

Unofficial Document

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STATE OF ARIZONA

Corporation Commission



To all to Whom these Presents shall Come, Greeting:

GEORGE M. DEMPSEY,

SECRETARY OF THE ARIZONA

CORPORATION COMMISSION, DO HEREBY CERTIFY THAT the annexed is a true and complete copy of the ARTICLES OF INCORPORATION

of

SCOTTSDALE PARK VILLAS ASSOCIATION, INC.

which were filed in the office of the Arizona Corporation Commission on the 15th day of October, 1973, as provided by law.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 15th DAY OF

October, 1973
George M. Dempsey
SECRETARY

ASSISTANT SECRETARY

Dkt 10354 246

ARTICLES OF INCORPORATION
OF
SCOTTSDALE PARK VILLAS ASSOCIATION, INC.

In compliance with the requirements of Arizona Revised Statutes, Sections 10-451, et seq., the undersigned, all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a private non-profit corporation and do hereby certify:

ARTICLE I

DEFINITIONS

The words and terms used herein shall be deemed to have the same meanings as are given those words and terms in the Declaration of Covenants, Conditions and Restrictions of Scottsdale Park Villas, hereinafter termed the "Declaration", which was recorded in the Office of the County Recorder of Maricopa County, Arizona, on September 4, 1973, in Docket 10296, commencing at page 105.

ARTICLE II

NAME

The name of the corporation is SCOTTSDALE PARK VILLAS ASSOCIATION, INC., hereafter called the "Association".

ARTICLE III

PRINCIPAL PLACE OF BUSINESS

The principal place of business of the Association is located at Scottsdale, Arizona.

ARTICLE IV

STATUTORY AGENT

Gary G. Keltner, a bona fide resident of the State of Arizona for the last three years, whose address is 111 West Monroe,

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Phoenix, Arizona, 85003, is hereby appointed the initial statutory agent of this Association.

ARTICLE V

GENERAL NATURE OF BUSINESS

This Association does not contemplate pecuniary gain or profit to the Members thereof and the Members shall have no individual interest in the profits of the Association, if any.

The specific purposes for which it is formed are:

(1) to provide for the orderly development, maintenance, preservation and architectural control, as provided in the Declaration, of the Lots and Common Area within that certain tract of property described as:

(a) initially, the following property:

SCOTTSDALE PARK UTILIAS, a subdivision, according to the plat thereof recorded in the office of the County Recorder of Maricopa County, Arizona, in Book 154 of Maps, at Page 12 thereof.

(b) from and after the addition thereof, all property added pursuant to the provisions of Article XI, Section 5 of the Declaration;

(2) to promote the health, safety and welfare of the owners and residents within the above-described property and any additions thereto as may, pursuant to the Declaration, hereafter be brought within the jurisdiction of this Association;

(3) and for these purposes to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the aforesaid Declaration, as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

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(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration;

(c) pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of 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;

(e) borrow money, and with the assent of two-thirds (2/3) of each class of Members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(f) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members, provided, however, that no such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of Members, agreeing to such dedication, sale or transfer;

(g) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional property and Common Area, provided that any such merger, consolidation or annexation shall, except as otherwise provided in the aforesaid

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Declaration, have the assent of two-thirds (2/3) of each class of members;

(h) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Arizona, by law may now or hereafter have or exercise.

ARTICLE VI

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee simple title to any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, but excluding others who have such interest merely as security for the performance of an obligation, shall be a Member of the Association. In the case of Lots the fee simple title to which is vested of record in a Trustee pursuant to Arizona Revised Statutes, Section 33-801 et seq., legal title shall be deemed to be in the Trustor. Membership shall be appurtenant to and pass with the title of any Lot, may not be separated therefrom and may not be in any manner alienated or encumbered except as an appurtenance thereto as part and parcel thereof. When more than one person holds an interest in any one Lot, all such persons shall be Members. The Association shall have no stockholders other than the Members as hereinbefore set forth and no capital stock, other than the membership hereinbefore set forth, shall be authorized or issued.

ARTICLE VII

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one

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person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on January 2, 1975.

From that date forward, unless and until the Class B membership is reinstated, Declarant shall be entitled to the status of a Class A membership. Nothing contained herein shall preclude the Declarant from adding property pursuant to the provisions of Article XI, Section 5, of the Declaration, or otherwise pursuant hereto, and all property so added shall be included in the determination of the existence and voting rights of the Class B membership. The Class B membership may be reinstated by the addition of such property.

ARTICLE VIII

INCORPORATORS

The names, residences and post office addresses of the incorporators are as follows:

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<u>Name</u>	<u>Residence and Post Office Address</u>
William E. Howard	4915 Powell Las Vegas, Nevada 89121
Warren Brown	14239 North 42nd Avenue Phoenix, Arizona 85023
Betty Dougan	2710 North 73rd Place Scottsdale, Arizona 85257

ARTICLE IX

BOARD OF DIRECTORS AND OFFICERS

The affairs of the Association shall be managed by a Board of not less than five (5) Directors, nor more than twenty-five (25), provided, however, that the initial Board may consist of three (3) Directors, and by such Officers as the Board may elect or appoint. The Directors and Officers need not be Members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who were elected at a meeting held in Scottsdale, Arizona on the 7th day of June, 1973, to act in the capacity of Directors until the election of their successors are:

<u>Names</u>	<u>Addresses</u>
William E. Howard	4915 Powell Las Vegas, Nevada 89121
Warren Brown	14239 North 42nd Avenue Phoenix, Arizona 85023
Betty Dougan	2710 North 73rd Place Scottsdale, Arizona 85257

At the first annual meeting and at each annual meeting thereafter the Members shall elect such number of Directors for such term or terms as shall be specified in the By-Laws. Directors shall hold office for their stated term or until their successors are elected and qualified, and shall be elected by the Members of the corporation at the annual meeting thereof to be held at 8 o'clock P.M. on the second Tuesday in March of each year, commencing with the year

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1974. The time for holding the annual meeting of the Members may be altered by the majority vote of the Members at any meeting thereof.

ARTICLE X

COMMENCEMENT AND TERMINATION

The Association shall commence as of the date the Corporation Commission shall issue to the Association a Certificate of Incorporation and it shall continue to exist for the maximum period now or hereafter authorized by law, subject to renewal as authorized by law.

ARTICLE XI

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. 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. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. In no event shall any of the assets of the Association inure upon dissolution to the private profit, benefit or advantage of any current or past Member, director or officer of the Association.

ARTICLE XII

EXEMPTION OF PRIVATE PROPERTY

The private property of the Members, Officers and Directors of the Association shall be forever exempt from corporate debts and liabilities.

ARTICLE XIII

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AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

ARTICLE XIV

INTERPRETATION

In the event that any provision hereof is inconsistent with or in derogation of the Declaration, the provisions of the Declaration shall be deemed to control.

ARTICLE XV

MAXIMUM INDEBTEDNESS

The highest amount of indebtedness or liability, direct or contingent, to which the corporation is at any time to subject itself shall be as determined Unofficial Document limited by applicable law, including without limitation the provisions of Arizona Revised Statutes Section 10-173.

ARTICLE XVI

INDEMNIFICATION

The Association shall indemnify all of its Directors and Officers, and its former Directors and Officers, to the maximum extent authorized by law, against expenses incurred by them, including without limitation legal fees, and judgments and penalties rendered or levied against them or any of them in any legal action brought against any such person for actions or omissions alleged to have been committed by any such person while acting within the scope of his employment as a Director or Officer of the Association, provided that the Board of Directors shall determine in good faith that such person did not act, fail to act, or refuse to act wilfully or with gross negligence, or with fraudulent or criminal intent in regard to

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the matter involved in the action, and provided further that no such indemnification shall be available with respect to liabilities under the Securities Act of 1933, and provided further that the corporation shall have the right to refuse indemnification in any instance in which the person to whom indemnification would otherwise have been applicable shall have unreasonably refused to permit the corporation, at its own expense and through counsel of its own choosing, to defend him in any such legal action. Whenever any such present or former Director or Officer shall report to the President of the corporation or the Chairman of the Board of Directors that he has incurred or may incur any such expenses, the Board of Directors shall, at its next regular or at a special meeting held within a reasonable time thereafter, determine in good faith whether such person acted, failed to act, or refused to act willfully, with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action. If the Board of Directors determines in good faith that such person did not act, fail to act or refuse to act willfully or with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action, indemnification shall be mandatory and shall be automatically extended as specified herein, except as otherwise provided hereinbefore.

ARTICLE XVII

FHA/VA APPROVAL

In the event Declarant shall seek and obtain Federal Housing Administration or Veterans Administration approval of this project, as long as there is a Class B membership, the following actions will require the prior approval of such agency or agencies: Annexation of additional properties, dedication of

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STATE OF ARIZONA)
) SS:
County of Maricopa)

On this, the 5th day of October, 1973,
before me, the undersigned Notary Public, personally appeared
WARREN BROWN, known to me to be the person whose name is
subscribed to the within instrument, and acknowledged that he
executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and
official seal.

Mary L. Erwin
Notary Public

My Commission Expires:

Jan. 13, 1974

STATE OF ARIZONA) Unofficial Document
) SS:
County of Maricopa)

On this, the 5th day of October, 1973,
before me, the undersigned Notary Public, personally appeared
BETTY LOUGAN known to me to be the person whose name is
subscribed to the within instrument, and acknowledged that
she executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and
official seal.

Mary L. Erwin
Notary Public

My Commission Expires:

Jan. 13, 1974

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ARIZONA CORPORATION COMMISSION
Unofficial Document
INCORPORATING DIVISION
FILED

OCT 15 1973

M 11:45 A.M. ... of
Jennings, Strouss, Salmon & Trask, Attorneys
Address 111 W. Monroe
Phoenix, Arizona 85003
By Trudy Kriegel SECRETARY
George M. Dempsey

STATE OF ARIZONA }
County of Maricopa } ss

I hereby certify that the will
in instrument was filed and re-
corded at request of

Jennings, Strouss et al

to Docket 10354 OCT 15 1973 -245

on page 245-257

Witness my hand and official
seal the day and year aforesaid

Paul H. Morrison

Paul H. Morrison
County Recorder
Deputy Recorder

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