

EXPEDITED
CORP COMMISSION
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ARTICLES OF INCORPORATION
FOR
PARADISE VIEWS I and III HOMEOWNERS' ASSOCIATION

ARTICLE I
NAME

The name of the corporation is PARADISE VIEWS I and III HOMEOWNERS' ASSOCIATION (the "Association").

ARTICLE II
PURPOSE OF THE ASSOCIATION

The primary purposes for which this Association is formed are:

(a) To act as the "Association" in accordance with and subject to that certain Declaration of Covenants, Conditions, Restrictions and Easements for Paradise Views I and III recorded as Document No. 2002-0437637 in the Official Records of Maricopa County, Arizona, as the same may be amended from time to time (the "Declaration"). All capitalized terms used herein shall have the same meanings as set forth in the Declaration. Paradise Views I and III (the "Project") consists of (a) the property shown on the Final Plat for Paradise Views I recorded in Book 577 of Maps, Page 34 of the Official Records of Maricopa County, Arizona and (b) the property shown on the Final Plat for Paradise Views III recorded in Book 556 of Maps, Page 06 of the Official Records of Maricopa County, Arizona. Capitalized terms used in these Articles without definition shall have the meaning as specified for such terms in the Declaration.

(b) To manage, maintain, preserve and care for the Common Areas within the Project as well as any other Areas of Association Responsibility;

(c) To perform all of the duties and obligations and to exercise all of the powers and privileges of the Association as set forth in the Declaration;

(d) To provide for the orderly development, maintenance, preservation and architectural control of the Property as provided in the Declaration;

(e) To do all other things and exercise all powers and rights of a corporation which are lawful and consistent with the foregoing purposes and the nonprofit character of the Association, including, but not limited to, powers set forth in A.R.S. § 10-3302.

Notwithstanding any other provisions of these Articles, if the Association elects to qualify under Section 501(c)(4) or Section 501(c)(7) of the Internal Revenue Code of 1986, as amended (the "Code"), the Association shall not conduct or engage in any activity which would or could result in the revocation of its status as a corporation qualified under such Section of the Code. The Association does not contemplate securing any gain or profit to the Members of the Association; the Members shall have no individual interest in the profits of the Association, if any; and no part of the net earnings of the Association, if any, shall inure (other than by promoting social and recreational activities for Members, by a rebate of excess membership dues, fees or assessments, or by acquiring, constructing or providing management, maintenance and care of Association property) to the benefit of any Member of the Association or other individual.

ARTICLE III
INITIAL ACTIVITY

The character of the business which the Association intends to conduct initially shall be to act as a property owners' association performing the duties and exercising the rights of the Association set forth in the Declaration.

ARTICLE IV
KNOWN PLACE OF BUSINESS

The principal office of the Association shall be located at 2020 N. Arizona Avenue, Suite G-62, Chandler, Arizona 85225, or such other place as may be designated from time to time by the Board.

ARTICLE V
BOARD OF DIRECTORS

The affairs of the Association shall be conducted by a Board of Directors (**the "Board"**). The initial Board and each Board thereafter, for so long as there is a Class B Member, shall consist of at least one (1) Member or other Person, with the exact number to be determined by Declarant from time to time. Other provisions regarding the Board are set forth in the Bylaws, the relevant portions of which are incorporated herein by reference. The name and address of the initial directors of the Association shall be:

<u>Name</u>	<u>Mailing Address</u>
Reed Porter	2020 N. Arizona Avenue, Suite G-62 Chandler, AZ 85225

The number of directors shall be increased to five (5) upon termination of the Class "B" Membership and may be further increased in accordance with the Bylaws.

ARTICLE VI
OFFICERS

Except for the initial officers designated in these Articles, the officers of the Association shall be elected in accordance with the Bylaws of the Association. The following persons shall be the initial officers of the Association and shall hold the positions opposite their names until their successors have been appointed or elected and qualified:

Reed Porter	President
Todd Wakely	Vice President
Shawn Porter	Secretary/Treasurer

ARTICLE VII
INDEMNIFICATION OF AND LIMITATION ON LIABILITY OF
DIRECTORS, OFFICERS AND COMMITTEE MEMBERS

To the fullest extent permitted by Arizona law as it may be amended from time to time, and subject to any mandatory limitations imposed by Arizona law, including any imposed by A.R.S. § 10-3202 or § 10-3851 or § 10-3852, the Association shall defend any and all of its existing and former directors, officers and committee members (including, but not limited to, existing and former members of the Committee) against claims made against them or any one of them because they were or are directors or officers, and the Association shall indemnify its directors, officers and committee members for liability and expenses incurred as a result of such claims, including but not limited to, legal fees and costs, judgments, penalties and amounts paid in settlement or compromise, which may arise or be incurred, rendered or levied in any legal action brought or threatened against them or any one of them for or on account of any act or omission alleged to have been committed by such person as a director, officer or committee member of the Association, whether or not any action is or has been filed against the person and whether or not any settlement or compromise is approved by a court. The Association shall also pay expenses in advance of a final disposition of a proceeding for directors, officers and committee members incurred in connection with a claim subject to defense and indemnification provided the director, officer or committee member meets the standards for an advance under A.R.S. § 10-3852 or § 10-3853.

B. A director shall have no personal liability to the Association or its Members for monetary damages for any action taken or any failure to take any action as a director, except liability for any of the following:

- (i) The amount of a financial benefit received by a director to which the director is not entitled;
- (ii) An intentional infliction of harm on the Association or the Members;
- (iii) A violation of A.R.S. § 10-3833; and
- (iv) An intentional violation of criminal law.

ARTICLE VIII
MEMBERSHIP AND VOTING RIGHTS

The Association has Members. Every person or entity who is an Owner of any Lot is entitled to membership in the Association. Membership is appurtenant to, and inseparable from, ownership of the Lot. Each Owner shall have such rights, privileges and votes in the Association as are set forth in the Declaration. The Association shall be a non-stock corporation and shall be owned by all of its Members. No dividends or pecuniary profit shall be paid to the Association's members. The provisions of the Declaration pertaining to classes of Membership and the voting rights of the Members are incorporated in these Articles of Incorporation by reference. Each Member shall be obligated to pay assessments and other fees and charges to the Association in accordance with the Declaration.

ARTICLE IX
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 "FHA"**), the Veterans Administration (**the "VA"**) 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 X
CONFLICT WITH DECLARATION AND OTHER LIMITATIONS

To the extent that any part or provision of these Articles is contrary to or inconsistent with provisions of the Declaration, the terms and provisions of the Declaration shall prevail. As set forth in the Declaration, the Association is subject to certain limitations. No amendment hereof, nor any action taken by the Association pursuant hereto, shall be contrary to or in conflict with the limitations set forth in the Declaration, and any such amendment or action shall be void to the extent of such inconsistency.

ARTICLE XI
FHA/VA APPROVAL

For as long as there is a Class B Member and if VA or FHA certification is desired by Declarant, the following actions will require the prior approval of the VA and FHA, unless such agencies have waived such requirements or unless the last sentence of this section applies: (i) annexation of additional properties into the Project (unless such annexation is in accordance with a plan of annexation or expansion previously approved by such agencies); (ii) mergers and consolidations; (iii) mortgaging or otherwise encumbering Common Area; (iv) dedication or other transfer of Common Areas; (v) dissolution of the Association; and (vi) amendment of these Articles, the Declaration or the Bylaws to the extent required to be approved by the FHA or VA pursuant to their rules and regulations. Consent of the FHA and VA to the foregoing will not be required if the FHA and VA have elected not to approve the Project for certification or if such approval has been revoked, withdrawn, canceled or suspended.

ARTICLE XII
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the Owners representing not less than ninety percent (90%) 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 or not accepted, 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 XIII
AMENDMENTS**

Subject to the provisions of Articles X and XI hereof and the requirements set forth in A.R.S. § 10-11003, the Members may, at any duly noticed and convened regular or special meeting called for such purpose, amend, alter or repeal any provision of these Articles by the affirmative vote of seventy-five percent (75%) of the votes of all Class A Members and Declarant, but consent of Declarant will not be required if such Declarant is no longer an Owner. Anything in this Article to the contrary notwithstanding, Declarant reserves the right to amend these Articles as may be required by the FHA, VA or any other governmental agency with whom Declarant elects to do business (**each an "Agency"**) as a condition precedent to such Agency's approval of these Articles. Any such amendment shall be effected by Declarant filing with the Arizona Corporation Commission, in accordance with applicable law, a Certificate of Amendment duly executed by Declarant specifying the governmental agency requesting the amendment and setting forth the requested or required amendment(s). Filing of such a Certificate shall be deemed conclusive proof of the governmental agency's request or requirement and such Certificate, when filed, shall be binding upon the Property and all persons having an interest therein.

**ARTICLE XIV
INCORPORATOR**

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

Name

Mailing Address

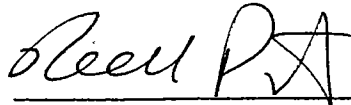
Reed Porter

2020 N. Arizona Avenue, Suite G-62
Chandler, AZ 85225

**ARTICLE XV
STATUTORY AGENT**

C. Timothy White, whose address is Tiffany & Bosco, P.A., 1850 N. Central Avenue, Phoenix, Arizona 85004-4546 and who has been a bona fide resident of the State of Arizona for more than three (3) years last past, is hereby appointed the initial statutory agent of the Association.

DATED this 24 day of April, 2002.



Reed Porter
Incorporator

**STATE OF ARIZONA
ACCEPTANCE OF APPOINTMENT
AS STATUTORY AGENT
OF
PARADISE VIEWS I AND III HOMEOWNERS' ASSOCIATION,
an Arizona nonprofit corporation**

To: Arizona Corporation Commission
Incorporating Division
1300 West Washington
Phoenix, Arizona 85007

Please be advised that C. Timothy White, whose address is Tiffany & Bosco, P.A., 1850 N. Central Avenue, Suite 500, Phoenix, Arizona 85004, hereby accepts and acknowledges its appointment as statutory agent for service of process upon Paradise Views I and III Homeowners' Association, an Arizona corporation, and consents to act in that capacity until removal or resignation.

The undersigned hereby certifies that he has been a resident in the State of Arizona for a period in excess of three years.

DATED this 29th day of April, 2002.



C. Timothy White

ARIZONA CORPORATION COMMISSION
CORPORATIONS DIVISION

Phoenix Address: 1300 West Washington
Phoenix, Arizona 85007-2929

Tucson Address: 400 West Congress
Tucson, Arizona 85701-1347

NONPROFIT
CERTIFICATE OF DISCLOSURE
A.R.S. Section 10-3202.D.

Paradise Views I and III Homeowners' Associa
EXACT CORPORATE NAME

- A. Has any person serving either by election or appointment as officer, director, trustee, or incorporator in the corporation:
1. Been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 3. Been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
 - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction?;
 - (b) Involved the violation of the consumer fraud laws of that jurisdiction?; or
 - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes ___ No X

B. IF YES, the following information MUST be attached:

1. Full name and prior name(s) used.
2. Full birth name.
3. Present home address.
4. Prior addresses (for immediate preceding 7-year period).
5. Date and location of birth.
6. Social Security number.
7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or cause number of case.

Has any person serving either by election or appointment as an officer, director, trustee or incorporator of the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked, or administratively dissolved by any jurisdiction?

Yes ___ No X

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the corporation.
2. Full name, including alias and address of each person involved.
3. State(s) in which the corporation:
 - (a) Was incorporated.
 - (b) Has transacted business.
4. Dates of corporate operation.
5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency and the file or cause number of the case.

D. The fiscal year end adopted by the corporation is December 31

Under penalties of law, the undersigned incorporators/officers declare that we have examined this Certificate, including any attachments, and to the best of our knowledge and belief it is true, correct and complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY Shawn Porter DATE 4/24/02
TITLE Secretary, Director/Incorporator/President

BY Shawn Porter DATE 4/24/02
TITLE Secretary/Treasurer

BY Todd Wakely DATE 4/24/02
TITLE Vice President

BY _____ DATE _____
TITLE _____

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. (If more than four incorporators, please attach remaining signatures on a separate sheet of paper.)

If within sixty days, any person becomes an officer, director, or trustee and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by all incorporators, or if officers have been elected, by a duly authorized officer.

REIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.