

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

I, Ernest G. Johnson, Executive Director of the Arizona Corporation Commission, do hereby certify that the attached copy of the following document:

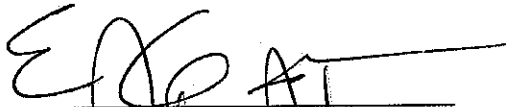
ARTICLES OF INCORPORATION 08/16/1994

consisting of 9 pages, is a true and complete copy of the original of said document on file with this office for:

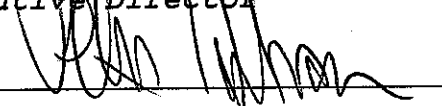
WATERFORD HOMEOWNERS' ASSOCIATION
ACC file number: 07243281

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission on this date: November 27, 2012.





Executive Director

By: _____

ARIZONA CORPORATION COMMISSION
CORPORATIONS DIVISION

Phoenix Address: 1290 West Washington
Phoenix, Arizona 85007

Tucson Address: 400 West Congress
Tucson, Arizona 85701

CERTIFICATE OF DISCLOSURE
A.R.S. Sections 10-126 & 10-1084

PLEASE SEE REVERSE SIDE

Waterford Homeowners' Association
EXACT CORPORATE NAME

CHECK APPROPRIATE BOX(ES) A or B
ANSWER "C"

S. S.

AUG 19 1994

THE UNDERSIGNED CERTIFY THAT:

- A. No persons serving either by elections or appointment as officers, directors, incorporators and persons controlling, or holding more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation:
1. Have 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. Have been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraining the trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate.
 3. Have 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 where 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.
- B. For any person or persons who have been or are subject to one or more of the statements in Items A.1 through A.3 above, 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.

STATEMENT OF BANKRUPTCY, RECEIVERSHIP OR REVOCATION
A.R.S. Sections 10-128.01 and 10-1083

C. Has any person serving (a) either by election or appointment as an officer, director, trustee or incorporator of the corporation or, (b) major stockholder possessing or controlling any proprietary, beneficial or membership interest in the corporation, served in any bankruptcy or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked? YES NO

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 involved and the file or cause number of the case.

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.

BY [Signature] DATE 8/16/94
TITLE INCORPORATOR

BY [Signature] DATE 8/16/94
TITLE INCORPORATOR

BY _____ DATE _____
TITLE _____

BY _____ DATE _____
TITLE _____

FISCAL DATE: 12/31

0 1 5

**ATTACHMENT TO CERTIFICATE OF DISCLOSURE
FOR WATERFORD HOMEOWNERS' ASSOCIATION**

Required Attachment of Information Regarding Question C

1. Raby Agribusiness, Inc.
30 East Bishop Drive
Tempe, Arizona 85285
2. Burgess J. William Raby
William L. Raby
3. a. Arizona
b. Arizona
4. October 11, 1984 through October 10, 1989
5. Articles of Incorporation were revoked for failure to file Annual Report on October 10, 1989

EXPEDITED
AZ CORP COMMISSION
FILED

AUG 15 3 43 PM '94

APPROVED
DATE 8/15/94
BY [Signature]
DATE

0724321-1

ARTICLES OF INCORPORATION

OF

WATERFORD HOMEOWNERS' ASSOCIATION

The undersigned, for the purpose of forming a Nonprofit corporation pursuant to the Nonprofit Corporation Act of the State of Arizona, Sections 10-1001, through 10-1127, inclusive, of the Arizona Revised Statutes, do hereby adopt the following Articles of Incorporation:

ARTICLE I

The name of this Arizona nonprofit corporation shall be WATERFORD HOMEOWNERS' ASSOCIATION (the "Association"). The duration of the Association shall be perpetual.

ARTICLE II

The incorporators of the Association are Burgess J. William Raby and William L. Raby, 2164 E. Broadway Road, Suite 230, Tempe, Arizona 85282.

ARTICLE III

The principal offices of the Association are located at 2164 E. Broadway Road, Suite 300, Tempe, Arizona 85282.

ARTICLE IV

The name and address of the initial Statutory Agent of the Association is BJWR Corporate Services, Inc., 2164 E. Broadway Road, Suite 230, Tempe, Arizona 85282.

ARTICLE V

The purpose for which the Association is organized is to act as a tax-exempt homeowners' association in accordance with Section 528 of the Internal Revenue Code of 1986, as amended, or if the Corporation so elects, pursuant to Section 501(c) (4) of the Internal Code of 1986, as amended, and under the laws of the State of Arizona, and as such shall serve as a homeowner's association for the owners of lots and homes under the Declaration of Covenants, Conditions and Restrictions for Dave Brown V Homeowners' Association ("Declaration"), recorded in the office of the County Recorder of Maricopa County, Arizona.

The Association does not contemplate pecuniary gain or profit to the Members thereof. In furtherance of, and in order to accomplish the general purposes of the Association, the Association may transact any and all lawful business for which nonprofit corporations may be incorporated under the laws of the State of

Arizona, as they may be amended from time to time. The specific purpose for which the Association is formed is to provide for the maintenance, preservation and architectural control of the houses and lots in that part of the subdivision known as Dave Brown Uptown according to the Plat of record in the office of the Maricopa County Recorder, as more particularly described in the Declaration, and to which additional property may be annexed, and if it comes under the control of the Association, all of which property, by this reference, is incorporated herein.

ARTICLE VI

The Association shall have all of those powers provided by law, including those set forth in the Arizona Revised Statutes, as they may be amended from time to time, and all those powers necessary and convenient to effect the Association's purpose as set forth above, including but not limited to the power to exercise all of the rights and privileges and perform all duties and obligations of the Association as set forth in the Declaration, as the same may be amended from time to time. In particular, the Association is formed to promote the health, safety and welfare of the residents within the property covered by the Declaration, and additions thereto and as may hereafter be brought within the jurisdiction of the Association, and for this purpose to:

- (a) Exercise all of the powers and privileges, and perform all of the duties and obligations of the Association as set forth in the Declaration as the same may be amended from time to time as provided therein and, which, by this reference are incorporated herein;
- (b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith, and all office and other expenses incidental to the conduct of business of the Association, including all licenses, taxes and governmental charges levied or imposed against the property of the Association;
- (c) 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, if otherwise provided in the Declaration;
- (d) Borrow money, and with the consent of 2/3 of each class of members, mortgage, pledge, or hypothecate and all of the property of the Association as security for borrowed money or debts incurred, if allowable under the Declaration;
- (e) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or acquire additional property and/or common area, provided that any such merger, consolidation or annexation shall have the consent of 2/3 of each class of the members and the Federal Housing Administration.

and/or the Veteran's Administration, as otherwise provided in the Declaration.

ARTICLE VII

Every person or entity who is a record owner of any lot or home in Waterford Homeowners' Association shall be a member of the Association, subject to and in accordance with the Declaration. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation, either legal or equitable. The Association shall have no shareholders other than its Members, and no capital stock shall be authorized or issued.

ARTICLE VIII

The Association shall have two (2) classes of voting membership, namely Class A and Class B, as provided below:

Class A - Class A Members shall be all Owners, with the exception of Declarant (as such term is defined in the Declaration). Each Class A Member shall be entitled to one (1) vote for each lot or home owned. When more than one (1) person holds interest in any lot or home, all such persons shall be Members. The voting for such lot or home shall be exercised as such persons among themselves determine, but in no event shall more than one vote be cast with respect to any such lot or home. If any owner(s) cast(s) a vote representing a certain lot or home, it will thereafter be conclusively presumed for all purposes that such owner(s) was (were) acting with the authority and consent of any other owner(s) of the same lot or home.

Class B - The Class B Member shall, at the inception of the Association, be Declarant, who shall be entitled to three (3) votes for each lot or home owned. Each Class B membership representing lots owned by Declarant 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 equals or exceeds the total votes outstanding in the Class B membership; or
- (b) On January 1, 2004; or
- (c) Five years after Declarant has ceased offering Lots or Residences for sale in the ordinary course of business.

If any lender to whom Declarant has or may hereafter assign, as security, all or substantially all of its rights under the Declaration succeeds to the interests of such Declarant by virtue of said assignment, the Class B memberships shall not be terminated.

thereby, and such lender shall hold the Class B memberships on the same terms as they were held by Declarant.

The first annual meeting of the Members of the Association shall be held within thirty (30) days after the conversion of all the Class B memberships to Class A memberships, as above provided, or at such earlier time as the Board of Directors shall designate. The dates of subsequent annual meetings shall be as provided in the Bylaws of the Association. Until such time as the first annual meeting is required to be held, as herein provided, the provisions of Arizona Revised Statutes Section 10-1013(B) are hereby waived.

ARTICLE IX

The affairs of the Association shall be conducted by a Board of not less than three (3), nor more than twenty-five (25) directors and such officers as the directors may elect and appoint. The number of directors may be changed by amendment of the Bylaws of the Association.

The initial Board of Directors of the Association shall be:

- David M. Brown, 2164 E. Broadway, #300, Tempe, AZ 85282
- Walter M. Venberg, 2164 E. Broadway, #300, Tempe, AZ 85282
- David J. Piccoli, 2164 E. Broadway, #300, Tempe, AZ 85282

ARTICLE X

The private property of the Members, directors and officers of the Association shall be forever exempt from the Association's debts and obligations.

ARTICLE XI

Pursuant to the provisions contained in Section 10-1022, Arizona Revised Statutes, the Association shall indemnify and hold harmless each of its directors and officers, each Member of the committee appointed pursuant to the Bylaws of the Association, Declarant, pursuant to the Declaration, and each of Declarant's directors and officers (collectively referred to as "Declarant's directors and officers") against all contractual and other liabilities to others arising out of contracts made by, or other acts of such director(s), officer(s), committee(s), or Declarant, including but not limited to, judgements paid and satisfied and amounts in compromise and settlement, unless any such contract or act shall have been made fraudulently or with gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses, including but not limited to, attorneys' fees reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which any such

director, officer, committee member or Declarant may be involved by virtue of such person(s) being or having been such director, officer, committee member or Declarant, as allowable under Section 10-1005, Arizona Revised Statutes.

ARTICLE XII

The Association may be dissolved as provided in the Declaration. In particular, the Association may be dissolved by the sole vote to the Class B Member, if the Class B Member determines that the need for the Association is no longer required or necessary for the benefit of the Members of the Association. Such determination shall be made in accordance with Article XI of the Declaration.

ARTICLE XIII

Membership in the Association shall automatically terminate when an Owner ceases for any reason to be an Owner and the new Owner shall automatically succeed to such membership in the Association. A membership in the Association shall not be transferred, pledged, hypothecated or alienated in any way, except upon sale of the lot to which it appertains (and then only with respect to such purchaser(s)) or by interstate succession, testamentary disposition, foreclosure or other legal process transferring fee simple title to such lot (and then only to the person to whom such fee simple title is transferred). Notwithstanding the foregoing, in the event that an Owner has granted an irrevocable proxy or otherwise pledged or alienated the voting right of his lot regarding special matters to a Mortgagee as additional security, only the vote of such Mortgagee shall be recognized in regard to such special matters, if a copy of such proxy or other instrument has been filed with the Board of Directors. In the event that more than one such instrument has been filed, the Board of Directors shall recognize the rights of the first Mortgagee to so file, regardless of the priority of the Mortgages themselves. Any attempt to make a prohibited transfer of a membership is void and will not be recognized by or reflected upon the books and records of the Association.

ARTICLE XIV

Amendment to these Articles of Incorporation shall require a majority of the votes entitled to be cast at a meeting called for that purpose, and subject to approval of the Federal Housing Administration and Veteran's Administration, if required.

ARTICLE XV

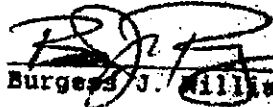
As long as there is a Class B Member, each of the following actions shall require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of

additional properties, mergers and consolidations, mortgaging or encumbering of any common areas and or dedication of any common areas (if such common area come within the control of the Association), or dissolution and amendment of these Articles of Incorporation.

ARTICLE XVI

The fiscal year of the Association shall be the calendar year from January 1 through December 31 of each year.

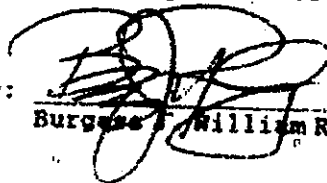
IN WITNESS WHEREOF, the undersigned have executed these Article of Incorporation as of the 16th day of August, 1984.


Burgess J. William Raby


William L. Raby

I, BJWR Corporate Services, Inc., having been designated to act as Statutory Agent, hereby consents to act in that capacity until removal or resignation is submitted in accordance with the laws of the State of Arizona.

BJWR Corporate Services, Inc.

By: 
Burgess J. William Raby, its President

WAIVER OF INCORPORATORS

WE, the undersigned, being the incorporators named in the Articles of Incorporation of Waterford Homeowners' Association (the "Association"), which Articles of Incorporation were accepted for filing, approved and received for record, by the Corporation Commission of the State of Arizona on August 16, 1994, hereby waive all right, title and interest in and to any stock or property of the Corporation and any right in the management thereof.

DATED this 16th day of August, 1994


Burgess O. Williams Raby


William L. Raby