

ARTICLES OF INCORPORATION

OF

LAKEBROOK VILLAS II HOMEOWNERS ASSOCIATION, INC.

YOUR FILE COPY

KNOW ALL MEN BY THESE PRESENTS:

We, the undersigned, have this day associated ourselves together for the purpose of forming a non-profit association in accordance with Arizona Revised Statutes §10-1029, and for that purpose do hereby adopt these Articles of Incorporation.

ARTICLE I

Name of the Association

The name of the association shall be LAKEBROOK VILLAS II HOMEOWNERS ASSOCIATION, INC. (the "Association").

ARTICLE II

Purpose and Powers

The purpose for which the Association is organized is the transaction of any and all lawful business for which non-profit associations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time. The Association does not contemplate pecuniary profit, gain or private advantage for the incorporators, directors, officers, Association or its Members, and the specific primary purpose for which this Association is formed is to provide for the acquisition, construction, management, operation, administration, maintenance, repair, improvement, preservation and architectural control of the Association property within that certain tract of property situated in the City of Phoenix, County of Maricopa, State of Arizona (the "Property"), as more particularly described in that certain Declaration of Covenants, Conditions and Restrictions for Lake Biltmore Village and the Amendments thereto, recorded in Docket 10309, pages 118 through 152, inclusive; Docket 10402, pages 1241 through 1244, inclusive; Docket 11307, pages 693 through 695, inclusive; and Docket 12141, pages 1205 through 1207, inclusive, records of the Maricopa County Recorder, Arizona, and further that certain Declaration of Horizontal Property Regime which was recorded on the 24th day of May, 1979, in Docket 13653, page 370 through page 384 of official records, Maricopa County, and as amended by First Amendment to Declaration of Horizontal Property Regime recorded in the office of the County Recorder of Maricopa County, Arizona, on October 18, 1979, in Docket 13971, pages 1595 through 1598, inclusive, and by Second Amendment to Declaration of Horizontal Property Regime recorded on the 23rd day

of January, 1980, in Docket 14173, page 667 through page 670 of official records, Maricopa County (the Declaration of Covenants, Conditions and Restrictions and Amendments thereto, and Declaration of Horizontal Property Regime and Amendments thereto are hereinafter collectively referred to as the "Declaration"), and to promote the health, safety and welfare of all the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose.

In furtherance of said purposes, this Association shall have power 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 fines as set forth in the Declaration;

(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 the Property;

(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, only with the assent (by vote or written consent) 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 Property's 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. 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 non-profit associations organized for the same purposes, or annex additional residential property and Common Area provided that any merger, consolidation or annexation (other than an annexation of additional favors, which shall be allowed according to the Declaration) shall have the assent by vote or written consent of two-thirds (2/3) of each class of Members; and

(h) Have and exercise any and all powers, rights and privileges which an association organized under the General Non-profit Association Law of the State of Arizona may now or hereafter have or exercise.

ARTICLE III

Membership Voting Rights

The number and qualification of Members of the Association, the different classes of Membership, if any, the property, voting and other rights and privileges of Members, and their liability for dues and assessments and the method of collection thereof, shall be as set forth in the Declaration and Bylaws of the Association.

ARTICLE IV

Principal Place of Business

The Association's principal place of business shall be c/o Rossmar Management Company, Post Office Box 11289, Phoenix, Arizona 85061.

ARTICLE V

Statutory Agent

The Statutory Agent for the Association shall be Rossmar Management Company, an Arizona association, Post Office Box 11289, Phoenix, Arizona 85061.

ARTICLE VI

Incorporators

The names and addresses of the incorporators are:

Stanley H. Johnson
10828 N. Biltmore Drive
Unit #232
Phoenix, Arizona 85029

Jeff Braucher
10828 N. Biltmore Drive
Unit #132
Phoenix, Arizona 85029

Farrell E. Hard
10828 N. Biltmore Drive
Unit #205
Phoenix, Arizona 85029

Edward Steinman
10828 N. Biltmore Drive
Unit #141
Phoenix, Arizona 85029

Donald Ernst
10828 N. Biltmore Drive
Unit #151
Phoenix, Arizona 85029

Mildred Zuckerman
10828 N. Biltmore Drive
Unit #104
Phoenix, Arizona 85029

Rosalie S. Deatcher
10828 N. Biltmore Drive
Unit #127
Phoenix, Arizona 85029

All powers, duties and responsibilities of the incorporators shall cease at the time of filing of these Articles of Incorporation with the Arizona Corporation Commission.

ARTICLE VII

Board of Directors

The number of persons to serve on the Board of Directors of the Association will be fixed by the Bylaws of the Association. The initial Board of Directors of the Association shall consist of seven (7) directors. The persons who shall serve as directors until the next annual meeting of the Association or until their successors are elected and qualify are:

Stanley H. Johnson
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10828 N. Biltmore Drive
Unit #127
Phoenix, Arizona 85029

IN WITNESS WHEREOF, we have hereunto set our hands this _____
day of _____, 1983.

Stanley H. Johnson