



AZ CORPORATION COMMISSION
FILED

MAY 30 2008

ARTICLES OF INCORPORATION

OF

FILE NO. 14538274

BLOSSOM HILLS TWO COMMUNITY ASSOCIATION

In compliance with the requirements of §10-3101, *et seq.*, Arizona Revised Statutes, the undersigned, who is a person capable of contracting, does hereby certify:

ARTICLE I

NAME

The name of the corporation is Blossom Hills Two Community 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 Blossom Hills Two, as recorded in the official records of Maricopa County, Arizona, as the same may be amended from time to time (the "Declaration").

ARTICLE III

KNOWN PLACE OF BUSINESS

The known place of business of the Association is 7373 North Scottsdale Road, Suite A-200, Scottsdale, Arizona 85253.

ARTICLE IV

STATUTORY AGENT

Neil D. Biskind, P.C., whose address is 11201 North Tatum Boulevard, Suite 330, Phoenix, Arizona 85028, 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 the Association is organized is to provide for the management, maintenance and care of the Common Area 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 Declaration, these Articles and the Bylaws. In furtherance of, and in order to accomplish the foregoing object and purpose, the Association may transact any or all lawful business for which corporations 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 Common Area and to exercise and perform such other powers and duties as are imposed on or granted to the Association by the Declaration, these Articles and the Bylaws.

ARTICLE VII
MEMBERSHIP AND VOTING RIGHTS

Membership in the Association shall be limited to Owners. The Declarant shall be a Member of the Association for so long as Declarant is the Owner of any Lot in the Project. As provided in the Declaration, there initially will be two classes of membership in the Association. Each Owner shall have such rights, privileges and votes in the Association as are set forth in the Declaration, these Articles and the Bylaws.

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>
Ed DePinto	7373 North Scottsdale Road, Suite A-200 Scottsdale, Arizona 85253
Ryan O'Donovan	7373 North Scottsdale Road, Suite A-200 Scottsdale, Arizona 85253
Larry Teague	7373 North Scottsdale Road, Suite A-200 Scottsdale, Arizona 85253

The Board shall adopt the initial Bylaws of the Association. The power to alter, amend or repeal the Bylaws is reserved to the Members except that the Declarant, so long as the Declarant is the Owner of any Lot, and thereafter the Board, without a vote of the Members, shall have the right to amend the Bylaws in order to: (i) correct any error or inconsistency in the Bylaws if the amendment does not adversely affect the rights of any Owner; and (ii) comply with the requirements or guidelines in effect from time to time of any governmental or quasi-governmental entity or federal corporation guarantying or insuring mortgage loans or governing transactions involving mortgage instruments including, without limitation, Fannie Mae, the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"), whose approval of the Association documents or the Declaration is requested by the Declarant or the Association. So long as the Declarant owns any Lot, any amendment of the Bylaws must be approved in writing by the Declarant.

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:

Ed DePinto	President
Ryan O'Donovan	Vice President
Larry Teague	Secretary/Treasurer

ARTICLE X **LIMITATION ON LIABILITY OF DIRECTORS**

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

ARTICLE XI **INDEMNIFICATION**

The Association shall indemnify any person made a party to any civil suit or criminal, administrative or investigative action, 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 against expenses, including attorneys' fees, and judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, if he acted, or failed to act, in good faith and he reasonably believed: (a) in the case of conduct in an official capacity with the Association, that the conduct was in its best interests; (b) in all other cases, that the conduct was at least not opposed to its best interests; and (c) in the case of any criminal action or proceeding, that he had no reasonable cause to believe the conduct was unlawful. Any indemnification of the members, directors, officers, employees or agents of the Association shall be governed by and made in accordance with the provisions of the Arizona Nonprofit Corporation Act.

ARTICLE XII **AMENDMENTS**

These Articles may be amended by Members representing at least seventy-five percent (75%) of the total authorized votes entitled to be cast by each class of Members of the Association; 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 Fannie Mae, the FHLMC, the FHA, the VA or any federal, state or local governmental agency whose approval of the Project, the Declaration, Bylaws or these Articles is required by law or requested by the Declarant or the Association. So

long as the Declarant owns a Class B membership, any amendment to these Articles must be approved in writing by the Declarant.

ARTICLE XIII
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by Owners representing not less than two-thirds (2/3) of the total authorized votes entitled to be cast by the 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 the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed or assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purpose. So long as the Declarant is the Owner of any Lot, any dissolution of the Association must be approved in writing by the Declarant.

ARTICLE XIV
FHA/VA APPROVAL

To the extent that any first mortgages insured by the FHA or guaranteed by the VA are held on any of the Lots at the time of the following described actions, and to the extent that it is required by any regulations governing FHA/VA mortgages, until the termination of the Class B membership, the following actions will require the prior approval of the FHA or the VA: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, amendment of the Articles, and dissolution of the Association.

ARTICLE XV
INCORPORATOR

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

<u>Name</u>	<u>Mailing Address</u>
Ed DePinto	7373 North Scottsdale Road, Suite A-200 Scottsdale, Arizona 85253

Dated this 27TH day of May, 2008



 Ed DePinto

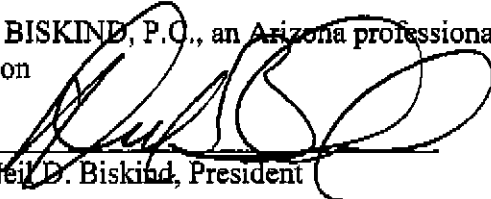
ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

The undersigned, having been designated to act as statutory agent for the 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 30 day of May, 2008

NEIL D. BISKIND, P.C., an Arizona professional corporation

By:


Neil D. Biskind, President

**NONPROFIT
CERTIFICATE OF DISCLOSURE**
Pursuant to A.R.S. § 10-3202 (D)

BLOSSOM HILLS TWO COMMUNITY 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 where in 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 as an officer, director, trustee or incorporator of the corporation, served in any such capacity in any other corporation in any jurisdiction on the bankruptcy, receivership, charter revocation, administrative dissolution or judicial dissolution of the other corporation:



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 December

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 (30) DAYS OF THE DELIVERY DATE.

BY  DATE 5/27/08 BY  DATE 5/27/08
 TITLE Incorporator / Director / Officer TITLE Director / Officer

BY  DATE 5-27-08 BY _____ DATE _____
 TITLE Director / Officer TITLE _____

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

If within sixty (60) days, any person becomes an officer, director, or trustee and the person was not included in this disclosure, the corporation must file and AMENDED certificate signed by all incorporators, or if officers have been elected, by a duly authorized officer.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.