

DEC 02 1999

ARTICLES OF INCORPORATION

OF

DATE APPR \_\_\_\_\_  
TERM 12-02-99  
BY Mindy Robinson

POWER RANCH COMMUNITY ASSOCIATION

In compliance with the requirements of § 10-2301, 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 Power Ranch 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, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Power Ranch, as recorded in the official records of Maricopa County, Arizona.

ARTICLE III

PRINCIPAL OFFICE

The principal office of the Association shall be located at 6720 N. Scottsdale Road, Suite 160, Scottsdale, Arizona 85253-4424.

ARTICLE IV

STATUTORY AGENT

Sunbelt Holdings Management, Inc., an Arizona corporation, whose address is 6720 N. Scottsdale Road, Suite 160, Scottsdale, Arizona 85253-4424, is hereby appointed and designated as the initial statutory agent for the Association.

"Any provision herein which restricts the sale, rental, or use of the described real property because of familiar status is invalid and unenforceable under federal law"

## **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 of Lots and Parcels that are subject to assessment. 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:

Name	Mailing Address
Curtis E. Smith	6720 N. Scottsdale Road, Suite 160 Scottsdale, Arizona 85253-4424
Mark Hammons	6720 N. Scottsdale Road, Suite 160 Scottsdale, Arizona 85253-4424
Thomas P. Eccles	6720 N. Scottsdale Road, Suite 160 Scottsdale, Arizona 85253-4424

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 owns any Lot or Parcel, 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, the Federal National Mortgage Association ("FNMA"), 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 or Parcel, 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:

Name	Title
Curtis E. Smith	President
Mark Hammons	Vice President
Thomas P. Eccles	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**

### **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 or Parcel, 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 the FNMA, the FHLMC, the FHA, the VA or any federal, state or local governmental agency whose approval of Power Ranch, 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 XII**

### **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.

## **ARTICLE XIII**

### **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 XIV**

**INCORPORATOR**

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

Name	Mailing Address
Curtis E. Smith	6720 N. Scottsdale Road, Suite 160 Scottsdale, Arizona 85253-4424

Dated this 29th day of November, 1999.

  
\_\_\_\_\_  
Curtis E. Smith

**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 29th day of November, 1999.

SUNBELT HOLDINGS MANAGEMENT,  
INC., an Arizona corporation

By: Curtis E. Smith

Curtis E. Smith

Its: Executive Vice President/Chief Operating  
Officer