

ARIZONA CORPORATION COMMISSION
INCORPORATION DIVISION

Phoenix Address: 1300 West Washington
Phoenix, Arizona 85007-2929

Tucson Address: 402 West Congress
Tucson, Arizona 85701-1347

CERTIFICATE OF DISCLOSURE
A.R.S. §10-202.D

Summit Shadows Community Association
(Exact Corporate Name)

CHECK APPROPRIATE BOX(ES) A or B
ANSWER "C"

A. No persons serving either by elections or appointment as officers, directors, incorporators and persons controlling or holding more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation:

1. Have 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. Have been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or restraining the trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate.
3. Have 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 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.

B. For any person or persons who have been or are subject to one or more of the statements in Items A.1 through A.3 above, the following information MUST be attached:

- | | |
|--|---|
| 1. Full name and prior name(s) used | 6. Social Security Number |
| 2. Full birth name | 7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and the file or cause number of case |
| 3. Present home address | |
| 4. Prior addresses (for immediate preceding 7-year period) | |
| 5. Date and location of birth | |

C. Has any person serving as an officer, director, trustee or incorporator of the corporation served in any such capacity or held or controlled over 20% of the issued and outstanding common shares or 20% of any other proprietary, beneficial or membership interest in the corporation which has been placed in bankruptcy or receivership or had its charter revoked or administratively or judicially dissolved by any state or jurisdiction?

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 | 4. Dates of Corporate Operation |
| 2. Full Name, including alias, and address for each person involved | 5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency involved and the file or cause number of the case |
| 3. State(s) in which the corporation (a) was incorporated, (b) has transacted any business | |

D. The fiscal year end adopted by the corporation is December 31.

Under penalties of law, the undersigned incorporators/officers/directors 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.

BY: Patrick Moroney
Patrick Moroney

TITLE: Incorporator/Director/President

DATE: June 15, 2000

F Russ Herrmann
Russ Herrmann

TITLE: Director/Vice President

DATE: June 15, 2000

BY: Roger Zetah
Roger Zetah

TITLE: Director/Secretary/Treasurer

DATE: June 15, 2000

BY: _____

TITLE:

DATE:

STATE OF ARIZONA
ACCEPTANCE OF APPOINTMENT
AS STATUTORY AGENT
OF
SUMMIT SHADOWS COMMUNITY ASSOCIATION,
an Arizona nonprofit corporation

To: Arizona Corporation Commission
Incorporating Division
1300 West Washington
Phoenix, Arizona 85007

Please be advised that C. Timothy White, whose address is Tiffany & Bosco, P.A., 1850 N. Central Avenue, Suite 500, Phoenix, Arizona 85004, hereby accepts and acknowledges his appointment as statutory agent for service of process upon Summit Shadows Community Association, an Arizona corporation, and consents to act in that capacity until removal or resignation.

The undersigned hereby certifies that he has been a resident in the State of Arizona for a period in excess of three years.

DATED this 19 day of June, 2000.



C. Timothy White

RECEIVED

JUN 19 2000

ARTICLES OF INCORPORATION
OF
SUMMIT SHADOWS COMMUNITY ASSOCIATION,
an Arizona non-profit corporation

ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

Article 1. Name. The name of the corporation is *Summit Shadows Community Association* (the "Association").

Article 2. Non-profit Corporation. The Association is formed as a nonstock, non-profit corporation under the laws of the State of Arizona. The Association shall make no distributions of income to its Members, Directors or officers.

Article 3. Principal Office. The mailing address of the initial principal office of the Association is 6613 N. Scottsdale Road, Suite 200, Scottsdale, Arizona 85250.

Article 4. Definitions. All capitalized terms used herein which are not defined shall have the same meanings as set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Summit Shadows, recorded or to be recorded in the Official Records of Maricopa County, Arizona (the "Declaration").

Article 5. Initial Business and Purposes. The initial business and purposes for which the Association is organized are:

a. To be and constitute the Association to which reference is made in the Declaration, to perform all obligations and duties of the Association and to exercise all rights and powers of the Association as specified in the Declaration, in the Bylaws of the Association (the "Bylaws") and in the other Project Documents and as provided by law; and

b. To provide an entity for the furtherance of the interests of the Owners of Lots subject to the Declaration.

Article 6. Powers. The Association shall have all of the common law and statutory powers conferred upon non-profit corporations under Arizona law and all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the Bylaws, the Declaration or the other Project Documents, including, without limitation, the power:

a. To fix, collect and enforce payment by any lawful means of Assessments and other charges to be levied against Lots;

b. To manage, control, operate, maintain, repair and improve all Areas of Association Responsibility and any other property for which the Association by rule, regulation, covenant or contract has a right or duty to provide such services;

c. To enforce covenants, conditions and restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration or any other Project Documents;

d. To engage in other activities which will actively foster, promote and advance the common interests of all Owners of Lots subject to the Declaration;

e. To buy or otherwise acquire, sell, dedicate for public use or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, own, hold, use, operate and otherwise deal in and with real, personal and mixed property of all kinds and any right or interest therein for any purpose of the Association, subject to such limitations as may be set forth in the Declaration or the Project Documents;

f. To borrow money for any purpose, subject to such limitations as may be contained in the Declaration or other Project Documents;

g. To enter into, make, perform or enforce contracts of every kind and description and to do all other acts necessary, appropriate or advisable in carrying out any purpose of the Association, with or in association with any other corporation, association or other entity or agency, public or private;

h. To take any other action as may be authorized or contemplated under the Declaration.

i. To adopt, alter and amend or repeal the Bylaws as may be necessary or desirable for the proper management of the affairs of the Association; provided, however, such Bylaws may not be inconsistent with or contrary to any provisions of the Declaration; and

j. To provide any and all supplemental municipal services to the Project as may be necessary or proper.

The foregoing enumeration of powers shall not limit nor restrict in any manner the exercise of other rights and powers which may now or hereafter be permitted by law; the powers specified in each of the paragraphs of this Article are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph of this Article.

Article 7. Members.

a. The Owner of each Lot shall be a Member of the Association and shall be entitled to vote in accordance with the terms of the Declaration and the Bylaws.

b. The Association shall have two classes of membership, Class "A" and Class "B". The Class "A" Members shall be all Owners, except the Class "B" Member, if any. The Class "B" Member shall be the Declarant. The Class "B" Member's rights and obligations are specified in the Declaration and Bylaws. The manner of exercising voting rights shall be as set forth in the Declaration and in the Bylaws.

c. Change of membership in the Association shall be established by recording in the Official Records of Maricopa County, Arizona, a deed or other instrument establishing record title to Lots subject to the Declaration. Upon such recordation and the payment of the transfer fee provided for in the Declaration, the Owner designated by such instrument shall become a Member of the Association and the membership of the prior Owner shall be terminated.

d. The share of a Member in the privileges, rights and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance of its Lot..

Article 8. Duration and Dissolution. The Association shall exist ~~perpetually.~~ However, subject to restrictions imposed by the Declaration, the Association may be dissolved with the written consent of not less than two-thirds (2/3rds) of each class of Members. Upon dissolution, the Association's assets remaining after payment or provisions of payment of all known debts and liabilities of the Association shall be distributed exclusively to one or more public agencies, utilities, non-profit corporations, trusts or other organizations to be devoted to purposes as near as practical to those to which the Association was to be required to be devoted.

Article 9. Directors.

a. The affairs of the Association shall be conducted, managed and controlled by a Board of Directors. The initial Board shall consist of three (3) Directors. The number of Directors shall be increased to five (5) upon the termination of the Class "B" Membership and may be further increased in accordance with the Bylaws. As long as the Class "B" Membership is in existence, Directors need not be Members.

b. The names and addresses of the members of the initial Board, who shall hold office until their successors are elected and qualified, or until removed, are as follows:

Russ Hermann
6613 N. Scottsdale Rd., Ste. 200
Scottsdale, AZ 85250

Patrick Moroney
6613 N. Scottsdale Rd., Ste. 200
Scottsdale, AZ 85250

Roger Zetah
6613 N. Scottsdale Rd., Ste. 200
Scottsdale, AZ 85250

Each of the foregoing persons has consented to be a Director.

c. The method of election, removal and filling of vacancies on the Board and the term of office of Directors shall be as set forth in the Declaration and the Bylaws.

d. The Board may delegate its operating authority to such entities, individuals and committees as it, in its discretion, may determine.

Article 10. Bylaws. The Bylaws shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the Bylaws.

Article 11. Liability of Directors, Officers and Committee Members. To the fullest extent that Arizona law, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors, officers and committee members, no Director, officer or committee member of the Association shall be personally liable to the Association for monetary damages for breach of duty of care or other duty as a Director, officer or committee member. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any Director, officer or committee member of the Association for or with respect to any acts or omissions of such Director occurring prior to such amendment or repeal.

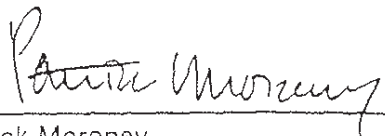
Article 12. Amendments. Amendments to these Articles may be adopted by approval of Members representing two-thirds (2/3rds) of the total Class "A" votes in the Association and, so long as the Class "B" Membership is in existence, all such amendments shall require the approval of the Declarant. Also, as long as any Lots are subject to the Option Agreement, amendment to these Articles shall require the consent of Optionor. Notwithstanding the foregoing, so long as there is a Class "B" Membership in the Association, the Declarant, with the consent of Optionor but without the consent of any other Owner or mortgagee being required, shall have the right to amend these Articles in order to conform these Articles to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or any other federal, state or local governmental entity or agency whose approval of the Project, the Plat or the Project Documents is required or is requested by Declarant.

Article 13. Incorporator. The name and address of the incorporator of the Association is as follows:

Patrick Moroney
6613 N. Scottsdale Road, Suite 200
Scottsdale, Arizona 85250

Article 14. Statutory Agent. The Association hereby appoints C. Timothy White, Esq., whose address is Tiffany & Bosco, P.A., 1850 N. Central Avenue, Suite 500, Phoenix, Arizona 85004, who is now and has been for more than three (3) years past, a bona fide resident of the State of Arizona, as its lawful statutory agent upon whom all notices and processes, including service of summons, may be served and which, when served, shall be lawful, personal service upon the Association. The Association may, at any time, appoint another agent for such purpose and the filling of such appointment shall revoke this or any other previous appointment of such agent.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation this 15th day of June, 2000



Patrick Moroney