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COMMISSION  
STATE OF AZ.  
FILED

ARTICLES OF INCORPORATION  
OF  
VENTANA HOMEOWNERS ASSOCIATION  
An Arizona Nonprofit Corporation

JUL 26 4 14 PM '84  
*(Signature)*  
T. G. G. T. G. G.

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 Arizona Revised Statutes § 10-0001 et seq.

ARTICLE I  
Name

The name of the corporation is VENTANA HOMEOWNERS ASSOCIATION.

ARTICLE II  
Duration

The corporation shall exist perpetually.

ARTICLE III  
Purposes and Powers

The corporation does not contemplate pecuniary gain or profit to the members thereof, and no part of the income or profit of the corporation, if any, shall be distributable to its members, directors or officers, except as a payment of reasonable compensation for services rendered or a distribution upon dissolution or liquidation as permitted by law. The specific purposes for which the corporation is formed are to fulfill all the duties and responsibilities, and to exercise all the rights, powers and prerogatives, of the Association as set forth in the Declaration of Horizontal Property Regime and Declaration of Covenants, Conditions and Restrictions for VENTANA CONDOMINIUMS (the "Declaration"), which was recorded with the County Recorder of Maricopa County, Arizona, at Document No. 84-242844 and to act as and constitute the council of co-owners and the governing body of and for Ventana Condominiums, a horizontal property regime existing by virtue of said Declaration.

In furtherance of such purposes, the corporation shall have all powers and be authorized and empowered to perform all acts and do all things which a nonprofit corporation might now or hereafter at any time be lawfully authorized, empowered or permitted to perform, do or exercise under the laws of the State of Arizona.

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ARTICLE IV  
Character of Business

The character of business which the corporation initially intends actually to conduct in Arizona is the fulfillment of all its duties and responsibilities and the exercise of all its rights, powers and prerogatives under the Declaration.

ARTICLE V  
Statutory Agent

The name of the corporation's initial statutory agent is SA Services Corp. and its address is 111 West Monroe, Suite 1700, Phoenix, Arizona 85003.

ARTICLE VI  
Directors

The affairs of the corporation shall be managed by a Board of Directors, the number of which shall be determined from time to time in the manner provided in the By-Laws of the corporation but shall not be fewer than three (3). The number of directors constituting the initial board of directors shall be three (3), and the names and addresses of the persons who are to serve as directors until the first annual election of directors or until their successors are elected and shall qualify are as follows:

<u>Name</u>	<u>Address</u>
Robert A. Ballard	2111 East Highland Suite 155 Phoenix, Arizona 85016
Gary Spore	2111 East Highland Suite 155 Phoenix, Arizona 85016
Riney B. Salmon II	111 West Monroe Phoenix, Arizona 85003

ARTICLE VII  
Incorporators

The name and address of the incorporator is James R. Huntwork, 111 West Monroe, Suite 1800, Phoenix, Arizona 85003.

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ARTICLE VIII  
Membership; Classes of Members; Voting Rights

Other than its members, the corporation shall have no shareholders, and no capital stock shall be authorized or issued. The members of the corporation shall be the Owners of Units, as provided in the Declaration. Each Owner shall be a member of the corporation 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 corporation. A membership in the corporation shall not be transferred, pledged or alienated in any way, except upon the sale of the Unit to which it appertains (and then only to such purchaser) 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). Notwithstanding the foregoing, in the event that an Owner has granted an irrevocable proxy or otherwise pledged or alienated the voting right of his Unit regarding special matters to a Mortgagee as additional security, only the vote of such Mortgagee will be recognized in regard to such special matters, if a copy of such proxy or other instrument has been filed with the Board of Directors. In the event that more than one such instrument has been filed, the Board of Directors shall recognize the rights of the first Mortgagee to so file, regardless of the priority of the Mortgages themselves. Any attempt to make a prohibited transfer of a membership is void and will not be recognized by or reflected upon the books and records of the corporation. In the event the Owner of any Unit should fail or refuse to transfer the membership registered in his name to the purchaser of such Unit, the corporation shall have the right to record a transfer upon the books of the corporation and issue a new membership to the purchaser, and thereupon the old membership outstanding in the name of the seller shall be null and void as though the same had been surrendered.

The corporation shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant under the Declaration and shall be entitled to one vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be members. The voting for such Unit shall be exercised as such persons among themselves determine, but in no event shall more than one vote be cast with respect to any Class A Unit.

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Class B The Class B member shall be the Declarant under the Declaration, who shall hold one (1) Class B membership for each Unit owned and shall be entitled to three (3) votes for each Unit owned. Each such vote may be cast in such proportions on any matter as such Declarant may determine. Class B memberships shall cease and be converted to Class A memberships, without further act or deed, upon the happening of any of the following events:

(a) Upon the sale or other disposition of any Unit by such Declarant, other than in connection with an assignment by such Declarant of all or substantially all of its rights under the Declaration (including a pledge or assignment by such Declarant to any lender as security), with respect to the Unit or Units so sold or otherwise disposed of; or

(b) With respect to all remaining Class B memberships, upon the first to occur of the following:

(i) Within ninety (90) days following the first date when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership, or

(ii) On January 1, 1988.

If any lender to whom such Declarant has or may hereafter assign, as security, all or substantially all of its rights under the Declaration succeeds to the interests of such Declarant by virtue of said assignment, the Class B memberships shall not be terminated thereby, and such lender shall hold the Class B memberships on the same terms as they were held by such Declarant.

#### ARTICLE IX First Meeting of Members

The date of the first and all subsequent annual meetings of the members of the corporation shall be as provided in the By-Laws of the corporation.

#### ARTICLE X Provisions Respecting Amendments

These Articles of Incorporation may be amended only by the affirmative vote of members holding seventy-five percent (75%) of the entire votes of the membership; provided, however, that so long as there is a Class B member, no such amendment shall be effective without the prior written consent of the United States Veterans Administration. These Articles of

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Incorporation shall not contain any provisions which would be contrary to or inconsistent with the Declaration as in effect from time to time, and any provision of or purported amendment to these Articles of Incorporation which is contrary to or inconsistent with the Declaration as in effect from time to time shall be void to the extent of such inconsistency.

ARTICLE XI  
Indemnification

In addition to and not in limitation of any power or duty of the corporation to indemnify any person, the corporation shall pay all expenses, including attorney's fees, incurred by any 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 upon the making of the determination provided for in Arizona Revised Statutes § 10-1005.B.4 and the satisfaction of the condition provided for in Arizona Revised Statutes § 10-1005.B.5; 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.

ARTICLE XII  
Definitions

The words used herein shall be deemed to have the same definitions as in the Declaration, unless otherwise required by context.

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation this \_\_\_\_\_ day of July, 1984.

James R. Huntwork  
James R. Huntwork

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CHARLES L. STAGGER - 89-1988  
WILLIAM SALMON - 89-1978  
MURIEL JENNINGS - 89-1978  
...  
JENNINGS, STROUSS & SALMON  
ATTORNEYS AT LAW  
111 WEST WASHINGTON  
PHOENIX, ARIZONA 85003 1791  
TELEPHONE 432-2200  
TELETYPE 432-2200

JENNINGS, STROUSS & SALMON  
ATTORNEYS AT LAW  
111 WEST WASHINGTON  
PHOENIX, ARIZONA 85003 1791  
TELEPHONE 432-2200  
TELETYPE 432-2200

July 25, 1984

CHARLES L. STAGGER - 89-1988  
WILLIAM SALMON - 89-1978  
MURIEL JENNINGS - 89-1978  
...  
SCOTTSDALE OFFICE  
SUITE 110 SOUTH  
1501 EAST WICKHAM PARKWAY  
SCOTTSDALE, ARIZONA 85261-3802  
WRITER'S DIRECT LINE

"Jean"  
The Record Reporter  
4043 N. 20th Street  
Phoenix, Arizona 85067

Re: Ventana Homeowners Association

Dear Jean:

Enclosed are the following with regard to the above-referenced corporation:

- (1) Original and two copies of Articles of Incorporation;
- (2) Original Certificate of Disclosure;
- (3) Letter of acceptance by statutory agent; and
- (4) Transmittal letter of the same to the Arizona Corporation Commission.

Please hand-deliver the above for filing and have a conformed copy of each returned to me. I understand that within the appropriate time frame you will publish the Articles, file an Affidavit of Publication and provide me with a copy of the Affidavit as well as your bill.

Please advise if anything further is required. Thank you for your assistance in this matter.

Very truly yours,

JENNINGS, STROUSS & SALMON

By *Marsha L. Reingen*  
Marsha L. Reingen

NLR:s  
Enclosures

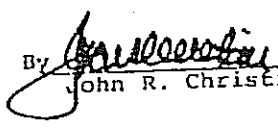
11:05 00.8

To: Arizona Corporation Commission  
Incorporating Division  
1200 West Washington Street  
Phoenix, Arizona 85007

Re: Ventana Homeowners Association

SA Services Corp., having been designated to act as  
statutory agent, hereby consents to act in that capacity until  
renewal or resignation is submitted in accordance with the  
Arizona Revised Statutes.

SA SERVICES CORP.

By   
John R. Christian



11-005 0008

ARIZONA CORPORATION COMMISSION  
INCORPORATING DIVISION

Phoenix Address: 1200 West Washington  
Phoenix, Arizona 85007

Tucson Address: 402 West Congress  
Tucson, Arizona 85701

CERTIFICATE OF DISCLOSURE  
A.R.S. Sections 10-128 & 10-1084

PLEASE SEE REVERSE SIDE

VENTANA HOMEOWNERS ASSOCIATION  
EXACT CORPORATE NAME

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

THE UNDERSIGNED CERTIFY THAT:

- 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 arbitrage 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.
  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.

STATEMENT OF BANKRUPTCY, RECEIVERSHIP OR REVOCATION  
A.R.S. Sections 10-128.01 and 10-1083

- C. Has any person serving (a) either by election or appointment as an officer, director, trustee or incorporator of the corporation or, (b) major stockholder possessing or controlling any proprietary, beneficial or membership interest in the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked? YES NO

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 involved and the file or cause number of the case.

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.

State of Arizona  
County of Maricopa

BY [Signature] DATE 7/25/84  
TITLE Incorporator

Subscribed, sworn to and acknowledged before me this  
25th DAY of July, 1984

BY \_\_\_\_\_ DATE \_\_\_\_\_  
TITLE \_\_\_\_\_

FISCAL DATE: \_\_\_\_\_

James L. Hernandez  
NOTARY PUBLIC

My Commission expires: 1/4/87

(SP17 - 1445 - 6/22/83)  
Inc 3092 - Foreign



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[Faded typed text, likely a routing slip or header information]

JENNINGS STROUSS & SALMON  
ATTORNEYS AT LAW  
PHOENIX ARIZONA 85003 1791

TELEPHONE OFFICE  
480 EAST WASHINGTON  
PHOENIX ARIZONA 85004  
WHITERS DIRECT LINE

July 25, 1984

Arizona Corporation Commission  
Incorporating Division  
1200 West Washington Street  
Phoenix, Arizona 85007

Re: Ventana Homeowners Association

Gentlemen:

Enclosed please find an original plus two (2) copies of the Articles of Incorporation, Certificate of Disclosure and letter designating the statutory agent for the above-referenced corporation. A check in the amount of \$31.00 is also enclosed and we request that you return a certified copy of the Articles to our office.

The fiscal year of the corporation shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

If there are any questions regarding this corporation, please feel free to contact me.

Very truly yours,

JENNINGS, STROUSS & SALMON

By *Marsha L. Reingen*  
Marsha L. Reingen

MLR:s

Enclosures

