

AZ CORPORATION COMMISSION  
FILED

ARTICLES OF INCORPORATION  
OF  
SUMMERFIELD UNIT 6  
OWNERS' ASSOCIATION

MAR 11 2005

FILE NO. 11952460

The undersigned, as the incorporator, has this date set his hand hereto for the purpose of forming a private non-profit corporation under and by virtue of the laws of the State of Arizona, and hereby adopts the following Articles of Incorporation:

ARTICLE I

Name

The name of the corporation is "Summerfield Unit 6 Owners' Association".

ARTICLE II

Definitions

~~The capitalized words and terms used herein which are defined in the Declaration~~  
of Horizontal Property Regime and Declaration of Covenants, Conditions and Restrictions for Summerfield Unit 6, recorded on December 26, 1984, at Instrument No. 84-552784, in the Official Records of Maricopa County, Arizona, as amended by that certain Amendment to Declaration of Horizontal Property Regime and Declaration of Covenants, Conditions and Restrictions recorded on December 31, 1985, at Instrument No. 85-621147, and as amended and restated by that certain Amended and Restated Condominium Declaration and Declaration of Covenants, Conditions, Restrictions For Summerfield Unit 6, A Condominium, to be recorded in the official records of the Maricopa County, Arizona, as amended from time to time (the "Declaration"), shall be deemed to have the same definitions and meanings as in the Declaration.

ARTICLE III

Duration

The corporation shall exist perpetually.

## ARTICLE IV

### Purposes

The corporation is not organized for the purpose of gaining any pecuniary profit. No part of the income or profit or net earnings of the corporation, if any, shall inure to the benefit of any Member, director or officer nor to any other person or entity other than by acquiring, constructing, or providing management, maintenance and care of the corporation's property and other than by a rebate of excess membership dues, fees or assessments. The corporation is formed and its initial business will be to act for and on behalf of all of the Owners of Units within that certain real property (the "Project") known as "Summerfield Unit 6", an amended condominium development (marketed as "Scottsdale Belleview Condominiums"), according to and as more fully set forth in the Declaration for the ownership of Common Elements and the protection, improvement, alteration, maintenance, repair, replacement, administration and operation of the Property and Common Elements, for the assessment of expenses, for the payment of losses, for the disposition of casualty insurance proceeds, to enforce the terms and provisions of the Declaration and for other matters as provided in the Declaration, these Articles of incorporation, and the Bylaws of the corporation. Notwithstanding any other provisions of these Articles, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization qualified under Section 528 or, if the corporation so elects, Section 501(c)(4) of the Internal Revenue Code of 1986, as the case may be. Without limiting the generality of the foregoing, to the extent authorized by its Board of Directors and in accordance with the provisions of the Declaration, the corporation shall be empowered:

(a) To accept such properties, improvements, rights, and interests as may be conveyed, leased, assigned, or transferred to the corporation; to assume such obligations and duties as may be contained in any lease assigned or transferred to the corporation; to maintain, operate and otherwise manage all buildings, structures, improvements, landscaping, parking areas, walks, Common Elements, Units, recreational areas and facilities now or hereafter constructed, on the Property; to pay all taxes and assessments, if any, which may properly be levied against properties of the corporation; to repair, rehabilitate and restore all buildings, structures and improvements on the Property, to insure the Common Elements and the property and all building and structures thereon as required by the Declaration and against such other risks as the Board of Directors shall determine; to make assignments and assessments for maintenance and operating charges as the Board of Directors shall determine in accordance with the Declaration and the Bylaws of the corporation and to enforce the collection of such assessments; to impose liens against individual Owners to secure the payment of obligations due from the assessment thereof, and to collect, sue, foreclose or otherwise enforce, compromise, release, satisfy and discharge such demands and liens in accordance with the Declaration; to enforce any and all covenants, restrictions and agreements applicable to the Property; to pay all maintenance, operating and other costs and to do all things and acts which in the sole discretion of the Board of Directors shall be deemed to be in the best interests of the Owners or for the peace, comfort, safety or general welfare of the Owners, all in accordance with the Declaration; to make and amend rules and regulations respecting the use of the Common Elements and the property; and to

do all things necessary or appropriate to carry out and to enforce the terms and provisions of the Declaration.

(b) To purchase or otherwise acquire title to the Common Elements or to hold and exercise options to purchase the same, and to lease Units in the corporation's name as lessee and to sell and lease or to grant options to lease and purchase Units; and, if the corporation becomes the owner or lessee of a Unit, to perform all the obligations of an owner or lessee thereof and to assume and agree to pay any mortgage constituting a lien upon the Unit.

(c) To develop, construct, purchase, lease, own, improve, maintain, operate and hold real and personal property of every kind and description; to sell, convey, and lease such property; and to mortgage, assign and pledge or otherwise encumber such property.

(d) To borrow money, and to issue notes, bonds, and other evidences of indebtedness in furtherance of any or all of the objects and purposes of the corporation, and to secure the same by mortgage, trust deed, pledge or other lien on or security interest in property of the corporation.

(e) To enter into, perform, and carry out leases and contracts of any kind necessary to or in connection with or incidental to the accomplishment of any one or more of the objects and purposes of the corporation.

(f) To lend or invest its working capital and reserves.

(g) To act as surety or guarantor, agent, trustee, broker or in any other capacity when appropriate to the fulfillment and the furtherance of its objects and purposes.

(h) To procure all types and kinds of insurance as shall be deemed to be in the best interests of the corporation.

(i) In general, to do and perform such acts and things and to transact such business in connection with the foregoing objects and purposes as may be necessary and required.

## ARTICLE V

### Character of Affairs

The character of affairs which the corporation initially intends actually to conduct in Arizona is the fulfillment of all its duties and responsibilities and the exercise of all its rights and powers under the Declaration.

## ARTICLE VI

### Membership and Voting Rights

The corporation shall have Members. The Members of the corporation shall be the Owners of Units, as provided in the Declaration and as shall be set forth in the Bylaws. Other than its Members, the corporation shall have no shareholders, and no capital stock shall be authorized or issued. Each Member shall have one (1) vote for each Unit owned by such Member.

If any lender to whom the Declarant has assigned, or hereafter assigns, as security all or substantially all of its rights under the Declaration succeeds to the interests of the Declarant by virtue of said assignment, the voting rights of the Declarant as provided in the Declaration shall not be terminated thereby, and such lender shall hold the Declarant's memberships and voting rights on the same terms as they were held by the Declarant pursuant to the Declaration.

Notwithstanding anything in these Articles to the contrary, until the Period of Declarant Control terminates (as provided in the Declaration), the following actions require the approval in writing of the United States Department of Housing and Urban Development/Federal Housing Administration or the Veterans Administration: annexation of additional parcels, mergers and consolidations, mortgaging of the Common Elements or any part thereof, dedication of the Common Elements or any part thereof, dissolution or amendment of these Articles.

## ARTICLE VII

### Statutory Agent and Place of Business

S.A. One Ltd., an Arizona corporation, whose address is 2111 E. Highland Ave., Suite 215, Phoenix, Arizona 85016, is hereby appointed the initial statutory agent of the corporation for the State of Arizona.

The place of business of the corporation is 8545 East Belleview Road, Scottsdale, Arizona 85257.

## ARTICLE VIII

### Board of Directors and Officers

The business, property and affairs of the corporation shall be managed, controlled and conducted by a Board of Directors. The number of directors, who shall serve without compensation, shall not be less than one (1) nor more than seven (7), as shall be specified in the Bylaws. The initial Board of Directors shall consist of one (1) director. Except for the initial Board of Directors and any director elected or appointed by Declarant, at least a majority of the directors shall be a Member or the spouse of a Member (or if a Member is a corporation, limited

liability company, partnership or trust, a director may be an officer, member/manager, partner, trustee or beneficiary of such Member). If a director shall cease to meet such qualifications during his term, he will thereupon cease to be a director and his place on the Board of Directors shall be deemed vacant. At a meeting held on March 9, 2005, at 4:00 p.m. at Phoenix, Arizona, Declarant and the undersigned incorporator elected the following individual to serve as director until his successor is elected and qualified at the first annual meeting of the corporation (or until his resignation or removal from office, as the case may be):

<u>Name</u>	<u>Address</u>
Rodney F. DeSouza	P.O. Box 549 Virgil, Ontario Canada L0S-1T0

Vacancies on the Board of Directors caused by any reason shall be filled by a vote of the majority or the remaining directors even though less than a quorum, or by the remaining director if there be only one, and each person so elected shall be a director until his/her successor is duly elected and shall qualify.

The Declarant shall have the absolute power and right to appoint and remove the members of the Board of Directors until the Period of Declarant Control terminates. After the Period of Declarant Control terminates, (a) any director may be removed from office, with or without cause, by a majority vote of the Members at any annual meeting or at any special meeting called for that purpose, and (b) any director may be removed from office, with cause, by a majority vote of the Board of Directors at any regular or special meeting of the Board of Directors called for that purpose.

The Board of Directors shall have the power to adopt Bylaws (the "Bylaws") of the corporation, which may be changed or amended as provided in such Bylaws. The Bylaws shall prescribe, among other things, the date of the annual meeting of the corporation.

The principal officers of the corporation shall be a President, one or more Vice Presidents, a Secretary and a Treasurer all of whom shall be elected by the Board of Directors. Any one person may hold two or more offices at the same time, except that no person shall simultaneously hold the office of President and Secretary.

#### ARTICLE IX

##### Incorporator

The name and address of the incorporator are as follows:

Name

Address

Calum DeSouza

P.O. Box 549  
Virgil, Ontario  
Canada L0S-1T0

ARTICLE X

Private Property

The Members, directors and officers of the corporation shall not be individually or personally liable for the debts or other liabilities of the corporation, and the private property of the Members, directors and officers of the corporation shall be forever exempt from corporate debts or liabilities of any kind whatsoever.

ARTICLE XI

Interdealing

No transaction, contract or act of the corporation shall be either void or voidable or in any other way affected or invalidated by reason of the fact that any officer, director or ~~Member of the corporation, or any other corporation or other entity of which he may be an~~ officer, director, member, or shareholder, is in any way interested in such transaction, contract or act, provided the interest of such officer, director or Member is disclosed to or known by the members of the Board of Directors of the corporation or such directors as shall be present at any meeting at which action is taken upon any such transaction, contract or act. Nor shall any such officer, director or Member be accountable or otherwise responsible to the corporation for, or in connection with, any such action, contract or transaction or for any gains or profits realized by him by reason of the fact that he, or any other corporation or other entity of which he is an officer, director, Member or shareholder, is interested in any such transaction, contract or act. Any such officer, director or Member, if he is a director, after making full disclosure of his interest may be counted in determining the existence of a quorum at any meeting of the Board of Directors of the corporation which shall authorize or take action upon any such transaction, contract or act, and he may vote at any such meeting to authorize, adopt, ratify or approve any Such transaction, contract or act to the same extent as if he, or any other corporation or other entity of which he is an officer, director, Member or shareholder, were not interested in such transaction, contract or act.

## ARTICLE XII

### Indemnification

To the fullest extent permitted by law, every director and every officer of the corporation, every member of the Architectural Committee (if any), and the Declarant and each Member (to the extent a claim may be brought against the Declarant or any Member by reason of its appointment, removal or control over the corporation, the Board of Directors or the Architectural Committee) shall be indemnified by the corporation, and every other Person serving as an employee or direct agent of the corporation, or on behalf of the corporation as a member of a committee or otherwise, may, in the discretion of the Board of Directors, be indemnified by the corporation, against all expenses and liabilities (including, but not limited to, attorneys' fees), reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having served in such capacity on behalf of the corporation (or in the case of the Declarant or any Member, by reason of having appointed, removed or controlled or failed to control the corporation or the Board of Directors or the Architectural Committee), or any settlement thereof, whether or not he is a director, officer or member of the Architectural Committee or serving in such other specified capacity at the time such expenses are incurred, provided that the Board of Directors shall determine, in good faith, that the Person to be indemnified hereunder did not act, fail to act, or refuse to act with gross negligence or fraudulent or criminal intent in the performance of his duties. ~~The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such Persons may be entitled at law or otherwise.~~ Notwithstanding anything to the contrary expressed herein, the Board of Directors shall have the right to refuse indemnification as to expenses in any instance in which the person or entity to whom indemnification would otherwise have been applicable shall have incurred expenses without approval by the Board of Directors which are excessive and unreasonable in the circumstances and are so determined by the Board of Directors, and as to expenses, judgments, or penalties in any instance in which such person or entity shall have refused unreasonably to permit the corporation, at its own expense and through counsel of its own choosing, to defend him or it in the action or to compromise and settle the action. The corporation shall also indemnify the employees and direct agents of the corporation in the same manner and with the same limitations as provided above with respect to directors and officers.

## ARTICLE XIII

### Amendments

Until the Period of Declarant Control terminates, the right to amend these Articles of Incorporation is reserved to Declarant. Thereafter these Articles of Incorporation may be amended by the agreement or affirmative vote of the Unit Owners to which at least sixty-seven percent (67%) of the votes of the corporation are allocated, after the Board of Directors has first adopted a resolution setting forth the proposed amendment and directing that it be submitted to a

vote by the Members; provided, however, that as to the amendment of any provision of these Articles which specifies voting and quorum requirements for any action under such provision, the voting and quorum requirements of that provision shall apply also to any amendment of such provision. These Articles of Incorporation shall not be amended to contain any provisions which would be contrary to or inconsistent with the Declaration and any provisions of or purported amendment to these Articles of Incorporation which is contrary to or inconsistent with the Declaration shall be void to the extent of such inconsistency.

#### ARTICLE XIV

##### Priority of Declaration

The provisions of the Declaration shall have priority over these Articles of Incorporation, and any provision hereof which is contrary to or inconsistent with the Declaration shall be void to the extent of the inconsistency.

IN WITNESS WHEREOF, the undersigned incorporator has hereunto affixed his signature this 11 day of March, 2005.



Calum DeSouza