

ARTICLES OF INCORPORATION
OF
THE HAVEN AT CHANDLER RANCH
HOMEOWNERS' ASSOCIATION, INC.

RECEIVED
JUL 30 1987
ARIZONA CORP. COMMISSION

In compliance with the requirements of the Declaration of Covenants, Conditions, and Restrictions dated April 22, 1987, and recorded at Document No. 87-409057, records of Maricopa County, Arizona, the undersigned, all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I

CORPORATE NAME

The name of the corporation is THE HAVEN AT CHANDLER RANCH HOMEOWNERS' ASSOCIATION, INC., hereafter called the "Association."

ARTICLE II

PRINCIPAL OFFICE

The principal office of the Association is located at 5685 North Scottsdale Road, Suite E165, Scottsdale, Arizona 85253. The principal office of the Corporation may be changed upon written notice to the member but without further amendment of these Articles.

ARTICLE III

STATUTORY AGENT

Clare H. Abel, whose address is 702 East Osborn Road, Suite 200, Phoenix, Arizona 85014, is hereby appointed the initial registered agent of this Association.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

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 as:

Lots 1 through 69, and tracts 1 through 10, inclusive, The Haven, according to the plat of record in the Office of the County Recorder of Maricopa County, Arizona, at Book 312 of Maps at page 22.

and 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 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 or to be recorded in the Office of the Maricopa County Recorder and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

- (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 assent of two-thirds (2/3) of each class of members 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 by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;
- (f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members;
- (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:

Class A. Class A members shall be all Owners, with the exception of the Declarant, 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. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) 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 either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on January 1, 1993.

ARTICLE VII
BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of not less than three (3) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Carl J. Smith	5685 North Scottsdale Road Suite E165 Scottsdale, Arizona 85253
Douglas Watson	5685 North Scottsdale Road Suite E165 Scottsdale, Arizona 85253
Richard W. Oliver	5685 North Scottsdale Road Suite E165 Scottsdale, Arizona 85253

At the first annual meeting the members shall elect one director for a term of one year, one director for a term of two years; one director for a term of three years; and at each annual meeting thereafter the members shall elect one director for a term of three years.

ARTICLE VIII
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. 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

DURATION

The corporation shall exist perpetually.

ARTICLE X

AMENDMENTS

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

ARTICLE XI

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.

ARTICLE XII
INCORPORATORS

The names and addresses of the incorporators are:

<u>Name</u>	<u>Address</u>
Carl J. Smith	5685 North Scottsdale Road Suite E165 Scottsdale, Arizona 85253
Douglas Watson	5685 North Scottsdale Road Suite E165 Scottsdale, Arizona 85253
Richard W. Oliver	5685 North Scottsdale Road Suite E165 Scottsdale, Arizona 85253

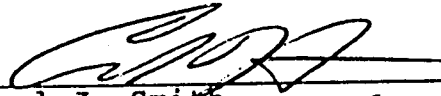
ARTICLE XIII
INDEMNIFICATION

The Association shall indemnify all members, directors, officers, employees, and agents to the maximum extent allowable by law.

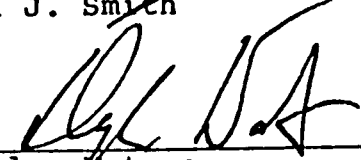
In addition to and not in limitation of any power or duty of the corporation to indemnify the foregoing persons, the corporation shall pay all expenses, including attorneys' fees, incurred by and present or former officer or director of the corporation in defending a civil or criminal action, suit or proceeding in advance of the final disposition thereof to the maximum extent allowable by law; provided, however, that the corporation shall have the right to refuse indemnification in any instance in which the person to whom indemnification would otherwise have been applicable shall have unreasonably refused to

permit the corporation, at its own expense, and through counsel of its own choosing, to defend him in any such action, suit or proceeding, unless and until such person is successful on the merits or otherwise in defense of any such action, suit or proceeding; and further provided that the corporation shall have the right to refuse indemnification as to any matter subject to this Article which is settled or compromised prior to determination on the merits, unless such settlement or compromise is approved in advance by the Board of Directors of the corporation.

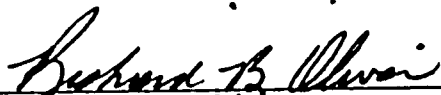
IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 26th day of June, 1987.



Carl J. Smith



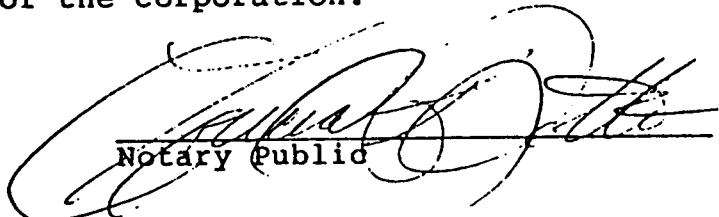
Douglas Watson



Richard W. Oliver

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this
26 day of June, 1987, by CARL J. SMITH, who acknowl-
edged himself to be an incorporator of THE HAVEN AT CHANDLER
RANCH HOMEOWNERS' ASSOCIATION, INC., an Arizona nonprofit cor-
poration, for and on behalf of the corporation.

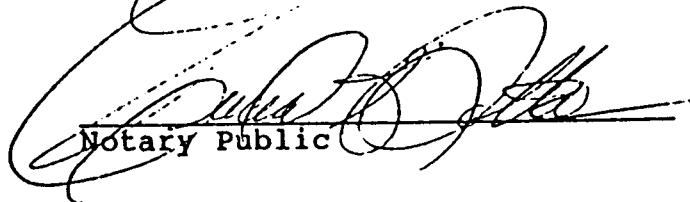

Notary Public

My Commission Expires:



STATE OF AZ)
) ss.
County of MARICOPA)

The foregoing instrument was acknowledged before me this
26 day of June, 1987, by DOUGLAS WATSON, who acknowl-
edged himself to be an incorporator of THE HAVEN AT CHANDLER
RANCH HOMEOWNERS' ASSOCIATION, INC., an Arizona nonprofit cor-
poration, for and on behalf of the corporation.

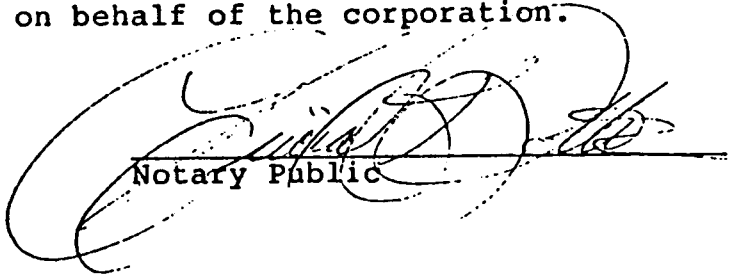

Notary Public

My Commission Expires:



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this
26 day of *June*, 19*87*, by RICHARD B. OLIVER, who
acknowledged himself to be an incorporator of THE HAVEN AT
CHANDLER RANCH HOMEOWNERS' ASSOCIATION, INC., an Arizona non-
profit corporation, for and on behalf of the corporation.


Notary Public

My Commission Expires:

