

ARTICLES OF INCORPORATION
FOR THE NONPROFIT
TOWNHOMES AT MOUNTAIN SPRINGS
HOME OWNERS ASSOCIATION

RECEIVED

JUL 11 2001

ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

ARTICLE I

NAME OF CORPORATION

Name of the Tax-Exempt Corporation. The name of The Tax-Exempt nonprofit corporation shall be **TOWNHOMES AT MOUNTAIN SPRINGS HOME OWNERS ASSOCIATION.**

ARTICLE II

INTERNAL REVENUE CODE

No Distribution of Funds. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, officers, or other private parties, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the **BYLAWS FOR THE NONPROFIT HOMEOWNERS ASSOCIATION OF TOWNHOMES AT MOUNTAIN SPRINGS**, and paragraph 4.8 and as otherwise provided therein, shall not permit: (a) by a Corporation exempt from Federal Income Tax under section 501 (c) (2) of the Internal Revenue Code or the corresponding provisions of any future Internal Revenue Code

ARTICLE III

CHARACTER OF AFFAIRS

Character of Affairs. The Character of Affairs for the corporation will be to support and maintain in good keeping the common areas and grounds for the real property owners for the **TOWNHOMES AT MOUNTAIN SPRINGS**. and as provided in the Bylaws for the corporation.

ARTICLE IV

TAX EXEMPT STATUS

Tax Exempt Status. Pursuant to A.R.S. §10-2326 and the Internal Revenue Code 501 (c) (2) and as further provided in Article II above, wherein no part of the net

earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, officers, or other private parties, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the **BYLAWS FOR THE NONPROFIT HOMEOWNERS ASSOCIATION OF TOWNHOMES AT MOUNTAIN SPRINGS**, and paragraph 4.8 and as otherwise provided therein.

ARTICLE V

DISSOLUTION OF THE CORPORATION

Desolation of the Corporation. The intended duration for the corporation is perpetual, however, upon the Desolation of the Corporation, the Board of Directors shall, after making provision for the payment of all liabilities of the corporation, dispose of all its assets exclusively for the purposes of the corporation in such a manner, or to such organizations organized and operated exclusively for charitable, educational, religious or scientific purpose as shall at the time qualify as an exempt organizations under section 501 of the Internal Revenue Code as the Board of Directors shall determine or the Coconino County Superior Court if not previously resolved.

ARTICLE VI

INDEMNIFICATION

Indemnification. Pursuant to **BYLAWS FOR THE NONPROFIT HOMEOWNERS ASSOCIATION OF TOWNHOMES AT MOUNTAIN SPRINGS** Article I, paragraph 1.8 as further stated therein, and to the extent it has the power to do so under the Arizona Nonprofit Corporation Act, A.R.S. §10-1001, et seq., the Association shall indemnify any person who was or is a party or is threatened to be made a party to any administrative or investigative, other than an action by or in the right of the Association, by reason of the fact that he is or was a Member, director, officer, employee or agent of the Association.

ARTICLE VII

Incorporator DIRECTORS AND MEMBERS

Number of Directors. The affairs of this Association shall be managed by a minimum of one (1) person or as otherwise determined in the **BYLAWS FOR THE NONPROFIT HOMEOWNERS ASSOCIATION OF TOWNHOMES AT MOUNTAIN SPRINGS**, the ~~Board~~, which consists of;

Incorporator
William R. Beilharz
President/Statutory Agent
Suite # 123
6730 East McDowell Road,
Scottsdale, Arizona 85257

which may increase the number of directors on the Board but the number of members

or directors must always be an odd number and shall not exceed nine (9) members or directors.

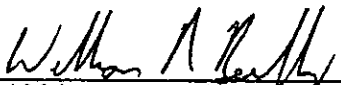
**ARTICLE VIII
STATUTORY AGENT**

Statutory Agent. Since it is the case as of the date of this filing, the only known address for the property is 5800 East Christmas Tree Lane, Flagstaff Arizona 86004 now and unless amended or otherwise changed, the Statutory Agent for the **NONPROFIT HOMEOWNERS ASSOCIATION OF TOWNHOMES AT MOUNTAIN SPRINGS** is;

William R. Beilharz
Suite # 123
6730 East McDowell Road,
Scottsdale, Arizona 85257
Telephone 480-949-7600
Telefax 480-949-8150

Acceptance and Acknowledgment

The undersigned hereby accepts and acknowledges the appointment as Statutory Agent for the **NONPROFIT HOMEOWNERS ASSOCIATION OF TOWNHOMES AT MOUNTAIN SPRINGS** on this 11th day of July, 2001.



William R. Beilharz
President / ~~Secretary~~
Statutory Agent