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ARIZONA CORPORATION COMMISSION

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October 5, 2004

LAKE & COBB PLC
% SHERRILL SMITH
101 N 1ST AVE #2000
PHOENIX, AZ 85003

RE: SIERRA FOOTHILLS CONDOMINIUM ASSOCIATION
File Number: -1154147-6

We are pleased to notify you that your Articles of Incorporation were filed on September 16, 2004.

You must publish a copy of your Articles of Incorporation. The publication must be in a newspaper of general circulation in the county of the known place of business in Arizona (as filed with the Commission) for three (3) consecutive publications. A list of newspapers is available on the Commission web site. An affidavit from the newspaper, evidencing such publication, must be delivered to the Commission for filing within NINETY (90) DAYS from the date of this letter. Make sure the newspaper publishes the corporation documents using the exact name filed with the Commission.

All corporations transacting business in Arizona are required to file an Annual Report with the Commission, on the anniversary of the date of incorporation. Each year, a preprinted Annual Report form will be mailed to the corporation's known place of business approximately two months prior to the due date of the report. Should the report fail to arrive, contact the Commission. It is imperative that corporations notify the Commission immediately (in writing) if they change their corporate address, statutory agent or agent address. Address change orders must be executed (signed) by a corporate officer. Postal forwarding orders are not sufficient.

The Commission strongly recommends that you periodically check Commission records regarding the corporation. The Commission web site www.cc.state.az.us/corp contains information specific to each corporation of record and is a good general source of information.

If you have any questions or need further information, please contact at (602) 542-3135 in Phoenix, (520) 628-6560 in Tucson, or Toll Free (Arizona residents only) at 1-800-345-5819.

Sincerely,
DIANE YULE
 Examiner
 Corporations Division

CF:04, Rev:01/2004

AZ CORP COMMISSION
FILED

1154147-6
SEP 16 2004

ARTICLES OF INCORPORATION
OF

SIERRA FOOTHILLS CONDOMINIUM ASSOCIATION

APPR. [Signature]
TERM _____
DATE 9-16-04

The undersigned, having legal capacity to enter into contracts under the laws of the State of Arizona, does hereby adopt the following Articles of Incorporation for the purpose of forming an Arizona nonprofit corporation pursuant to the provisions of A.R.S. §§ 10-3201, et seq., as amended.

ARTICLE I

NAME

The name of the corporation is Sierra Foothills Condominium Association, hereafter called the "Association."

ARTICLE II

INCORPORATOR

The name and address of the incorporator is:

Rajanikant Merchant
14425 S. Canyon Drive
Phoenix, Arizona 85048

ARTICLE III

DEFINED TERMS

Capitalized terms used in these Articles and not defined herein shall have the meanings specified in the Declaration Establishing the Sierra Foothills Condominium Association and Declaration of Covenants, Conditions and Restrictions (the "Declaration") recorded in the official records of the County Recorder of Maricopa County, Arizona, as such Declaration may be amended from time to time. As used in these Articles, the term "Eligible Votes" means the total number of votes entitled to be cast by Members as of the record date for determining the Members entitled to vote at a meeting or in respect of any other lawful action including, but not limited to, action by written ballot.

ARTICLE IV

PRINCIPAL OFFICE

The principal office of the Association shall be located at 14425 S Canyon Drive, Phoenix, Arizona 85048

ARTICLE V

STATUTORY AGENT

J. Gregory Lake, a member of the State Bar of Arizona, whose address is 101 North First Avenue, Suite 2000, Phoenix, Arizona 85003, and who has been a bona fide resident of the State of Arizona for more than three (3) years, is hereby appointed and designated as the initial statutory agent of this Association.

ARTICLE VI

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the object and purpose for which this 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 Project Documents. In furtherance of, and in order to accomplish the foregoing object and purpose, the Association may transact any or all lawful business for corporations under the laws of the State of Arizona, as they may be amended from time to time. The Association shall have all of the common law and statutory powers conferred upon nonprofit corporations under Arizona law (including, without limitation, all powers enumerated in A.R.S. § 10-3302) and all powers necessary or desirable to perform the Association's obligations and duties and to exercise the rights and powers of the Association set forth in the Project Documents

ARTICLE VII

CHARACTER OF BUSINESS

The character of the business which the Association intends to conduct in Arizona is to: (I) be and constitute the Association referred to in the Declaration; (ii) provide for the management, maintenance and care of the Common Area; (iii) perform such other duties as are imposed on or granted to the Association by the Project Documents; and (iv) exercise all rights and powers granted to the Association by the Project Documents or by Arizona law.

ARTICLE VIII

MEMBERSHIP AND VOTING RIGHTS

Membership in the Association shall be limited to and shall consist of all Owners, with each Owner being a Member as soon and so long as he shall be an Owner. Such membership shall automatically terminate when an Owner ceases for any reason to be an Owner, and the new Owner shall likewise automatically succeed to such membership in the Association. Membership in the Association shall not be transferred, pledged or alienated in any way, except upon the sale of the Unit to which it is appurtenant (and then only to the purchaser involved in such sale) or by intestate succession, testamentary disposition, foreclosure of a Mortgage of record or other legal process transferring fee simple title to such Unit (and then only to the Person to whom such fee simple title is transferred). Any attempt to make a prohibited transfer of a membership will be null and void and will not be recognized by or reflected upon the books and records of the Association. In the event the Owner of any Unit should fail or refuse to transfer the membership registered in such Owner's name upon the sale of such Owner's Unit to the purchaser of such Owner's Unit, the Association shall have the right to enter a transfer upon books of the Association. The votes in the Association shall be allocated as set forth in the Declaration.

ARTICLE IX

BOARD OF DIRECTORS

The number of directors constituting the initial Board of Directors shall be four (4). 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>
Birju R. Merchant	2048 E. Muirwood Phoenix, Arizona 85048
Sarika Merchant	2048 E. Muirwood Phoenix, Arizona 85048
Rajanikant Merchant	14425 S. Canyon Drive Phoenix, Arizona 85048
Dhanlaxmi Merchant	14425 S Canyon Drive Phoenix, Arizona 85048

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: (a) so long as the Declarant owns any portion of the Property, the Declarant may amend these Bylaws without the consent of any other member, and (b) so long as the Declarant owns any portion of the Property, the Declarant, and thereafter the Board, without a vote of the Members and without the consent of any First Mortgagee, may amend the Bylaws in order to conform the Bylaws to the requirements or guidelines of the Federal National Mortgage Association or any federal, state or local governmental agency whose approval of the Project, the Plat or the Project Documents is required by law or requested by the Declarant or the Association.

ARTICLE X

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 qualified:

<u>Birju Raj Merchant</u>	President
<u>Sarika Merchant</u>	Secretary
<u>Rajnikant Merchant</u>	Vice President
<u>Dhanlaxmi Merchant</u>	Treasurer

ARTICLE XI

DISSOLUTION

The Association may be dissolved by an affirmative unanimous vote of the Owners. Any such agreement to terminate shall be evidenced by the execution or ratification of a termination agreement, in the same manner as a deed, by the Owners so agreeing. The termination agreement shall specify a date after which the Agreement shall be void, unless it is recorded before that date. The Association may not be dissolved, however, unless another entity has agreed to assume the operation and maintenance responsibilities of the Association.

ARTICLE XII

DURATION

The corporation shall exist perpetually

ARTICLE XIII

AMENDMENTS

These Articles may only be changed, modified or amended by an instrument in writing

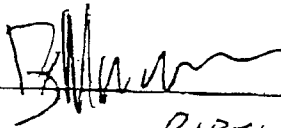
setting forth such change, modification or amendment, signed by Declarant as long as Declarant holds any ownership interest in the Property, or signed (and duly acknowledged) by Owners of not less than eighty-five percent (85%) of the Units; provided, however, that so long as Declarant holds any interest in the Property, Declarant must approve of any such change, modification or amendment. Anything to the contrary notwithstanding contained herein, any amendment which would delete or modify any right granted to the Declarant by the Declaration must be approved in writing by the Declarant as long as Declarant has an ownership interest in the Property.

ARTICLE XIV

PERSONAL LIABILITY

The personal liability of a director of the Association to the Association or its members for money damages for any action taken or any failure to take any action as a director is hereby eliminated to the fullest extent permitted by the Arizona Nonprofit Corporation Act, as it may be amended from time to time. Any repeal or modification of this Article XIV shall be prospective only and shall not adversely affect the personal liability of a director or prior director for any act or omission occurring prior to the effective date of such repeal or modification.

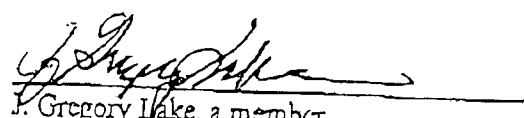
IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, the undersigned, constituting the incorporator of this Association, executed these Articles of Incorporation this 02 day of SEPT., 2004


BIRSH RAJ MERCHANT

ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

The undersigned hereby accepts appointment as the statutory agent for this corporation.

Dated this 15th day of September, 2004



J. Gregory Lake, a member
of the State Bar of Arizona
101 N. First Avenue, Suite 2000
Phoenix, Arizona 85003