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FEB 23 1992

ARTICLES OF INCORPORATION
OF
NORTH POINT CROSSING HOMEOWNERS ASSOCIATION

ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

In compliance with the requirements of A.R.S. Section 10-1001 et seq., as amended, the undersigned, all of whom are eighteen years or more of age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do 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 that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTH POINT CROSSING, which was recorded on Feb. 21, 1992, as Recording Number 92-0087920, Records of Maricopa County, Arizona (hereinafter referred to as the "Declaration"), as provided in the Declaration, North Point Crossing Inc., is the "Declarant".

ARTICLE II
NAME

The name of the corporation is NORTH POINT CROSSING HOMEOWNERS ASSOCIATION, hereafter called the "Association".

ARTICLE III
KNOWN PLACE OF BUSINESS

The initial known place of business of the Association is 5010 E. Shea, Suite D-201, Scottsdale, AZ 85254.

ARTICLE IV
STATUTORY AGENT

Bob Coltin a bona fide resident of the State of Arizona for the last three years, whose address is One Renaissance Center, Two North Central, Phoenix, AZ 85004, is hereby appointed the initial Statutory Agent in this Association.

ARTICLE V
GENERAL NATURE OF BUSINESS

This Association does not contemplate pecuniary gain or profit to the Members thereof. The purposes for which it is formed are:

- (1) To provide for the management, maintenance and care of the Common area and other property which the Declaration requires or permits the Association to maintain;
- (2) To promote the health, safety and welfare of the Members;
- (3) To provide for architectural control as required by the Declaration of all property covered by the Declaration; and
- (4) For these purposes, and subject to any limitations set forth in the Declaration, 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 Declaration as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length; to
 - (b) Fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration; and to
 - (c) Have and to exercise any and all powers, rights and privileges which a corporation organized under the non-profit corporation law of the State of Arizona by law may now or hereafter have or exercise.

ARTICLE VI :
MEMBERSHIP

Identity of Members: The Association shall be a non stock corporation: no stock shall be issued and no dividends or pecuniary profits shall be limited to Owners of lots. An Owner of lot shall automatically, upon becoming the owner thereof, be a Member of the Association and shall remain a member of the association until such time as his ownership ceases for any reason, as which time his membership in the Association shall automatically cease.

Transfer of Membership: Membership in the Association shall be appurtenant to each lot, and a membership in the Association shall not be transferred, pledged or alienated in any way, except upon the sale of a lot and then only to such purchaser, or by intestate succession, testamentary disposition, foreclosure of mortgage of record or other legal process. Any attempt to make a prohibited transfer shall be void and shall not be reflected upon the books and records of the Association.

ARTICLE VII
VOTING

CLASSES of MEMBERS: The Association shall have two (2) classes of voting membership:

CLASS A shall be all Owners of lots, with the exception of the Declarant until the termination of the Class B membership. Each Class A Member shall be entitled to one (1) vote for each lot owned.

CLASS B shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of the earlier of the following:

- (a) One Hundred and twenty (120) days after the date on which seventy-five (75%) percent of the Lots have been conveyed to Purchasers; or
- (b) Seven (7) years after the conveyance of the first Lot to a Purchaser; or
- (c) When the Declarant notifies the Association in writing that it relinquishes its Class B membership.

JOINT OWNERSHIP: When more than one person is the Owner of any Lot, all such persons shall be Members. The vote or such Lot shall be exercised as they among themselves determine, but in no event shall more than one ballot be cast with respect to any Lot. The vote or votes for each such 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 casts a ballot representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other Owners of the same Lot. In the event more than one ballot is cast for particular Lot, none of said votes shall be counted and said votes shall be deemed void.

CORPORATE OWNERSHIP: In the event any Lot is owned by a corporation, partnership or other association, the corporation, partnership or association shall be a Member and shall designate in writing at the time of acquisition of the Lot an individual who shall have the power to vote said membership, and in the absence of such designation and until such designation is made, the president, general partner or chief executive officer of such corporation, partnership or association shall have the power to vote for that membership.

SUSPENSION of VOTING RIGHTS: In the event any Owner is in arrears in the payment of any Assessments or other amounts due under any of the provisions of the Project Documents for a period of ten (10) days, said Owner's right to vote as a Member of the Association shall be automatically suspended and shall remain suspended until all payments, including accrued interest, late charges and attorney's fees, are brought current. In addition, the Board may suspend an Owner's right to vote for a period not to exceed sixty (60) days for any other infractions of the Project Documents.

ARTICLE VIII
BOARD OF DIRECTORS

The Association shall be managed by a Board of Directors who need not be Members of the Association and shall have the exclusive right of determining and transacting the affairs of the Association. Except as provided in the Bylaws, directors shall hold office for two years or until their successors are elected and qualified. They shall be elected at the annual meeting of the members. However, directors may be replaced as provided in the Bylaws. The names and address of the person who will serve as directors of the corporation until the selection of their successors are:

Marc Bailes
5010 E. Shea, Suite D-201
Scottsdale, AZ 85254

Renee Silvera
15650 N. Black Canyon Hwy.
Phoenix, Arizona 85023

Connie Uhan
15650 N. Black Canyon Hwy.
Phoenix, Arizona 85023

Indemnification of Directors: Any person who serves as a director or a member of the Directors shall be immune from civil liability and shall not be subject to suit directly or by way of contribution for any act or omission resulting in damage or injury if such person was acting in good faith and within the scope of his/her official capacity, unless such damage or injury was caused by the willful and/or gross negligent conduct of such person. Official capacity is any decision, act or event undertaken by the corporation in furtherance of the purpose or purposes for which such organization was organized.

The liability of a director shall not in any way be eliminated for any of the following:

- (1) Any breach of the director's loyalty to the corporation or its members.
- (2) Acts or omissions which are not in good faith or which involved intentional misconduct or a knowing violation of law.
- (3) Any transaction from which the director derived an improper personal benefit.

ARTICLE IX
OFFICERS

The affairs of the Association are to be conducted by such officers as are specified in the Bylaws and shall be elected by the Board of Directors as provided in the bylaws.

ARTICLE X
BYLAWS

The Board of Directors shall have the power and authority to enact Bylaws and amendments hereto which are not inconsistent with the provisions hereof and not inconsistent with the Declaration.

ARTICLE XI
DURATION

The Association shall commence as of the date the Arizona Corporation Commission shall file these Articles of Incorporation and the duration shall be perpetual.

ARTICLE XII
AMENDMENTS

Amendment of these Articles shall require the assent to two-thirds of the total authorized votes entitled to be cast by the members at an election duly noticed and held for such purpose. Anything in this Article to the contrary notwithstanding. Declarant reserves the right to amend all or any part of these Articles without the consent of other members to such extent and with such language as may be requested by the Veterans Administration, the Federal Housing Administration, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, as a condition precedent to such agency's approval of the Declaration or of these Articles, or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any of the lots or as may be appropriate to bring these Articles into conformity with the Declaration, as the same may be from time to time amended. It is the desire and intention of the Declarant (but without obligation) to retain control of the Association and its activities during the anticipated period of planning and development. If any amendment requested pursuant to the provisions of this Article or any judicial decision or interpretation deletes, diminishes or alters such control, declarant shall have the right to prepare, provide for and adopt as an amendment hereto other and different control provisions consistent with the control provisions of these Articles and the Declaration.

ARTICLE XIII
DISSOLUTION

The Association may be dissolved by the affirmative vote of Members casting not less than two-thirds of the total votes permitted to be cast by the Members at an election held for such purpose. 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 non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XIV
APPROVALS BY VA OR FHA

So long as there is a Class B Membership, the following actions will require the prior approval of the Veterans Administration: mergers, consolidation, dissolution, amendment of these Articles, and mortgaging or dedicating the Common Area.

ARTICLE XV
INCORPORATORS

The name and addresses of the incorporators are as follows:

Incorporator

Marc Bailes
5010 E. Shea, Suite D-201
Scottsdale, AZ 85254

Incorporator

Tony Burd
500 E. Shea, Suite D-201
Scottsdale, AZ 85254

ARTICLE XVI
INTERPRETATION

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

IN WITNESS THEREOF, for the purpose of forming the corporation under the laws of the State of Arizona, we, the undersigned constituting the incorporators of this Association, have executed these Articles of Incorporation this 28 day of Feb 1992.

Marc Bailes
Marc Bailes

Tony Burd
Tony Burd

STATE OF ARIZONA)
) ss.
County of Maricopa)

This instrument was acknowledged before me this 27th day of February, 1992, by Marc Bailes and Tony Burd.

Jo Ann Souders
Notary Public

My Commission Expires:

