

ARTICLES OF INCORPORATION  
OF  
ESTRELLA VISTA HOMEOWNERS ASSOCIATION, INC.,  
an Arizona nonprofit corporation

EXPEDITED  
BY CORP COMMISSIO  
FILED

0871245-7

APR 5 2 43 PM '11

Jarvis Taylor  
4/5/11

In compliance with the requirements of §10-2301, et seq., Arizona Revised Statutes, as from time to time may be amended, the undersigned, all of whom are of full legal age, have voluntarily associated themselves on the date set forth below for the purpose of forming an Arizona nonprofit corporation. All of the undersigned incorporators certify and adopt the following Articles of Incorporation ("Articles"):

**ARTICLE I**

**NAME AND TERM**

The name of the corporation is Estrella Vista Homeowners Association, Inc. ("Association"). The Association will exist perpetually.

**ARTICLE II**

**DEFINED TERMS**

The following terms, while not defined in these Articles, will be given the meanings specified in the Declaration of Homeowner Benefits and Covenants, Conditions, and Restrictions for Estrella Vista that is to be recorded in the Official Records of Maricopa County, Arizona ("Declaration"): Common Area, Property, Owner, Owner's Permittees, Lots, Members, Declarant, Declarant Control, and Architectural Committee. If there is any conflict between the Articles and the Declaration, the Declaration will control. As used in these Articles, the term "Association Property" means the Common Area, all property and improvements within the Property that are used in common by and for the benefit of the Owners of Lots, and all other real and personal property, if any, that may be owned by the Association or placed under its jurisdiction pursuant to the Declaration.

**ARTICLE III**

**PRINCIPAL OFFICE**

The principal office of the Association is located at 2005 West 14th Street, Suite 100, Tempe, Arizona 85281.

**ARTICLE IV**

**STATUTORY AGENT**

Lynn T. Ziolk, Esq., whose address is Sixteenth Floor, 3300 North Central Avenue, Phoenix, Arizona 85012-2516, and who has been a bona fide resident of the State of Arizona for more than three (3) years last past, is appointed and designated as the Statutory Agent for the

corporation for the State of Arizona, upon whom service of process may be made. This appointment may be revoked at any time by the Board of Directors of the Association by the filing of the appointment of another Statutory Agent.

## ARTICLE V

### PURPOSE OF THE ASSOCIATION

The object and purpose for which this Association is organized are to provide for the ownership, management, maintenance, and care of the Association Property and for the administration of the affairs of the Association. In furtherance of, and in order to accomplish these objectives and purposes, the Association may transact any or all lawful business for which nonprofit corporations may be incorporated under the laws of the State of Arizona, as these laws may be amended from time to time. All business transacted by the Association will be transacted in a way so as to further its tax-exempt status as an association under the Internal Revenue Code, if the Association so elects to be treated as a tax-exempt organization. The existence of the Association will commence on the date of the filing of these Articles with the Arizona Corporation Commission.

## ARTICLE VI

### MEMBERSHIP

**Section 1. Identity of Members.** The Association is a non-stock corporation. No dividends or pecuniary profits will be paid at any time to its Members. Membership in the Association is limited to Owners of Lots. Upon becoming the Owner of a Lot, the Owner becomes a Member of the Association and will remain a Member of the Association until the ownership ceases, for any reason, at which time the Owner's membership in the Association will cease automatically.

**Section 2. Transfer of Membership.** Membership in the Association is appurtenant to each Lot and a membership in the Association will not be transferred, pledged, or alienated in any way, except: (i) upon the sale of a Lot, and then only to the purchasers; (ii) by intestate succession or testamentary disposition; (iii) foreclosure of mortgage (or similar security instrument) of record; or (iv) other legal process. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association.

## ARTICLE II

### VOTING RIGHTS

**Section 1. Classes of Members.** The Association will have two classes of voting membership, Class A and Class B.

**Section 2. Class A.** Class A members are all Owners of Lots with the exception of the Declarant. Each Class A member is entitled to one (1) vote for each Lot owned.

**Section 3. Class B.** The Class B member is the Declarant. The Class B member is entitled to three (3) votes for each Lot owned. The Class B membership will cease and be converted to Class A membership upon the expiration of the period of Declarant Control.

**Section 4. Cumulative Voting.** There is no cumulative voting on any matter related to the administration or organization of the Association or its matters.

### ARTICLE III

#### BOARD OF DIRECTORS

**Section 1. Number and Affairs.** The affairs of the Association will be conducted by a Board of Directors of the Association (sometimes individually or collectively called “**Board**,” “**Directors**,” “**Director**,” or “**Board of Directors**”) and any officers and committees that the Board may elect and appoint. The Board of Directors will be elected by the Members, and Board of Directors elections may be conducted by mail or any other method permitted in the Bylaws or under Arizona law. So long as there is a Class B membership in the Association, the Directors need not be Members of the Association. After the termination of the Class B membership, all Directors must be Members of the Association. The Board may increase the number of Directors on the Board; however, the number of Directors must always be an odd number and may not exceed seven (7) Directors. The number of Directors constituting the initial Board will be three (3), one of which will serve a three (3) year term, one of which will serve a two (2) year term, and one of which will serve a one (1) year term. All additional Directors that may be added from time to time to the Board (i.e., in addition to the initial three (3) and up to seven (7) members) will serve three (3) year terms. The names and addresses of the initial Board of Directors of the Association are as follows:

Name	Mailing Address
Joseph C. Thompson (3 year term)	2005 West 14th Street Suite 100 Tempe, Arizona 85281
Brady Simmerman (2 year term)	2005 West 14th Street Suite 100 Tempe, Arizona 85281
Gary Gustafson (1 year term)	2005 West 14th Street Suite 100 Tempe, Arizona 85281

The initial Directors will serve for the terms specified below their names and until their successors have been elected and qualified. Successor Directors to the initial Directors also will serve the one, two, or three year terms specified above.

**Section 2. Bylaws.** The Board is expressly authorized to adopt bylaws for the Association ("Bylaws"), by unanimous written consent or by a majority vote of the Board at a regular or special meeting of the Board.

## ARTICLE IV

### GENERAL PROVISIONS

**Section 1. Dissolution.** The Association may be dissolved with the affirmative written approval of two-thirds (2/3) or more of the total number of eligible votes of each class of Members in the Association. Upon dissolution of the Association, other than incidental to a merger or consolidation, the assets of the Association will be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. If a dedication is refused, the assets will be granted, conveyed, or assigned to any nonprofit corporation, association, trust, or other organization to be devoted to a similar purpose or purposes.

**Section 2. Amendments.** Any amendment of these Articles will require the affirmative approval of seventy-five percent (75%) or more of the total number of eligible votes of each class of Members in the Association.

**Section 3. Incorporators.** The name and address of the incorporator of the Association are:

Name	Mailing Address
Joseph C. Thompson	2005 West 14th Street Suite 100 Tempe, Arizona 85281

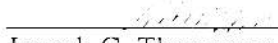
**Section 4. FHA/VA Approval.** As long as there is a Class B membership in the Association and if either FHA or VA financing is applicable to all or any portion of the Property, the following will require the prior approval of the Federal Housing Administration or the Veterans Administration, if applicable: (i) annexation of additional properties; (ii) mergers and consolidations; (iii) mortgaging of Common Area; (iv) dedication of Common Area; and (v) dissolution and amendment of these Articles.

**Section 5. Indemnification.** To the fullest extent permitted under A.R.S. § 10-2305(C) or any successor statute, the Association, on demand, will indemnify, defend, and hold harmless all of its incorporators and any and all of its past, present, and future Directors, officers, Members, employees, and agents for, from, and against all losses, damages, liabilities, claims, expenses, legal fees, judgments, penalties, and settlements arising out of any and all acts or omissions done or omitted while employed by or acting on behalf of the Association. No right, power, or responsibility conferred on the Board, Architectural Committee, or any officer, employee, or agent of the Association will be construed as imposing any duty or obligation on that person for the purposes of establishing personal liability.

**Section 6. Limited Liability.** Without limitation of the right of the Association to indemnify, neither the Declarant, the Association, any Director, officer of the Association, Member, member of the Architectural Committee, nor any employees or agents of the Declarant or the Association will have any liability to any Owner or to any of Owner's Permittees for any act or failure to act with respect to any matter if the action taken or the failure to act was in good faith.

**Section 7. Limitation on Actions.** The ability of the Association to initiate legal proceedings or join as a plaintiff on certain legal proceedings may be limited by the Declaration or the Bylaws. In addition, certain claims, grievances, controversies, disagreements, or disputes involving the Association or its Members may be subject to the alternative dispute resolution procedures established in the Declaration and Bylaws.

For the purpose of forming this nonprofit corporation under the laws of the State of Arizona, the undersigned, constituting all of the incorporators of the Association, has executed these Articles as of March 30, 1999.

  
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Joseph C. Thompson, Incorporator

JIM IRVIN  
COMMISSIONER CHAIRMAN

TONY WEST  
COMMISSIONER

CARL J. KUNASEK  
COMMISSIONER



ARIZONA CORPORATION COMMISSION

STUART R. BRACKNEY  
ACTING EXECUTIVE SECRETARY

JOANNE C. MACDONNELL  
DIRECTOR, CORPORATIONS DIVISION

KUTAK ROCK  
3300 NORTH CENTRAL AVENUE  
SIXTEENTH FLOOR  
PHOENIX, AZ 85012

RE: ESTRELLA VISTA HOMEOWNERS ASSOCIATION, INC.  
File Number: -0871245-7

We are pleased to notify you that your Articles of Incorporation were filed on April 5, 1999.

You must publish a copy of your Articles of Incorporation. The publication must be in a newspaper of general circulation in the county of the known place of business, for three (3) consecutive publications. An affidavit from the newspaper, evidencing such publication, must be delivered to the Commission for filing WITHIN NINETY (90) DAYS from the File Date.

All corporations transacting business in Arizona are required to file an Annual Report with the Commission, during the fourth (4th) month following the close of each fiscal year. Each year, a preprinted Annual Report Form will be mailed to you prior to the due date of the report.

If you have any questions or need further information, please contact us at (602) 542-3135 in Phoenix, (520) 628-6560 in Tucson, or Toll Free (Arizona residents only) at 1-800-345-5819.

Very truly yours,

JANET TAYLOR  
Examiner  
Corporations Division  
Arizona Corporation Commission

CF:04  
Rev: 4/97