. RUDEL, ESQ., Robbins & Green, P.A., 3300 N. Central Avenue, Suite 1800, Phoenix, Arizona 85012, who has been a bona fide resident of the State of Arizona for at least three (3) years, its lawful agent in and for the State of Arizona for and on behalf of whom may be served all necessary process or processes in any action, suit or proceeding that may be had or brought against said corporation, in any of the courts in said State of Arizona, such service of process or notice, or the acceptance thereof, by said agent endorsed thereon to have the same force and effect as if served upon the President and Secretary of said corporation. The foregoing appointment or any successor appointment may be revoked at any time by filing an appointment of a successor agent.

ARTICLE XVI

Upon the dissolution of this corporation, whether resulting from voluntary action on the part of the Board of Directors, court orders, lapse of time, or otherwise, no part of the remaining assets of the corporation, after the discharge of all corporate liabilities, shall inure to the private profit, benefit or advantage of any current or past member, director or officer, but the whole of such remaining assets shall be distributed by the directors in cash or in kind absolutely and without possibility of reversion, as absolute gifts without return consideration, direct or indirect, in such amounts and

proportions as the directors shall determine, to such corporations, clubs or associations which by reason of their recreational or social purposes are exempt from taxation under the provisions of Section 501(c)(7) of the Internal Revenue Code of 1954 as now or hereafter amended. The determination of the directors with respect to all such distributions shall be final.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 28 day of March, 1984.

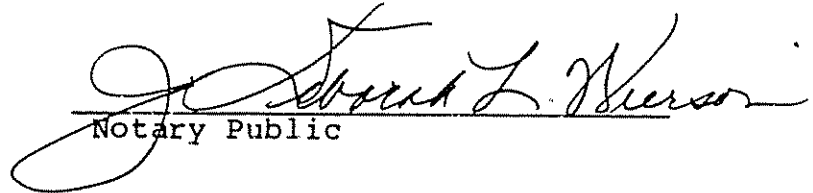

JAMES W. ANDERSON


HEYWARD R. ANDERSON

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this the 28 day of March, 1984, before me, the undersigned Notary Public, personally appeared JAMES W. ANDERSON, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public

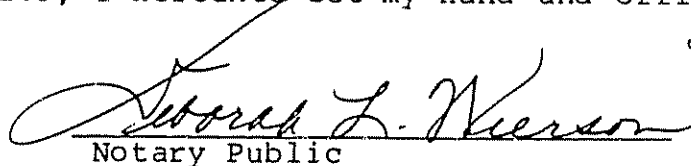
My commission expires:

My Commission Expires June 21, 1986

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this the 28 day of March, 1984, before me, the undersigned Notary Public, personally appeared HEYWARD R. ANDERSON, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public

My commission expires:

My Commission Expires June 21, 1986