

AZ CORPORATION COMMISSION  
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FILE NO.

1186090-7

ARTICLES OF INCORPORATION  
OF  
ADERRA CONDOMINIUMS HOMEOWNERS ASSOCIATION

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, for the purpose of forming a non-profit corporation under the laws of the State of Arizona, does hereby adopt the following Articles of Incorporation.

1. Name. The name of this corporation (hereinafter "Association") is Aderra Condominiums Homeowners Association.

2. Duration. The period of duration of the Association shall be perpetual.

3. Principal Place of Business. The initial known place of business and principal office for the transaction of business of the Association is located in Maricopa County, Arizona, at 7025 North Scottsdale Road, Suite 310, Scottsdale, Arizona 85253.

4. Statutory Agent. The name and address of the Association's initial Statutory Agent, a bona fide resident of the State of Arizona for more than three years, are:

Robert A. Lyles  
7025 North Scottsdale Road, Suite 310  
Scottsdale, Arizona 85253

5. Nonprofit Corporation. This Association is organized as a nonprofit corporation under the laws of the State of Arizona.

6. Purpose and Powers. This Association does not contemplate the distribution of gains, profits or dividends to its Members. The specific primary purpose for which it is formed are to provide for the management, operation, administration, maintenance, repair, improvement, preservation and architectural control of the Common Elements and all other areas for which the Association has such responsibility within the Aderra Condominiums located in Maricopa County, Arizona which are more particularly described in that certain Declaration of Condominium and of Covenants, Conditions and Restrictions (the "Declaration") which has been or will be recorded in the Official Records of the Maricopa County, Arizona Recorder, and to promote the health, safety and welfare of all of the residents within Aderra Condominiums and the jurisdiction of this Association for these purposes, all according to the Declaration.

In furtherance of said purposes, this Association shall have the powers to:

- a. Perform all of the duties and obligations of the Association as set forth in the Declaration;
- b. Fix, levy, collect and enforce Assessments, late charges, monetary penalties, fines, fees or other charges as set forth in the Declaration;
- c. Pay all expenses and obligations incurred by the Association in the conduct of its business, including without limitation, all licenses, taxes or governmental charges levied or imposed against any property owned by the Association;
- d. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association (but Common Elements are owned by Unit Owners as provided in the Declaration);
- e. Borrow money and, only with the assent (by vote or written consent) of Members representing at least sixty-seven percent (67%) of the total allocated votes of the Association, and with the consent of Declarant during the Period of Declarant Control, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property (not including the Common Elements owned by the Unit Owners in their allocated undivided interests) as security for money borrowed or debts incurred;
- f. Grant easements over the Common Elements to any public agency, authority or utility company consistent with the provisions of Section 3.2 of the Declaration;
- g. Convey the Common Elements or subject the same to a mortgage or other security interest, further subject to the provisions of the Declaration and the Condominium Act;
- h. Participate in mergers and consolidations with other nonprofit corporations organized for the same purpose, provided that any merger or consolidation shall have the assent of Members as required by the Condominium Act; and
- i. Have and exercise any and all powers, rights and privileges which a corporation organized under the Arizona Nonprofit Corporation Act (A.R.S. §10-3101 et seq.) and the Condominium Act by law may now or hereafter have or exercise.

7. Membership Voting Rights. There will be Members of the Association. The number and qualifications of Members of the Association, the property, voting and other rights and privileges of Members, their liability for Assessments and the method of collection thereof shall be as set forth in the Declaration and the Bylaws. Without limiting the foregoing, every person or entity who is a record owner of a fee or undivided fee interest in any Unit, including contract purchasers with right of possession of a Unit pursuant to A.R.S. §§33-741 et seq., but excluding persons or entities holding an interest merely as security for the performance of an

obligation, shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit.

8. Board of Directors. The affairs of this Association shall be managed by a Board of not less than one (1) nor more than seven (7) Directors (the exact number of which shall be fixed in the Bylaws, or amendments thereof), duly adopted by the Members or by the Board of Directors. The number of Directors may be changed by amendment to the Bylaws. The initial Board of Directors, the members of which shall serve until their successors are elected or appointed according to the Bylaws, are as follows:

Robert A. Lyles  
7025 North Scottsdale Road, Suite 310  
Scottsdale, Arizona 85253

Patricia A. Watts  
7025 North Scottsdale Road, Suite 310  
Scottsdale, Arizona 85253

9. Elimination of Director Liability. As set forth in the Arizona Nonprofit Corporation Act, each Director shall be immune from civil liability and shall not be subject to suit indirectly or by way of contribution for any act or omission resulting in damage or injury if said Director was acting in compliance with A.R.S. 10-3830. The Directors shall have the full benefits and immunities created by or available under the provisions of A.R.S. 10-3830 and 10-3850 through 3858, as the same may be expanded or modified in the future.

10. Dissolution. In the event of dissolution, liquidation or winding up of the Association (other than incident to a merger or consolidation), the Association shall pay or adequately provide for the debts and obligations of the Association and otherwise comply with the Arizona Nonprofit Corporation Act. The Directors or Persons in charge of the liquidation shall dedicate the assets of the Association to an appropriate public agency to be used for purposes similar to those for which this Association was created or if such dedication is refused acceptance, then such assets may be granted, transferred or conveyed to any nonprofit corporation, association, trust or other organization devoted to similar purposes. If such actions are not feasible, said Directors or other Persons in charge of the liquidation, shall divide the remaining assets among the Members in accordance with their respective allocated interests as set forth in the Declaration, except as may be required by law.

11. Amendments. These Articles may be amended by the vote or written assent of Members representing at least sixty-seven percent (67%) of the total allocated votes of the Membership in the Association, and with the consent of Declarant during the Period of Declarant Control; provided, however, that the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause or provision. During the Period of Declarant Control the Declarant, and thereafter the Board, without the consent of other Members, may amend these Articles to conform to the requirements and guidelines of any governmental or

quasi-governmental entity or federal corporation whose approval of the Condominium and the Condominium Documents is required by law or requested by Declarant or the Association.

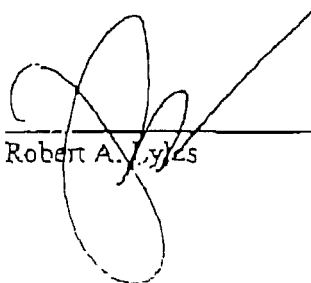
12. Incorporator. The incorporator of the Association and his name and address is:

Robert A. Lyles  
7025 North Scottsdale Road, Suite 310  
Scottsdale, Arizona 85253

13. Definitions. All initially capitalized terms used herein without definition shall have the meanings set forth for such terms in the Declaration, or, if not defined in the Declaration, in the Condominium Act.

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of Arizona, the undersigned, constituting the Incorporator of this Association, has executed these Articles of Incorporation this 25<sup>th</sup> day of February, 2005.

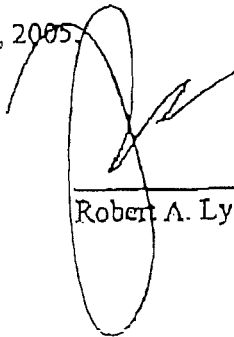
By

  
\_\_\_\_\_  
Robert A. Lyles

ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

The undersigned, a bona fide resident of the State of Arizona, having been designated to act as statutory agent for Aderra Condominiums Homeowners Association, an Arizona non-profit corporation, hereby accepts such appointment and agrees to act in that capacity until his removal or resignation is submitted in accordance with applicable provisions of the Arizona Revised Statutes.

Dated this 25<sup>th</sup> day of February, 2005.



Robert A. Lyles