

NICHOLAS HOMES

"Were Imagination Lives"

North Barrington

Articles of Incorporation

Bylaws

Meeting Minutes

2001 SEP -6 P 4: 21

ARTICLES OF INCORPORATION
OF

APPR. Louis Breen NORTH BARRINGTON COMMUNITY ASSOCIATION

DATE APP. 9/6/2001

TERM _____

FILE NO. _____

1001772-4

ARTICLE I

NAME

The name of the Corporation is NORTH BARRINGTON COMMUNITY ASSOCIATION (the "Association").

ARTICLE II

DURATION

The Association shall exist perpetually.

ARTICLE III

PURPOSE OF THE ASSOCIATION

The object and purpose for which this Association is organized is to perform the duties and obligations of the Association as set forth in the Declaration of Covenants, Conditions and Restrictions for North Barrington, dated the 7th day of August, 2001, recorded August 9, 2001 as Document No. 2001-0732168 in the office of the County Recorder of Maricopa County, Arizona, as the same may be amended from time to time (the "Declaration"). All capitalized terms not defined herein shall have the meaning ascribed thereto in the Declaration. In furtherance of, and in order to accomplish the foregoing object and purpose, the Association may transact any and all lawful business for which nonprofit corporations may be incorporated under Chapter 24 of Title 10, Arizona Revised Statutes, as it may be amended from time to time (the "Arizona Nonprofit Corporation Act" or the "Act").

ARTICLE IV

CHARACTER OF BUSINESS

The character of the business which the Association intends to conduct in Arizona is to fulfill the duties and obligations of the Association as set forth in the Declaration.

ARTICLE V

STATUTORY AGENT

Smith & Feola, P.C., whose address is 2800 N. Central, #1400, Phoenix, Arizona 85004, is hereby appointed the initial statutory agent of the Association.

ARTICLE VI

BOARD OF DIRECTORS

The number of Directors constituting the initial Board of Directors shall be three (3). The names and addresses of the initial Directors of the Association who shall serve until the first annual meeting of the members or until their successors are elected and qualified are as follows:

<u>Name</u>	<u>Mailing Address</u>
Michael Nicholas	7010 E. Cochise Scottsdale, Arizona 85253
Karen Smith	7010 E. Cochise Scottsdale, Arizona 85253
Jim Carlson	7010 E. Cochise Scottsdale, Arizona 85253

ARTICLE VII

INCORPORATOR

The name and address of the incorporator of the Association is:

Michael Nicholas
7010 E. Cochise
Scottsdale, Arizona 85253

ARTICLE VIII

LIMITATION ON LIABILITY OF DIRECTORS

To the fullest extent allowable under the Arizona Nonprofit Corporation Act, including without limitation Arizona Revised Statutes § 10-3302(14) and § 10-3202(B)(1), no Director of the Association shall be personally liable to the Association or its members for monetary damages for breach of fiduciary duty or for any action taken or any failure to take any action as a Director, except for liability for any of the following:

(a) The amount of a financial benefit received by a Director to which such Director is not entitled;

(b) An intentional infliction of harm on the Association or the Members;

(c) A violation of Arizona Revised Statutes § 10-3833 by a Director who votes for or assents to a distribution in violation of Arizona Revised Statutes §§ 10-11301 and 10-11302 or these Articles of Incorporation;

(d) An intentional violation of criminal law.

ARTICLE IX

INDEMNIFICATION

To the fullest extent permitted by the Arizona Nonprofit Corporation Act as the same exists or may hereafter be amended, it is specifically provided that the Association shall indemnify every Director and Officer, and his or her heirs, devisees and representatives against any liability (as defined in Arizona Revised Statutes § 10-3850), including reasonable attorneys' fees and court costs, to which he or she may be subject by reason of being, or having been, a Director or Officer of the Association and for any action taken, or any failure to take any action, as such Officer or Director. Notwithstanding the foregoing, it is specifically provided that no indemnification shall be provided for any liability with respect to (i) receipt by a Director or Officer of a financial benefit to which such Director or Officer is not entitled, (ii) an intentional infliction of harm on the Association or any of its Members by such Member or Officer, (iii) a violation by such Director or Officer of Arizona Revised Statutes Section 10-3833 or (iv) an intentional violation of criminal law by such Director or Officer.

The Association shall have the right to refuse indemnification, wholly or partially, in any instance in which the Officer or Director to whom indemnification would otherwise have been applicable shall have unreasonably refused to permit the Association, at its own expense and through counsel of its own choosing, to defend such Officer or Director in the action, or in any instance in which such Officer or Director shall have unreasonably refused to cooperate in the defense of such action.

ARTICLE X

KNOWN PLACE OF BUSINESS

The principal office and known place of business of the Association shall be located at 7010 E. Cochise, Scottsdale, Arizona 85253.

ARTICLE XI

MEMBERSHIP AND VOTING RIGHTS

Membership in the Association shall be limited to Owners of Lots. Each Owner shall have such rights, privileges and votes in the Association as are set forth in the Declaration.

ARTICLE XII

BYLAWS

The Board of Directors shall adopt the initial Bylaws of the Association. The power to alter, amend or repeal the Bylaws is reserved to the Members except that the Board, without a vote of the Members, may amend the Bylaws in order to conform the Bylaws to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or any federal, state or local government agency whose approval of the Project, the Plat or the Declaration is required by law or requested by the Declarant.

ARTICLE XIII

OFFICERS

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 or until their successors have been elected and qualified:

MICHAEL NICHOLAS	President
KAREN SMITH	Vice President
JIM CARLSON	Secretary/Treasurer

ARTICLE XIV

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the Owners representing not less than seventy-five percent (75%) of the authorized votes of the Association membership. 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, as the Board of Directors shall determine. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed or assigned to any nonprofit corporation,

association, trust or other organization to be devoted to such similar purpose as the Board of Directors shall determine.

ARTICLE XV

AMENDMENTS

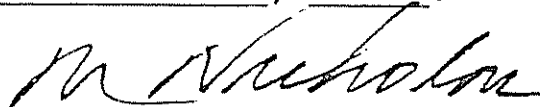
These Articles may be amended by Members representing at least seventy-five percent (75%) of the total authorized votes entitled to be cast by Members of the Association; provided, however, that the Board, without a vote of the Members, may amend these Articles in order to conform these Articles to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or any federal, state or local governmental agency whose approval of the Project, the Plat or the Declaration is required by law or requested by the Declarant.

ARTICLE XVI

GOVERNMENTAL APPROVAL

Notwithstanding any provision of these Articles of Incorporation to the contrary, it is specifically provided that so long as the developer of the property which is the subject of the Declaration shall be in control of the Association, approval in writing of the Department of Housing and Urban Development (FHA) or the Veteran's Administration is required prior to annexation of additional properties, mergers and consolidations, the mortgaging of Common Area (as defined in the Declaration), dedication of all or a portion of the Common Area, dissolution of the Association or amendment of these Articles of Incorporation.

DATED this 20th day of August, 2001.



MICHAEL NICHOLAS,
Incorporator

BYLAWS OF
NORTH BARRINGTON COMMUNITY ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the Corporation is NORTH BARRINGTON COMMUNITY ASSOCIATION (hereinafter referred to as the "Association"). The location of the principal office of the Association shall be as provided in the Articles of Incorporation. The principal office of the Association may be changed at the discretion of the Board. Meetings of Members and Directors may be held at such places within the State of Arizona, County of Maricopa, as may be designated by the Board of Directors.

ARTICLE II
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, dated August 7, 2001, recorded on August 9, 2001 as Document No. 2001-0732168 in the office of the County Recorder of Maricopa County, Arizona (the "Declaration"), as the same may be from time to time amended. The term "Declarant" shall refer to MNI ENTERPRISES, Inc., an Illinois corporation doing business as U. S. Development.

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year of the date of Incorporation, the date, place and time of such annual meeting to be determined by the Board. Each subsequent annual meeting of the Members shall be held on the same date of each year thereafter, unless otherwise determined by the Board. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to cast one-fourth (1/4) of all of the outstanding votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary of the Association by mailing a copy of such notice, postage prepaid, not less than ten (10) days nor more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the

Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV
BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors, the members of which need not be Members of the Association. The Board shall have the exclusive right to determine the affairs of the Association. The Board shall consist of a minimum of one (1) Director. The Board initially shall consist of the three (3) Directors designated in the Articles.

Section 2. Term of Office. The Directors designated in the Articles, or such other Directors as the Declarant may appoint from time to time, shall hold office until the Class B Membership is extinguished. At the first annual meeting following termination of the Class B Membership, the Class A Members shall elect one (1) Director for a term of three (3) years, one (1) Director for a term of two (2) years and one (1) Director for a term of one (1) year. At each annual meeting thereafter, the Members shall elect Directors to replace those Directors whose terms have expired and all such Directors shall be elected for a term of three (3) years. The length of terms may be modified by the Members and the number of Directors may be increased to not more than nine (9) by the vote of the Members or the Board. In the event of an increase in the number of Directors, the Members, at the first annual meeting after the increase, shall designate the terms for the new directorships. If the new directorships are created and filled by the Board between annual meetings, the newly elected Directors shall serve until the next annual meeting of the Members.

Section 3. Removal and Vacancies. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association, with the exception of any of the Directors appointed by the Declarant during the term of the Class B Membership. In the event of the death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and such successor shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association in such capacity. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties as a Director and may receive a salary or wages if he is employed by the Association in a capacity in addition to serving as a Director.

Section 5. Action Taken Without a Meeting. The Board of Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Election. Subject to the provisions of Article IV, Section 2, the members of the Board of Directors shall be elected by the Membership at the annual meeting.

Section 2. Voting. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors may be held without notice, at such place and hour as may be fixed from time to time by the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors, after not less than three (3) days notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area, the personal conduct of the Members and their guests and invitees thereon, and any other matters contemplated by the Declaration or Articles, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and the right to the use of the Common Area of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended (i) for a period not to exceed sixty (60) days for other infraction of the Declaration or Association Rules and (ii) for successive sixty (60) day periods if any such infraction is not corrected during any prior sixty (60) day suspension period; provided, however, no such suspension of the right to use the Common Area shall be made which would prevent the use and enjoyment of the Owner's Lot as a residence or restrict his access or parking rights; provided further, that the voting rights of a Member may only be suspended where written notice of the default or infraction is provided to such Member at least fifteen (15) days before the suspension is to become effective and the Member is provided the opportunity to be heard, either orally or in writing, by the Board of Directors or the Committee appointed by said Board of Directors for such purpose at least five (5) days before the effective date of the proposed suspension;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ one or more managers, independent contractors or such other employees as they deem necessary and to prescribe the duties of such persons.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or any at special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(i) fix the amount of the annual assessment against each Lot in advance of each annual assessment period; and

(ii) take such action, as and when the Board deems such action appropriate but after notice as provided in the Declaration, to foreclose the lien against any property for which assessments are not paid and/or to bring an action at law against the Member personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment as against any bona fide Purchaser of, or lender on, the Lot in question;

(e) procure and maintain adequate liability and hazard insurance on the general Common Area;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) cause the maintenance responsibilities of the Association set forth in the Declaration to be performed.

ARTICLE VIII
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of the Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, and a Secretary/Treasurer.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. Any two or more offices may be held by the same person except the offices of President and Secretary.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments; and shall sign all checks and promissory notes on behalf of the Association.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence or inability or refusal to act and shall exercise and discharge such other duties as may be required by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, and shall disburse such funds as directed by resolution of the Board of Directors; shall keep proper books of account; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting and delivered to the Members.

(e) Delegation. The Board may delegate the duties listed above or other duties to a manager or managing agent, or other; however, such delegation shall not relieve any officer or member of the Board of his responsibility for such duties.

ARTICLE IX COMMITTEES

The Board of Directors shall appoint committees as deemed appropriate in carrying out the purpose of the Association including, without limitation, an architectural control committee.

ARTICLE X BOOKS AND RECORDS

The Association shall keep a copy of all of the following records at its principal office or at the office of its statutory agent:

(a) Its Articles or restated Articles of Incorporation and all amendments to them currently in effect.

(b) Its Bylaws or restated Bylaws and all amendments to them currently in effect.

(c) The resolutions adopted by its Board of Directors relating to the characteristics, qualifications, rights, limitations and obligations of the Members or any class or category of Members.

(d) The Minutes of all meetings of the Members and the records of all actions taken by the Members without a meeting for the past three (3) years.

(e) All written communications to Members generally within the past three (3) years, including any financial statements that have been furnished over the past three years pursuant to A.R.S. § 10-11620.

(f) A list of the names and business addresses of its current Directors and Officers.

(g) The most recent Annual Report of the Association delivered to the Arizona Corporation Commission.

(h) Any written agreements among the Members which may exist.

Any Member who has been a Member of record for at least six (6) months immediately preceding a demand for inspection is entitled to inspect and copy any of the above stated records of the Association during regular business hours at the principal office of the Association so long as the Member provides written notice of the demand for inspection at least five (5) business days before the date on which the Member wishes to inspect and copy such records.

In addition, the Association shall keep as permanent records Minutes of all meetings of its Members and Board of Directors, a record of all actions taken by the Members or Board of Directors without a meeting and a record of all actions taken by any committee appointed by the Board of Directors. The Association also shall maintain appropriate accounting records and a list of the names and addresses of all of its Members, in alphabetical order and by class of membership. A Member who has been a Member of record at least six (6) months immediately preceding a demand for inspection is entitled to inspect and copy such Minutes, records of actions, accounting records and membership list during regular business hours at a reasonable location specified by the Association so long as the Member gives written notice of the demand at least five (5) business days before the date on which the Member wishes to inspect and copy such items and so long as (i) the Member's demand is made in good faith and for a proper purpose, (ii) the Member describes with reasonable particularity the Member's purpose and the records the Member desires to inspect and (iii) the requested records are directly connected with the Member's purpose. In all cases the membership list shall not be sold to or purchased by any person or used for any commercial purpose or to solicit money or property.

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual assessments, supplemental assessments and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid on the due date, the assessment shall bear a late charge as outlined in the Declaration, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, as provided in the Declaration. Late charges, interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XIII
AMENDMENTS

Section 1. Amendments. These Bylaws may be amended in a manner not inconsistent with the Declaration or Articles at any regular or special meeting of the Members, by a vote of a majority of the Members entitled to vote in person or by proxy; provided however, the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"), as applicable, shall have the right to veto amendments while there is a Class B membership if the Declaration and these Bylaws have been initially approved by the FHA or VA in connection with any loan programs made available by FHA or VA and any loans have been made to one or more Owners which are insured or guaranteed by FHA or VA. Additionally, these Bylaws may not be amended and the Association may not be dissolved without the written consent of First Mortgagees holding First Mortgages on seventy-five percent (75%) or more of the Lots which are subject at the time of the proposed dissolution to First Mortgages.

Section 2. Right of Amendment if Requested by Governmental Agency or Federally Chartered Lending Institutions. Anything in the Bylaws to the contrary notwithstanding, the Board reserves the right to amend all or any part of the Bylaws to such an extent and with such language as may be requested by the FHA or the VA and to further amend the Bylaws to the extent requested by any other federal, state or local governmental agency which requests such an amendment as a condition precedent to such agency's approval of the Bylaws or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lot(s). It is the desire of the Declarant to retain control of the Association and its activities through the Board of Directors during the anticipated period of planning and development of the Project and until the Class B membership ceases pursuant to Article 5, Section 5.1, of the Declaration. If any amendment requested pursuant to the provisions of this Section deletes, diminishes or alters such control, the Board shall have the right to prepare, provide for and adopt as an amendment thereto, other and different control provisions.

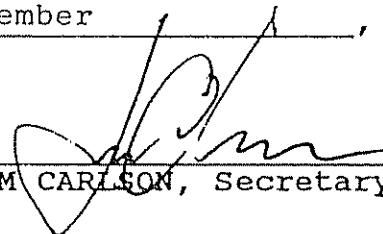
ARTICLE XIII
INTERPRETATION

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV
FISCAL YEAR

The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December, of each year, except that the first fiscal year shall begin on the date of incorporation of the Association and shall end on the 31st day of December thereafter.

DATED this 7th day of September, 2001.



JIM CARLSON, Secretary

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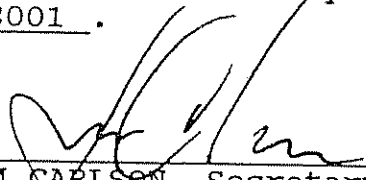
CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of the NORTH BARRINGTON COMMUNITY ASSOCIATION, an Arizona non-profit corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of the said Association, as adopted by unanimous written consent of the Board of Directors thereof, on the 7th day of September, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 7th day of September, 2001.



JIM CARLSON, Secretary
of the Association

MINUTES OF THE ORGANIZATIONAL MEETING
OF THE BOARD OF DIRECTORS
OF
NORTH BARRINGTON COMMUNITY ASSOCIATION

The organizational meeting of the Board of Directors of NORTH BARRINGTON COMMUNITY ASSOCIATION, an Arizona non-profit corporation, was held at the corporate offices on the 7th day of September, 2001, at 4:00 o'clock p.m.

All of the directors of the corporation waived notice of and consented to the holding of the meeting pursuant to the Consent and Waiver of Notice of Meeting of the Board of Directors annexed hereto as Exhibit "A".

All of the directors of the Corporation were present, to wit:

MICHAEL NICHOLAS

KAREN SMITH

JIM CARLSON

Michael Nicholas was chosen to act as Chairman of the meeting and Jim Carlson was chosen to act as Secretary of the meeting.

The Chairman advised that the Articles of Incorporation had been filed with the Arizona Corporation Commission on September 6, 2001; that the Articles have been or will be published in THE GILA BEND SUN and the Corporation was now qualified to transact business within the State of Arizona.

The meeting then proceeded to the election of officers, and the following persons were nominated and unanimously elected as officers of the Corporation, to wit:

President - MICHAEL NICHOLAS

Vice-President - KAREN SMITH

Secretary - JIM CARLSON

Treasurer - JIM CARLSON

each to hold office until his or her successor shall have been duly elected and qualified.

Proposed By-Laws for the management of the affairs of the Corporation were presented to the meeting, read and duly discussed. On motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the By-Laws for the management of the affairs of the Corporation, which were read and approved article by article, be, and they hereby are, adopted as the By-Laws of the Corporation, and the Secretary of the Corporation is instructed to file in the Corporate Minute Book a copy of the By-Laws authenticated by his signature.

The matter of a depository and checking account was next considered and thereupon, on motion duly made and seconded, the following resolutions were unanimously adopted:

RESOLVED, that a bank account for and in the name of the Corporation be opened at Bank One. The checks of the Corporation on said account may be signed by Michael Nicholas.

RESOLVED FURTHER, that the resolution or resolutions required by the aforesaid Bank for the opening of accounts as hereinabove set forth be, and the same is hereby considered as passed at this meeting.


RESOLVED FURTHER, that the Secretary of the Corporation is hereby authorized to certify to the passage of the aforesaid resolution as required by said Bank at the meeting of the Board of Directors held as of this date.

The Chairman next opened discussion in regard to the establishing of a place of business and the determination of a fiscal year for the Corporation. After the matters were discussed by the members of the Board, on motion duly made and seconded, the following resolutions were unanimously adopted:

RESOLVED, that the Corporate officers be, and they are hereby authorized and empowered to establish a place of business for the Corporation at 7010 E. Cochise, Scottsdale, Arizona 85253.

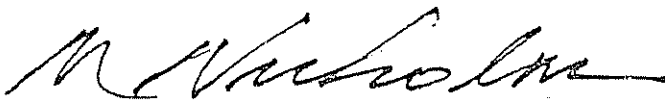
RESOLVED FURTHER, that the fiscal year of the Corporation shall commence on the first day of January and end on the last day of December.

There being no further business to come before the meeting, it was, on motion duly made, seconded and unanimously carried, adjourned.



JIM CARLSON,
Secretary of the Meeting

ATTEST:




MICHAEL NICHOLAS,
Chairman of the Meeting

CONSENT AND WAIVER OF NOTICE OF
ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS
OF
NORTH BARRINGTON COMMUNITY ASSOCIATION

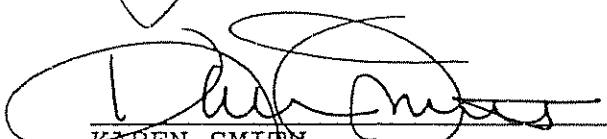
We, the undersigned, being all of the Directors of NORTH BARRINGTON COMMUNITY ASSOCIATION, a non-profit corporation organized under and pursuant to the laws of the State of Arizona, DO HEREBY SEVERALLY WAIVE CALL AND NOTICE of the time, place and purpose of the Organizational Meeting of the Board of Directors of said Corporation, AND DO HEREBY CONSENT that such Meeting be held on the 7th day of September, 2001, at 4:00 p.m., for the transaction of such business as may be brought before said meeting.



MICHAEL NICHOLAS



JIM CARLSON



KAREN SMITH

STATEMENT OF CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
OF
NORTH BARRINGTON COMMUNITY ASSOCIATION

The undersigned Directors, being all of the members of the Board of Directors of NORTH BARRINGTON COMMUNITY ASSOCIATION, an Arizona nonprofit corporation, hereby unanimously consent to and ratify the action taken by said Board of Directors as set forth in the following resolutions, in accordance with the provisions of Arizona law and Article IV, Section 5, of the Bylaws of the Corporation:

RESOLVED, that upon nomination and election duly had, the following persons were elected to serve as officers of the Corporation from and after the date hereof until their successors shall have been duly elected and qualified:

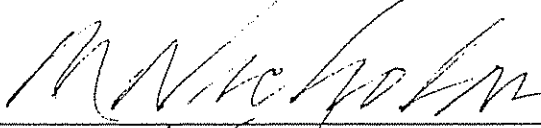
President/Secretary: Jim Carlson

Vice President/Treasurer: Harry Griffith; and it was

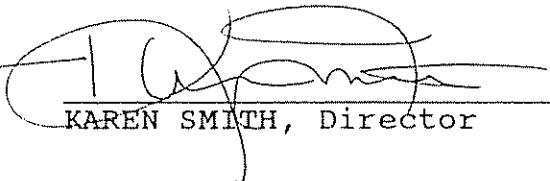
RESOLVED FURTHER, that all business conducted by the Corporation up to and through the date hereof is hereby ratified and approved by the Board of Directors.

The signing of this Consent by the undersigned Directors shall constitute full ratification of the actions taken as set forth in the foregoing resolutions.

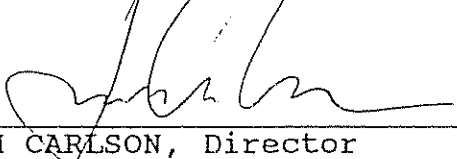
This Consent to Action is dated effective as of April 8, 2003.



MICHAEL NICHOLAS, Director



KAREN SMITH, Director



JIM CARLSON, Director