

**ARTICLES OF  
INCORPORATION**

**FOR**

**Las Maderas  
Association**

OCT 12 1982

*Soni Brewer*  
10/12/82

150618

ARTICLES OF INCORPORATION  
OF  
LAS MADERAS ASSOCIATION

In compliance with the requirements of Arizona Revised Statutes, Title 10, Chapter 5, the undersigned, who is a resident of Maricopa County, Arizona, and who is of full age, is desirous of forming a corporation not for profit and does hereby certify:

ARTICLE I  
DEFINITIONS

The words and terms used herein shall be deemed to have the same meanings as are given those words and terms in the Declaration of Covenants, Conditions and Restrictions, herein referred to as the "Declaration", which is of record in the Office of the County Recorder of Maricopa County, Arizona in Docket 12043 page 125 as the same has been and may be supplemented or amended from time to time.

ARTICLE II  
NAME

The name of the corporation is LAS MADERAS ASSOCIATION herein referred to as the "Association".

ARTICLE III  
PURPOSES

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and architectural control of the Lots and Common Area within that certain property included within the Declaration, which property is herein collectively referred to as "Property" and to promote the health, safety and welfare of the residents within the above-described property and for these purposes to:

- (a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the said Declaration and all supplements thereto being incorporated herein as if set forth at length;

- (b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration.
- (c) to pay all expenses in connection with the foregoing and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of 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;
- (e) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (f) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer and been recorded;
- (g) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any merger or consolidation shall have the assent of two-thirds (2/3) of each class of members;
- (h) have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporations Law of the State or Arizona by law may now or hereafter have or exercise.

**ARTICLE IV**  
**INITIAL BUSINESS**

The Association initially intends to conduct the business of a nonprofit homeowners' association.

**ARTICLE V**  
**MEMBERSHIP**

Every person or entity who is a record Owner of any Lot which is subject by covenants of record to assessment by the Association shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

**ARTICLE VI**  
**VOTING RIGHTS**

Each member shall be entitled to one vote for each Lot owned by said member.

The vote for each Lot must be cast as a unit, and fractional votes shall not be allowed. In the event that joint owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Lot. In the event more than one vote is cast for a particular Lot, none of said votes shall be counted as said votes shall be deemed void.

In any election of the members of the Board, every Owner entitled to vote at such an election shall have the right to cumulate his votes and give one candidate, or divide among any number of the candidates, a number of votes equal to the number of Lots owned by the Owner multiplied by the number of Directors to be elected. The candidates receiving the highest number of votes, up to the number of the Board members to be elected, shall be deemed elected.

In the event any Owner shall be in arrears in the payment of any amounts due under any of the provisions of the Declaration, or shall be in default in the performance of or in breach of any of the terms of the Declaration, said Owner's right to vote as a member of the Association and right to use of the recreational facilities shall be suspended and shall remain suspended until all payments are brought current and all defaults and breaches remedied.

**ARTICLE VII**  
**BOARD OF DIRECTORS**

The affairs of the corporation shall be managed by a board of three (3) or more directors who shall be members of the Association. The name and address of each person who is to serve as a Director until the first annual meeting of members or until his successor is elected and qualifies and the duration of his term are:

**Name and Address**

Gary Sherrow  
5301 North 7th Street  
Suite 102, Building I  
Phoenix, Arizona 85014

Douglas Champlin  
2052 E. Calle Maderas  
Mesa, Arizona

Ms. Carolyn Baecker  
1906 N. Calle Maderas  
Mesa, Arizona

Bill Passey  
1918 N. Calle Maderas  
Mesa, Arizona

Donald R. Cronk  
2055 E. Calle Maderas  
Mesa, Arizona

Art Thurston  
1919 N. Calle Maderas  
Mesa, Arizona

Ms. Wilma Fogerty  
2024 E. Calle Maderas  
Mesa, Arizona

ARTICLE VIII  
STATUTORY AGENT

The name and address of the initial Statutory Agent of the Association is  
Richard Roberts, 1555 East University, Mesa, Arizona, 85203.

ARTICLE IX  
INCORPORATORS

The name and address of the incorporator is:

Donald R. Cronk  
2055 East Calle Maderas  
Mesa, Arizona

ARTICLE X  
INDEMNITY

Subject to the further provisions hereof, the corporation shall indemnify any and all of its directors, officers, former directors and former officers, against all expense incurred by them and each of them, including but not limited to legal fees, judgments and penalties which may be incurred, rendered or levied in any legal action brought against any of them for or on account of any action or omission alleged to have been committed while acting within the scope of employment as director or officer of the corporation. Whenever any director, officer, former director or former officer shall report to the President of the corporation or the Chairman of the Board of Directors that he has incurred or may incur expenses, including but not limited to legal fees, judgments and penalties in a legal action brought or about to be brought against him for or on account of any action or omission alleged to have been committed by him while acting within the scope of his employment as a director or officer of the corporation, the Board of Directors shall, at its next regular or at a special meeting held within a reasonable time thereafter, determine in good faith whether, in regard to the matter involved in the action or contemplated action, such person acted, failed to act, or refused to act wilfully, with gross negligence or with fraudulent or criminal intent. If the Board of Directors determines in good faith that such person did not act, failed to act, or refused to act wilfully or with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action or contemplated action, indemnification shall be mandatory and shall be automatically extended as specified herein, and as provided for in A.R. S. 10-1005, provided, however, that no such indemnification shall be available with

respect to liabilities under the Securities Act of 1933, and provided further, 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 the action.

**ARTICLE XI**  
**DISSOLUTION**

The Association may be dissolved with 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. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

**ARTICLE XII**  
**AMENDMENTS**

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

**ARTICLE XIII**  
**INTERPRETATION**

In the event any provision hereof is inconsistent with or in derogation of the Declaration, the provisions of the Declaration shall be deemed to control.

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of Arizona, the undersigned, constituting the Incorporator of this Association has executed these Articles of Incorporation this 21st day of September, 1982.

INCORPORATOR:

Donald R. Cronk  
DONALD R. CRONK

STATE OF ARIZONA            )  
  ) ss  
County of Maricopa         )

The foregoing instrument was acknowledged before me this 21st day of Sept., 1982 by DONALD R. CRONK.

Therese Lynn Hayes  
Notary Public

My Commission Expires:  
June 16, 1985

**STATUTORY AGENT CONSENT**

I, Richard Roberts, having been designated to act as Statutory Agent of LAS MADERAS ASSOCIATION, hereby consent to act in that capacity until removed, or resignation is submitted in accordance with the Arizona Revised Statutes.

Richard Roberts  
RICHARD ROBERTS, Statutory Agent