

AZ. SEC. COMMISSION
FOR THE STATE OF AZ.
FILED

DEC 7 3 37 PM '87

APPR. *D. Mendez*
DATE APR 1-7 FILED
TERM _____
DATE _____ TIME: _____

ARTICLES OF INCORPORATION
OF
TOWNE MEADOWS HOMEOWNERS' ASSOCIATION

201021

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned persons have this day, in compliance with the requirements of Arizona Revised Statutes Sec. 10-1001 et seq., as amended, voluntarily associated themselves together for the purpose of forming a nonprofit corporation under and pursuant to the laws of the State of Arizona, and for that purpose hereby adopt the following Articles of Incorporation:

ARTICLE I

NAME

The name of this corporation is Towne Meadows Homeowners' Association, hereinafter called the "Association."

ARTICLE II

PRINCIPAL OFFICE

The principal office of the Association is located at 3800 North Central Avenue, Suite 1000, Phoenix, Arizona, 85012

ARTICLE III

STATUTORY AGENT

Neil D. Biskind, Esq. of O'CONNOR, CAVANAGH, ANDERSON, WESTOVER, KILLINGSWORTH & BESHEARS, One East Camelback, Suite 1100, Phoenix, Arizona, 85012 is hereby appointed the initial statutory agent of this Association.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION; CHARACTER OF BUSINESS

This Association does not contemplate pecuniary gain or profit to the members thereof. The purpose for which it is formed, and the character of the business which it intends to conduct, is to provide for maintenance, preservation and architectural control of the Lots and Common Elements within that certain tract of property (the "Property") described as:

Lots 1-591 inclusive of Towne Meadows and Tract "A" by plat recorded in Book 310, Page 38 of Maps in the Office of the County Recorder of Maricopa County, Arizona;

to promote the health, safety and welfare of the Owners and residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association and to; exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions for Towne Meadows applicable to the above property and recorded in the office of the Maricopa County Recorder, as the same may be amended from time to time as therein provided (the "Declaration"), said Declaration being incorporated herein as if set forth at length.

ARTICLE V

MEMBERSHIP

The Association shall be a non-stock Association and shall be owned by its Members, who shall be collectively the Members of the Association. Membership in the Association shall be limited to "Owners," as such term is defined in the Declaration. Unless otherwise defined herein, other defined terms used herein shall have the definitions given said terms in the Declaration.

Any person, corporation, or other entity shall automatically, upon becoming an Owner, be a Member of the Association and shall remain a Member of the Association until such time as he ceases to be an Owner for any reason, at which time his membership in the Association shall automatically cease. Being an Owner shall be the sole qualification and criterion for membership, and membership shall be appurtenant to and may not be separated from such ownership. Certificates of Membership need not be issued, and membership shall be evidenced by an official list of Members, which list shall be kept by the Secretary of the Association.

The Board of Directors may prescribe, pursuant to the method set forth in the Declaration, reasonable rules and regulations relating to the rights and obligations of the Members of the Association, including rules and regulations governing use and enjoyment of the Property and the property of the Association, and fees (if any) chargeable with respect thereto, and the suspension of voting and other rights and privileges of Members failing promptly to fulfill their obligations as such. Further, membership in the Association shall be subject to the terms of the Declaration.

ARTICLE VI

VOTING RIGHTS

A. The Association shall, as set forth in the Declaration, have two classes of voting membership:

Class A. Class A members shall be all Owners other than Declarant. A Class A member shall be entitled to one (1) vote for each Lot owned by said Member.

Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to three (3) votes for each Lot owned by it; provided, however, that the Class B membership shall cease and be converted to Class A membership on the earlier of:

(a) When the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership (giving effect to the 3 vote preference to the Class B Member when making the comparison); or

(b) Three (3) years after the date of recordation of the Declaration; or

(c) Such time as the Declarant shall designate in writing.

B. Whenever, pursuant to these Articles, the assent or vote of Members is required to effect or authorize a particular act, and a percentage or proportion of such Members so consenting or voting is specified, unless otherwise required by law, said percentage or proportion shall be measured in terms of the aggregate number of votes eligible to be cast by all Members of the Association, irrespective of class of membership.

ARTICLE VII

BOARD OF DIRECTORS AND OFFICERS

The affairs of the Association shall be conducted by a Board of Directors and such officers as the Board of Directors may select from time to time, all as shall be set forth in the Association's Bylaws.

The number of directors of this Association shall be initially set at four (4), but such number may be changed by the Board of Directors in accordance with the Bylaws of the Association, as the same may be duly adopted or amended from time to time. The following persons shall serve as the initial Board of Directors of the Association until the first annual meeting of the Members of the Association or until their successors shall have been duly elected and qualify:

<u>NAME</u>	<u>ADDRESS</u>
Curt Smith	3800 N. Central Ave., Phoenix, AZ 85012
David Walls	3800 N. Central Ave., Phoenix, AZ 85012
Brian Burch	3800 N. Central Ave., Phoenix, AZ 85012
Chris Heeter	3800 N. Central Ave., Phoenix, AZ 85012

The Board of Directors will adopt Bylaws for the corporation, and such Bylaws may be amended, supplemented, repealed, or suspended, and new Bylaws may be adopted as provided for therein.

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:

<u>NAME</u>	<u>OFFICE</u>
Curt Smith	President
Brian Burch	Vice President
Chris Heeter	Vice President
David Walls	Secretary-Treasurer

ARTICLE VIII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of 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 this Association was created; granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes; or otherwise disposed of as permitted by applicable law.

ARTICLE IX

DURATION

The Association shall exist perpetually.

ARTICLE X

AMENDMENTS, CONFLICTS

Amendment of these Articles shall require the assent of two-thirds (2/3) of the Members of the Association. The Articles may not be amended insofar as such amendment would be inconsistent with the Declaration. In the event of any conflict between these Articles and the Declaration, the Declaration shall control.

ARTICLE XI

FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration (if they hold any interest in the Property or any portion thereof): annexation of additional properties, mergers and consolidations of the Association, mortgaging of the Common Elements, dedication of the Common Elements, dissolution of the Association and amendment of these Articles.

ARTICLE XII

INCORPORATION

The name and address of the incorporator of the association is: Curt Smith, 3800 N. Central Avenue, Phoenix, Arizona, 85012.

ARTICLE XIII

DIRECTOR LIABILITY

The personal liability of any director of the Corporation to the Corporation for monetary damages for breach of fiduciary duties as a director, is hereby eliminated to the fullest extent allowed by the Nonprofit Corporation Act of the State of Arizona, as it may be amended from time to time.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, I, the undersigned, the incorporator of this Association, have executed these Articles of Incorporation this 20th day of November, 1987.

Curtis E. Smith

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this, the 20th day of November, 1987, before me, the undersigned Notary Public, personally appeared Curtis E. Smith, known to me to be the person whose name is inscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

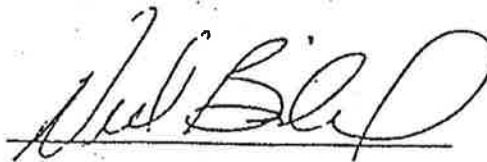
IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Beverly Stutzman
Notary Public

My Commission Expires:

My Commission Expires Feb. 15, 1991

The undersigned, having been designated to act as statutory agent, hereby consents to act in that capacity until it is removed, or submits its resignation, in accordance with applicable law.



Neil D. Biskind, Esq.

Date 11-23-87

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 & 10-1064

PLEASE SEE REVERSE SIDE

TOWNE MEADOWS 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 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.
 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 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.
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 Arthur P. Smith DATE 11-20-87
TITLE President

Subscribed, sworn to and acknowledged before me this
20th DAY of November, 1987

BY _____ DATE _____
TITLE _____

Beverly Stutzman
NOTARY PUBLIC

FISCAL DATE: December 31

My Commission expires: My Commission Expires Feb. 15, 1991



ARIZONA CORPORATION COMMISSION
JANUARY 9, 1988

TOWNE MEADOWS HOMEOWNERS' ASSOCIATION

We are pleased to notify you that your Articles of Incorporation were approved and filed on 12/7/87.

You must publish a copy of your Articles of Incorporation WITHIN SIXTY (60) DAYS from the File Date. The publication must be in a newspaper of general circulation in MARICOPA County, for three (3) consecutive publications. An Affidavit from the newspaper, evidencing such publication, must be delivered to the Commission for filing WITHIN NINETY (90) DAYS from the File Date.

All corporations transacting business in Arizona are required to file an Annual Report with the Commission, no later than the 15th day of the fourth (4th) month following the close of each fiscal year. Your fiscal year end is 12/31/88. A preprinted Annual Report form will be mailed to you during that month.

If you have any questions or need further information, please contact us at (602) 255-3135 or Toll Free (Arizona residents only) 1-800-345-5819.

Very truly yours,

GRACIE MENDOZA

Examiner Technician
Corporations Division
Arizona Corporation Commission