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STATE OF ARIZONA

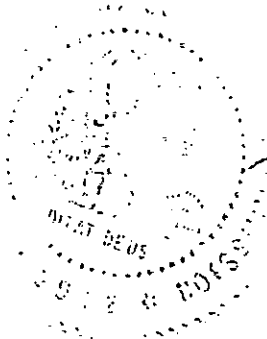
Corporation Commission



To all to Whom these Presents shall Come, Greeting:

I, GEORGE M. DEMPSEY, SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT the annexed is a true and complete copy of the ARTICLES OF INCORPORATION of CARIBBEAN GARDENS ASSOCIATION

which were filed in the office of the Arizona Corporation Commission on the 22nd day of May, 1974, as provided by law.



IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 22nd DAY OF May A.D. 1974

BY George M. Dempsey SECRETARY.

ARTICLES OF INCORPORATION
OF
CARIBBEAN GARDENS ASSOCIATION

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, as incorporators, have this date associated themselves together for the purpose of forming a nonprofit corporation under and pursuant to the laws of the State of Arizona, and do hereby adopt the following Articles of Incorporation:

ARTICLE I

The name of this corporation shall be CARIBBEAN GARDENS ASSOCIATION and its principal place of business shall be in Phoenix, Maricopa County, Arizona, at such address as may from time to time be designated by the Board of Directors.

ARTICLE II

This corporation is formed so as to constitute the Council of Co-Owners and to serve as the governing body for all of the Owners of Apartments (hereinafter, the "Apartments") and appurtenant undivided interests in the general Common Elements, (hereinafter, the "Common Elements"), in Caribbean Gardens, a horizontal property regime, (hereinafter, the "Regime"), formed pursuant to Sections 33-551 through 33-561, Arizona Revised Statutes, by The Scottsdale Apartment Company, an Arizona limited partnership (hereinafter, the "Developer").

As provided in, pursuant to, the Declaration of Covenants, Conditions and Restrictions, dated August 30, 1973, and recorded in the office of the Maricopa County Recorder in Docket 10293, at page 130, (hereinafter, the "Declaration"), this corporation shall serve as the governing body for all of the Owners of the Apartments for the maintenance, repair, replacement administration and operation of the general Common Elements of the Regime and the performance of such duties and functions, and the exercise of such rights, as are given and assigned to it by said Declaration of Covenants, Conditions and Restrictions, and as the same may hereafter be amended.

This corporation does not contemplate securing gain or profit to the members thereof and the members shall have no individual interest in the profits of the corporation, if any.

In the conduct of its business, this corporation, to the extent authorized by its Board of Directors and in accordance with the provisions of the Declaration, shall be empowered to do all things necessarily incident to the foregoing general powers and objects, including, without limitation, the specific powers enumerated below and all things reasonably incident thereto:

(a) To exclusively maintain, operate, and otherwise manage all buildings, structures, improvements, landscaping, parking areas, walks, common areas, recreational areas and facilities now or hereafter on or forming a part of said Common Elements of the Regime; to pay all taxes and assessments, if any, which may properly be levied against such Common Elements; to repair, rehabilitate, and restore all buildings, structures, and improvements; to insure said Common Elements and all buildings and structures included therein against such risks as its Board of Directors shall determine; to make assessments against any or each of the Apartments for maintenance and operating charges as its Board of Directors shall determine in accordance with the Declaration and the bylaws of this corporation; to impose liens against individual Apartments under the Regime to secure the payment of obligations due from the Owners thereof, and to collect, sue, foreclose, or otherwise enforce, compromise, release, satisfy and discharge such demands and liens in accordance with the Declaration; to do all things necessary to carry out and to enforce the terms and provisions of the Declaration; to pay all maintenance, operating and other costs and to do all things and acts which in the sole discretion of its Board of Directors shall be deemed to be in the best interests of the members of this corporation or for the peace, comfort, safety, or general welfare of the members of this corporation, all in accordance with the Declaration.

(b) To regulate the affairs of its members through the adoption of bylaws, rules and regulations being necessary and expedient to carry into effect the objects and purposes recited herein.

(c) To develop, construct, purchase, lease, own, improve, maintain, operate, and hold real and personal property of every kind and description; to sell, convey, and lease such property; and to mortgage, assign, and pledge or otherwise encumber such property.

(d) To borrow money, and to issue notes, bonds, and other evidences of indebtedness in furtherance of any or all of the objects and purposes of this corporation, and to secure the same by mortgage, trust deed, pledge, or other lien on or security interest in, property of this corporation.

(e) To enter into, perform, and carry out leases and contracts of any kind necessary to or in connection therewith or incidental to the accomplishment of any one or more of the objects and purposes of this corporation; to make contracts with any of the officers, directors, members of the Council of Co-Owners or 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.

(f) To make refunds of excess payments or charges to members as provided for in the Declaration or the bylaws.

(g) To lend or invest its working capital and reserves with or without security.

(h) To act as surety or guarantor, agent, trustee, broker, or in any other capacity when appropriate to the fulfillment and the furtherance of its objects and purposes.

(i) In general to do and perform such acts and things and to transact such business in connection with the foregoing objects and purposes as may be necessary and required; and further, to do any and all things and exercise all rights, privileges, and powers permitted to nonprofit corporations under the laws of the State of Arizona.

ARTICLE III

This corporation shall be a non-stock corporation and shall be owned by its members, in proportion to their percentage share of undivided interest in the Common Elements of the Regime, and said members shall also constitute and be collectively called the Council of Co-Owners, and no dividends or pecuniary profits shall be paid to said members. Membership shall be limited to owners of the Apartments (including, but without limitation, persons who acquire title by means of a sheriff's deed issued as the result of a mortgage foreclosure, or who acquire title as the result of the foreclosure or other valid enforcement of a deed of trust, or who acquire title by means of a deed in lieu of the foreclosure of any mortgage or deed of trust) and purchasers under any valid and outstanding recorded agreement of sale with respect to an Apartment. The Owner, or purchaser under an outstanding recorded agreement of sale, of an Apartment, shall automatically, upon becoming an Owner or purchaser, be a member of this corporation and shall remain a member of this corporation until such member's death, or until such time as such Owner or purchaser shall have conveyed his title to the Apartment, or until such time as such member shall have executed, delivered and recorded a contract for the sale of the Apartment or such member's right, title and interest therein, at which time such member's membership in this corporation shall cease automatically.

A member shall be entitled to the vote which represents the undivided percentage interest in the general Common Elements, as provided for in and established by the Declaration, appurtenant to each Apartment owned or being so purchased by such member. In the event any Apartment is owned by two or more persons, whether by joint tenancy, tenancy in common, community property, or otherwise, the membership as to such Apartment shall be joint and a single membership for such Apartment shall be issued in the names of all such persons, and they shall designate to this corporation, in writing, one of their number who shall have the power to vote said membership, and, in the absence of such designation and until such designation is made, the Board of Directors of this corporation shall make such designation and such designation shall be binding for all purposes.

ARTICLE IV

The business and affairs of this corporation shall be conducted by a Board of Directors. The number of directors shall be not less than three (3) nor more than seven (7) members of the Council of Co-Owners. The Board of Directors shall be elected annually by the members at the annual meeting of the members of this corporation. The first annual meeting of the members of this corporation shall be held no later than thirty (30) days after Developer's conveyance of all the Apartments in the Regime to Owners, or at such earlier time as the initial Board of Directors shall designate. Until such time, no member shall be entitled to vote, and the original incorporators, acting as and constituting the original Board of Directors, duly elected at the organizational meeting held on May 10, 1974 at 2627 East Thomas Road, Phoenix, Arizona at 12:00 p.m., shall completely control and operate all of the affairs of the corporation. Subsequent to the first annual meeting of members, each annual meeting shall be held on the last Monday in January of each year commencing 1975. The annual meetings of the Board of Directors and members of this corporation shall be held at the office of this corporation or at such other office or offices at such other places within the County of Maricopa, State of Arizona, as may be designated by the Board of Directors. The officers of this corporation shall be a President, Vice President, Secretary and Treasurer, and such additional officers as the Board of Directors may deem necessary, who shall be elected annually by the Board of Directors at the first meeting of the Board of Directors after the annual meeting, which meeting shall be held as soon thereafter as practicable. The officers elected shall hold office for a period of one (1) year, or until their successors are elected and qualified, but shall be subject to removal by the Board of Directors at any time.

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No person shall be eligible for election as a director or officer who is not at the time of election a member of this corporation (except such persons as comprise the original Board of Directors), and if any director or officer after election ceases to be a member, his office shall become vacant. No person may hold more than one of the above named offices, at the same time, except one person may hold the offices of both Secretary and Treasurer.

The directors shall have the power to adopt bylaws, to amend or repeal the same, to fill vacancies occurring in the Board of Directors, and to elect officers, agents and committees, with such members, powers and authority as they may confer.

ARTICLE V

The highest amount of indebtedness or liability, direct or contingent, to which the corporation shall at any time subject itself shall not exceed \$10,000 except that additional amounts may be authorized by an affirmative vote of three-fourths of the aggregate votes of the members of the Council of Co-Owners entitled to vote.

ARTICLE VI

The commencement of this corporation shall be the date upon which the Arizona Corporation Commission shall issue a Certificate of Incorporation and the termination of the corporation shall be twenty-five (25) years thereafter, with the power and privileges of renewal as provided by law.

ARTICLE VII

The members, directors, and officers of this corporation shall not be liable for the debts of this corporation, and the private property of the members, directors, and officers of this corporation shall be forever exempt from its corporate debts.

ARTICLE VIII

JOHN O. THEOBALD II, ESQ., 2627 East Thomas Road, Phoenix, Arizona, who has been a bona fide resident of the State of Arizona for at least three (3) years, is hereby appointed the lawful agent of this corporation, to accept and acknowledge the service, and upon whom may be served all necessary process or processes, in any action, suit, or proceedings that may be brought against this corporation, and for all purposes required by law. The Board of Directors of this corporation may revoke this appointment of agent at any time and shall have the power to fill any vacancy in such position.

ARTICLE IX

This corporation shall indemnify any and all of its directors and officers, or former directors and officers, against expenses incurred by them, including legal fees, or judgments or

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On this, the 10th day of May, 1974, before me, the undersigned officer, personally appeared THOMAS W. HULEN, JACK D. JOHANSEN and WILLIAM B. WEEKES, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

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

/s/ Patricia Bolek
Notary Public

My commission expires:

June 28, 1977

penalties rendered or levied against any such person while acting within the scope of his authority as a director or officer of this corporation, provided that the Board of Directors shall determine in good faith that such person did not act, fail to act, or refuse to act wilfully or with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action.

ARTICLE X


These Articles of Incorporation may be amended by the affirmative vote of three-fourths of the aggregate votes of the members of the Council of Co-Owners entitled to vote.

ARTICLE XI


The names, post office addresses, and residences of the incorporators of this corporation are as follows:

<u>Name</u>	<u>Address (Post Office and Residence)</u>
Thomas W. Hulén	2627 East Thomas Road Phoenix, Arizona 85016
Jack D. Johansen	2627 East Thomas Road Phoenix, Arizona 85016
William B. Weekes	2627 East Thomas Road Phoenix, Arizona 85016

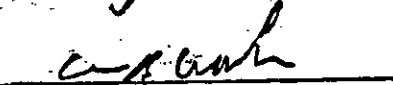
IN WITNESS WHEREOF, we have hereunto set our hands this 10th day of May, 1974



 Thomas W. Hulén



 Jack D. Johansen



 William B. Weekes

96682

ARIZONA CORPORATION COMMISSION

MAY 22 1974

At 2:30 P. M. at request of
W. R. W. R. Shultz & Associates
Address 2627 E. Thomas Rd.
Phoenix, AZ. 85016
By Julie Baker
George M. Dempsey, SECRETARY

STATE OF ARIZONA }
County of Maricopa }

I hereby certify that the
within instrument was filed and
Recorded at request of
W. R. Shultz & Assoc.

MAY 22 1974 -3 45

In Docket 10664
on page 1137-1145

Witness my hand and official
seal the day and year aforesaid.

PAUL N. MARSTON

County Recorder

By La. Dean Decker
Deputy Recorder

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