

# CERTIFICATE OF DISCLOSURE

A.R.S. §10-202(D) (for-profits and financial institutions) or §10-3202(D) (nonprofits)

VERITAS AT McCORMICK RANCH CONDOMINIUM ASSOCIATIO

EXACT CORPORATE NAME

- A. Has any person (i) who is currently an officer, director, trustee, incorporator, or (ii) (for-profits and financial institutions only) who controls or holds over 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation been:
1. 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. 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. 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; or
    - (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, prior name(s) and aliases, if 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. The nature and description of each conviction or judicial action, including the date and location, the court and public agency involved and file or cause number of case.

- C. Has any person (i) who is currently an officer, director, trustee, incorporator, or (ii) (for-profits and financial institutions only) who controls or holds over twenty per cent of the issued and outstanding common shares or twenty per cent of any other proprietary, beneficial or membership interest in the corporation served in any such capacity or held a twenty per cent interest in any other corporation in any jurisdiction on the bankruptcy or receivership of the other corporation?

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 other corporation.
2. Full name (including aliases) and address of each person involved.
3. State(s) in which the other corporation:
  - (a) was incorporated.
  - (b) has transacted business.
4. Dates of corporate operation.
5. Case information for bankruptcy or receivership (date, case number, court).

Under penalties of law, the undersigned incorporator(s)/officer(s)/director(s) declare(s) that I(we) have examined this Certificate, including any attachments, and to the best of my(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 M Negrin LEXIN VERITAS, LLC, a Delaware llc  
BY M Negrin

PRINT NAME METIN NEGRIN PRINT NAME METIN NEGRIN

TITLE Director/President DATE 6/23/2011 TITLE Authorized Agent DATE 6/23/2011  
INCORPORATOR

**ARIZONA CORPORATIONS:** ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. If within sixty days any person becomes an officer, director, trustee or (for-profits or financial institutions) person controlling or holding over 10% of the issued and outstanding shares or 10% of any other proprietary, beneficial, or membership interest in the corporation and the person was not included in this disclosure, the corporation must file a SUPPLEMENTAL certificate signed by at least one duly authorized officer of the corporation.  
**FOREIGN CORPORATIONS:** MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.  
**FINANCIAL INSTITUTIONS:** MUST BE SIGNED BY TWO (2) DULY AUTHORIZED OFFICERS OR DIRECTORS OF THE CORPORATION.

**ARTICLES OF INCORPORATION  
OF  
VERITAS AT McCORMICK RANCH CONDOMINIUM ASSOCIATION**

**KNOW ALL MEN BY THESE PRESENTS:**

That the undersigned, for the purpose of forming a non-profit corporation under the laws of the State of Arizona, does hereby adopt the following Articles of Incorporation.

1. **Name.** The name of this corporation (hereinafter "Association") is Veritas at McCormick Ranch Condominium Association.

2. **Duration.** The period of duration of the Association shall be perpetual.

3. **Principal Place of Business.** The initial known place of business and principal office for the transaction of business of the Association is located at 9633 South 48<sup>th</sup> Street, Suite 150, Phoenix, Arizona 85044.

4. **Statutory Agent.** The name and address of the Association's initial Statutory Agent, a foreign limited liability company qualified to do business in Arizona, are:

Vision Community Management, L.L.C.  
9633 S. 48<sup>th</sup> Street, Ste. 150  
Phoenix, Arizona 85044

5. **Nonprofit Corporation.** This Association is organized as a nonprofit corporation under the laws of the State of Arizona.

6. **Purpose and Powers.** This Association does not contemplate the distribution of gains, profits or dividends to its Members. The primary purposes for which the Association is formed are to promote the health, safety and welfare of all of the Unit Owners and Occupants and to provide for the management, operation, administration, maintenance, repair, improvement, preservation and architectural control of the Common Elements and all other areas for which the Association has such responsibility within Veritas at McCormick Ranch (a Condominium). The Condominium is more particularly described in that certain Declaration of Condominium and of Covenants, Conditions and Restrictions for Veritas at McCormick Ranch recorded on October 24, 2007 at Instrument No. 2007-1152200 in the Official County Records (the "Declaration") as thereafter amended from time to time and on that certain Plat recorded in Book 948 of Maps, page 39, as amended by Affidavit of Correction recorded on November 8, 2007 at Instrument No. 2007-1203364, in the Official County Records.

In furtherance of said purposes, this Association shall, *inter alia*, have the powers to:

a. Perform all of the duties and obligations of the Association as set forth in the Declaration;

b. Fix, levy, collect and enforce Assessments, and including any late charges, monetary penalties, fines, fees and any other charges due to the Association as set forth in the Declaration or as permitted under applicable law;

c. Pay all expenses and obligations incurred by the Association in the conduct of its business, including without limitation, all licenses, taxes or governmental charges levied or imposed against any property owned by the Association;

d. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association (but Common Elements are owned by Unit Owners as provided in the Declaration and are subject to the specific provisions of the Declaration and the Condominium Act relating to ownership, encumbrance and transfer of Common Elements);

e. Borrow money and, only with the assent (by vote or written consent) of two-thirds (2/3) of the Members other than Declarant, and with the consent of Declarant during the Period of Declarant Control, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property (not including the Common Elements owned by the Unit Owners in their allocated undivided interests) as security for money borrowed or debts incurred;

f. Grant easements over the Common Elements to any public agency, authority or utility company consistent with the provisions of Section 6.4 of the Declaration;

g. Convey the Common Elements or subject the same to a mortgage or other security interest, further subject to the provisions of the Declaration and the Condominium Act;

h. Participate in mergers and consolidations with other nonprofit corporations organized for the same purpose, provided that any merger or consolidation shall have the assent of Members as required by the Condominium Act;

i. Have and exercise any and all powers, rights and privileges which a corporation organized under the Arizona Nonprofit Corporation Act (A.R.S. §10-3101 et seq.) and the Arizona Condominium Act (A.R.S. §33-1201 et seq.) by law may now or hereafter have or exercise.

7. **Membership Voting Rights.** This Association will have Members. The number and qualifications of Members of the Association, the voting and other rights and privileges of Members, their liability for Assessments and the method of collection thereof shall be as set forth in the Declaration and the Bylaws. Without limiting the foregoing, every person or entity who is a record owner of a fee or undivided fee interest in any Unit, including contract purchasers with

right of possession of a Unit pursuant to A.R.S. §§33-741 et seq., but excluding persons or entities holding an interest merely as security for the performance of an obligation, shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit.

**8. Board of Directors.** The affairs of this Association shall be managed by a Board of Directors. During the Period of Declarant Control, the Board of Directors shall consist of one director, who shall serve until his successor is appointed by Declarant in accordance with the Declaration and Bylaws. The name and address of the initial Director appointed by Declarant are as follows:

Metin Negrin  
c/o Lexin Veritas, LLC  
654 Madison Avenue, Suite 2205  
New York, New York 10065

The sole director appointed by the Declarant and serving during the Period of Declarant Control shall also hold all of the officer positions during such Period. After the Period of Declarant Control expires or terminates, (i) the number of directors serving on the Board shall automatically increase to three (3) in number and may not exceed five (5) in number, as further provided in the Bylaws; (ii) the number of directors serving on the Board shall always be an odd number; (iii) except for a director appointed by or affiliated with Declarant, no director serving on the Board at any time shall be related by blood, adoption, or marriage to, or share ownership of or any interest in a Unit with, any other director serving on the Board at that same time; and (iv) all directors serving on the Board shall be elected by the Membership as provided in the Declaration and Bylaws. A majority of the Directors elected by the Membership shall be Unit Owners; provided, further, however, that if a Unit Owner is other than a natural person, a Director may be an officer, director, member, manager, partner, or trustee of such Unit Owner.

**9. Elimination of Director Liability; Indemnification.** As set forth in the Arizona Nonprofit Corporation Act, each director shall be immune from civil liability and shall not be subject to suit indirectly or by way of contribution for any act or omission resulting in damage or injury if said director was acting in good faith and within the scope of his official capacity (which is any decision, act or event undertaken by the Association in furtherance of the purpose or purposes for which it is organized), unless such damage or injury was caused by willful and wanton or grossly negligent conduct of the director. Without limiting the foregoing, it is the intention of this paragraph to provide for the directors the full benefits and immunities created by or available under the provisions of A.R.S. §§10-3202(B) and 10-3830(D), as the same may be expanded or modified in the future. To the fullest extent permitted by Arizona law, as the same may be expanded or modified in the future, the Association shall indemnify and advance expenses to any Person who incurs expenses or liabilities in any civil suit or criminal, administrative or investigative action, by reason of the fact that he was an officer or director of the Association. The foregoing indemnification and advancement of expenses to Persons acting in their capacity as directors or officers of the Association is mandatory in all circumstances that the indemnification and advancement of expenses to a director or officer of a non-profit

corporation are permitted by law. No repeal, amendment or modification of this Section 9, whether direct or indirect, shall eliminate or reduce its effect with respect to any matter giving rise to indemnification and advancement of expenses occurring prior to such repeal, amendment or modification.

**10. Dissolution.** The Association may be dissolved with the consent given in writing and signed by Members holding not less than eighty percent (80%) of the total votes in the Association. So long as Declarant owns one or more Units, the Association may not be dissolved without the prior written consent of Declarant. In the event of dissolution, liquidation or winding up of the Association (other than incident to a merger or consolidation), the Association shall pay or adequately provide for the debts and obligations of the Association and otherwise comply with the Arizona Nonprofit Corporation Act and Arizona law. The directors or Persons in charge of the liquidation shall dedicate the assets of the Association to an appropriate public agency to be used for purposes similar to those for which this Association was created or if such dedication is refused acceptance, then such assets may be granted, transferred or conveyed to any nonprofit corporation, association, trust or other organization devoted to similar purposes. If such actions are not feasible, or, in the event of a termination of the Condominium, said directors in charge of the liquidation, said directors or other Persons in charge of the liquidation, shall divide the remaining assets among the Members in accordance with their respective allocated interests as set forth in the Declaration, except as may be required by law.

**11. Amendments.** These Articles may be amended by vote or written assent of Members representing at least two-thirds (2/3) of the total allocated votes in the Membership; provided, however, that the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause or provision and, provided further, that Section 9 of these Articles may not be amended without the vote or written consent of Members representing at least ninety percent (90%) of the total allocated votes in the Membership. The Board, without the consent of the Members or First Mortgagees, may amend these Articles to conform to the requirements and guidelines of any governmental or quasi-governmental entity or federal corporation that insures, guarantees, or invests in residential mortgages.

**12. Incorporator.** The name and address of the incorporator of the Association are:

Lexin Veritas, LLC  
654 Madison Avenue, Suite 2205  
New York, New York 10065

**13. Definitions.** All initially capitalized terms used herein without definition shall have the meanings set forth for such terms in the Declaration and/or the Condominium Act.

**IN WITNESS WHEREOF**, the undersigned has executed these Articles of Incorporation as the Incorporator this 23<sup>rd</sup> day of June, 2011.

**LEXIN VERITAS, LLC,**  
a Delaware limited liability company

By Lexin JCR Residential Ventures I, LLC,  
a Delaware limited liability company  
Its Sole Member

By Lexin JCR SV Manager LLC,  
a Delaware limited liability company,  
Its Managing Member

By M Negrin  
Metin Negrin, President

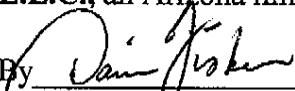
**ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT**

**VERITAS AT McCORMICK RANCH CONDOMINIUM ASSOCIATION**

The undersigned, having been appointed to act as statutory agent for this Arizona non-profit corporation, hereby accepts such appointment and agrees to act in that capacity until its removal or resignation is submitted in accordance with applicable provisions of the Arizona Revised Statutes.

Dated this 24<sup>th</sup> day of June, 2011.

**VISION COMMUNITY MANAGEMENT,  
L.L.C., an Arizona limited liability company**

By   
\_\_\_\_\_  
Darin Fisher, Manager