

ARTICLES OF INCORPORATION

OF

**CASA BELLA II CONDOMINIUMS
MASTER OWNERS ASSOCIATION, INC.**

An Arizona Nonprofit Corporation

_____, the undersigned natural person, acting as incorporator of a nonprofit corporation pursuant to Title 10, Chapter 22 of Arizona Revised Statutes, hereby adopts the following Articles of Incorporation for such nonprofit corporation.

ARTICLE I

NAME AND KNOWN PLACE OF BUSINESS

The name of the nonprofit corporation is Casa Bella II Condominiums Master Owners Association, Inc. hereinafter referred to as the "Master Association." The known place of business of the Master Association is _____

ARTICLE II

DEFINITIONS

Except as otherwise provided herein or as may be required by the context, all terms defined in Article 2 of the Declaration of Condominium for Casa Bella II Condominiums, as is presently recorded or as may hereafter be recorded in the Official Records of Maricopa County, Arizona, hereinafter referred to as the "Declaration," shall have such defined meanings when used in these Articles of Incorporation.

ARTICLE III

DURATION

The Master Association shall exist perpetually or until dissolved pursuant to law.

ARTICLE IV

PURPOSES

The Master Association is organized as a nonprofit corporation and shall be operated exclusively for the purpose of maintaining, operating and governing the Common Elements and Master Association of Casa Bella II Condominiums, hereinafter referred to as the "Project," which is located in Maricopa County, Arizona. The Master Association is organized and shall be operated to perform the functions and provide the services contemplated in the Declaration. The Master Association is not organized for profit and shall not be operated for profit. No dividend shall be paid and no part of the net income of the Master Association, if any, shall be distributed to the members, trustees or officers of the Master Association, except as otherwise provided under Arizona law.

ARTICLE V

POWERS

Subject to the purposes declared in Article IV above and any limitations herein expressed, the Master Association shall have and may exercise each and all of the following powers and privileges:

(a) The power to do any and all things that the Master Association is authorized or required to do under the Declaration, as the same may from time to time be amended, including, without limiting the generality of the foregoing, the specific power to fix, levy and collect the charges and assessments provided for in the said Declaration;

(b) The power to purchase, acquire, own, hold, lease, mortgage, sell and dispose of any and all kinds and character of real, personal and mixed property (the foregoing particular enumeration in no sense being used by way of exclusion or limitation) and, while owner of any of the foregoing, to exercise all rights, powers and privileges appertaining thereto; and

(c) The power to do any and all things that a nonprofit, non-stock corporation may now or hereafter do under the laws of the State of Arizona.

ARTICLE VI

MEMBERSHIP

The members of the Master Association shall be all of the Owners of Residential Units or Vacation Ownership Interests in the Project. The term Owner shall not include any Mortgagee, trustee or beneficiary under any Mortgage or trust deed by which a Unit or any

part thereof is encumbered (unless such Mortgagee, trustee or beneficiary has acquired title for other than security purposes by means of judicial or nonjudicial action, including, without limitation, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure). Each membership in the Master Association shall be appurtenant to and shall not be separated from the Unit or Vacation Ownership Interest to which it relates. No person or entity other than an Owner of a Unit or a Vacation Ownership Interest in the Project may be a member of the Master Association.

ARTICLE VII

MEMBERSHIP CERTIFICATES

The Master Association may issue certificates of membership, but such certificates shall not be necessary to evidence membership in the Master Association. Membership in the Master Association shall begin immediately and automatically upon a person becoming an Owner and shall cease immediately and automatically upon a person ceasing to be an Owner.

ARTICLE VIII

VOTING RIGHTS

All voting rights of the Master Association shall be exercised by the Owners, each Owner being entitled to the number of votes relating to the Unit appertaining to such membership, as set forth in the Declaration. If a membership is jointly held, any or all holders thereof may attend any meeting of the members. With respect to matters to be voted upon by the members as provided in the Declaration, the voting requirements shall be as set forth in the Declaration.

The Declaration establishes a period of Declarant control of the Master Association, during which period the Declarant or persons designated by it have authority to appoint and remove the officers and members of the Master Executive Board. The period of Declarant control shall terminate no later than the earlier of: (i) 90 days after conveyance of 75% of the Residential Units to Owners other than the Declarant; or (ii) four years after Declarant has ceased to offer Residential Units, or any interest therein, for sale in the ordinary course of business.

Notwithstanding the foregoing and subject to the requirements in Section 2.3 of the Master Bylaws, at the first election of the Master Executive Board, and at all times thereafter, at least one of the incumbent members of the Board shall be elected solely by the votes of Owners other than the Declarant.

ARTICLE IX

ASSESSMENTS

Members of the Master Association shall be subject to assessments by the Master Association (which may be collected through the Vacation Association) from time to time in accordance with the provisions of the Declaration and shall be liable to the Master Association for payment of such assessments. Members shall not be individually or personally liable for the debts or obligations of the Master Association. However, the foregoing in no way relieves the members of their personal liability on the assessments as such assessments are assessed from time to time against their individual Residential Units and Vacation Ownership Interests.

ARTICLE X

STATUTORY AGENT AND STATUTORY AGENT'S OFFICE

The name of the initial statutory agent of the Master Association is _____ and the statutory agent's street address where he maintains an office for service of process is _____.

ARTICLE XI

BOARD OF DIRECTORS

The affairs of the Master Association shall be managed by a Board of Directors consisting of three (3) Directors, as prescribed in the Master Bylaws. Until such time as the responsibility for electing the Directors of the Master Association is turned over to the members in accordance with the Declaration, and Article VIII of these Articles, the Declarant or its successors or assigns shall have the exclusive right to appoint and remove such Directors. The names and addresses of the persons who are to serve on the initial Board of Directors and until the successors of such Directors are elected and shall qualify are as follows:

<u>Name</u>	<u>Addresses</u>
_____	_____
_____	_____
_____	_____

ARTICLE XII

MANAGER

The Board of Directors may, by written contract, delegate to a professional management organization or individual such of its managerial duties, responsibilities, functions and powers as are properly delegable.

ARTICLE XIII

BYLAWS, RULES AND REGULATIONS

The Board of Directors may, in accordance with the Act and the Declaration, adopt, amend, repeal and enforce bylaws and reasonable rules and regulations governing the operation of the Master Association and the operation and use of the Project, to the extent that the same are not inconsistent with these Articles of Incorporation or the Declaration. With respect to any inconsistency among the Declaration, Master Articles and Master Bylaws, the Declaration shall have priority over the Master Articles and Master Bylaws and the Master Articles shall have priority over the Master Bylaws.

ARTICLE XIV

LIMITATION OF LIABILITY

No officer or director of the Master Association shall have personal liability to the Master Association or its members for damages for breach of fiduciary duty as an officer or director, except for:

1. Any breach of an officer's or a director's duty of loyalty to the corporation or its members;
2. Acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law;
3. A violation of Section 10-2326 Arizona Revised Statutes;
4. Any transaction from which an officer or a director derived an improper personal benefit;
5. A violation of Section 10-2550 Arizona Revised Statutes.

The liability of a director, former director, officer or former officer to the corporation or its shareholders shall be eliminated to the fullest extent permitted by Arizona law. If Arizona law is amended to authorize corporate action further eliminating the liability of directors or officers, the liability of a director, former director, officer or former officer of the corporation shall be eliminated or limited to the fullest extent permitted by Arizona law as amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a director, former director, officer or former officer of the corporation existing hereunder with respect to any act or omission occurring prior to or at the time of such repeal or modification. The provisions of this Article shall not be deemed to limit or preclude indemnification of a director, former director, officer, or former officer by the corporation for any liability of a director, former director, officer or former officer which has not been eliminated by the provisions of this Article.

The corporation shall indemnify any person who incurs expense by reason of the fact that he or she is or was an officer, director, employee or agent of the corporation to the fullest extent permitted by Arizona law. This indemnification shall be mandatory in all circumstances in which indemnification is provided by law.

ARTICLE XV

INCORPORATOR

The name and address of the incorporator of the Master Association is as follows:

INCORPORATOR

REGISTERED AGENT ACCEPTANCE

The undersigned hereby accepts appointment as registered agent of the Master Association.

Registered Agent

STATE OF ARIZONA)
 : ss.
COUNTY OF MARICOPA)

On the _____ day of _____, _____, personally appeared before me
_____, the signer of the foregoing instrument, who duly acknowledged to me that
he/she executed the same.

NOTARY PUBLIC