

*Sunrise at Parkwood Ranch*  
*Homeowners Association*  
*Articles of Incorporation*



*Sunrise at Parkwood Ranch*  
*Homeowners Association*  
*P.O. Box 5720*  
*Mesa, AZ 85211*

PREFERRED COMMUNITIES  
"LOVING WHERE YOU LIVE."



# COPY

STATE OF ARIZONA  
ACC/FAX  
DATE FILED

APR 05 1999

## ARTICLES OF INCORPORATION OF

DATE APPR 4-5-99  
TERM  
BY Alan R. Kennedy  
DR #1260-6

### SUNRISE AT PARKWOOD RANCH HOMEOWNERS ASSOCIATION

In compliance with the requirements of laws of the State of Arizona, the undersigned, have this day voluntarily associated themselves together for the purpose of forming a nonprofit corporation and do hereby adopt these Articles of Incorporation.

#### ARTICLE I

##### NAME

The name of the corporation is SUNRISE AT PARKWOOD RANCH HOMEOWNERS ASSOCIATION, hereafter called the "Association."

#### ARTICLE II

##### PRINCIPAL OFFICE

The principal office of the Association is located at 2632 South 24<sup>th</sup> Street, Suite B, Phoenix, Arizona 85034.

#### ARTICLE III

##### STATUTORY AGENT

ALAN R. KENNEDY, whose address is 2632 South 24<sup>th</sup> Street, Suite B, Phoenix, Arizona 85034, is hereby appointed the statutory agent of this Association.

#### ARTICLE IV

##### PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residential Lots and Common Area within that subdivision of real property known as Sunrise at Parkwood Ranch (the "property"); and to promote the health, safety and welfare of the residents within the above-described property for this purpose 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 that certain Declaration of Covenants, Conditions, Restrictions, Reservations and Easements, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Office of the County Recorder of Maricopa County, Arizona, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(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 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;

(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;

(d) 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;

(e) 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. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of the members of each class who are eligible to vote, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the members of each class who are eligible to vote;

(g) impose reasonable charges for the late payment of assessments, and, after notice and an opportunity to be heard, impose reasonable monetary penalties on members for violations of the Declaration, the Bylaws, the Articles or the Rules of the Association. Charges for late payments and penalties shall be enforceable in the same manner as unpaid assessments; and

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

## ARTICLE V

### MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including buyers under contracts or agreements of sale, as defined by A.R.S. § 33-741 contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. No stock shall be issued by the Association.

## ARTICLE VI

### 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, as defined in the Declaration, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as set forth in the Declaration, 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, who shall be entitled to three (3) votes for each Lot owned thereby. The Class B Memberships shall cease and be converted to Class A Memberships on the happening of the first to occur of the following events:

(a) The date which is ninety (90) days after the date when the total votes outstanding in the Class A Memberships entitled to vote equals the total votes outstanding in the Class B Memberships;

(b) Three years following the conveyance by Declarant of the first Lot to an Owner; or

(c) The date Declarant notifies the Board of Directors in writing that Declarant is terminating (or have terminated) its Class B Memberships and converting such Memberships to Class A Memberships.

## ARTICLE VII

### BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of not more than seven (7) nor less than three (3) Directors, who need not be members of the Association. The number of directors serving from time to time shall be as set forth in the Bylaws of the Association. The names and addresses of three persons who are to act in the capacity of directors until the election of their successors are:

<u>Name</u>	<u>Address</u>
Alan R. Kennedy	2632 South 24 <sup>th</sup> Street, Suite B, Phoenix, Arizona 85034
William D. Donoghue	2632 South 24 <sup>th</sup> Street, Suite B, Phoenix, Arizona 85034
John D. Ratliff, Jr.	2632 South 24 <sup>th</sup> Street, Suite B, Phoenix, Arizona 85034

## ARTICLE VIII

### OFFICERS

The affairs of the Corporation shall be administered by officers elected by the Board of Directors at its first meeting, and each successive meeting of the Board of Directors following the annual meeting of the members of the Association, or at other meetings called for such purpose, which officers shall serve at the pleasure of the Board of Directors. The officers shall consist of a President, Vice-President, both of whom shall be members of the Board of Directors, and a Secretary and Treasurer. The initial officers of the Corporation shall be:

Alan R. Kennedy	President
William D. Donoghue	Vice-President
John D. Ratliff, Jr.	Secretary/Treasurer

who shall serve until their successors are appointed and qualified.

**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 the members of each class who are eligible to vote. Upon the dissolution of this Association, whether resulting from voluntary action on the part of the Board of Directors, court orders, lapse of time, or otherwise, no part of the remaining assets of the Association, after the discharge of all corporate liabilities, shall inure to the private profit, benefit or advantage of any current or past member, Director or officer, but the whole of such remaining assets shall be distributed by the Directors in cash or in kind absolutely and without possibility of reversion, as absolute gifts without return consideration, direct or indirect, in such amounts and proportions as the Directors shall determine, to such corporations, clubs or associations which are exempt from taxation under the provisions of Section 501 of the Internal Revenue Code of 1954 as now or hereafter amended. The determination of the Directors with respect to all such distributions shall be final.

**ARTICLE X****DURATION**

The corporation shall exist perpetually.

**ARTICLE XI****AMENDMENTS**

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the members of the entire membership who are eligible to vote. Notwithstanding anything contained herein to the contrary, however, the Board of Directors shall have the right to amend all or any part of these Articles upon the affirmative vote of the Board. Any such amendment shall be effected by the filing, by the Director of the Board of Directors, of Articles of Amendment duly signed by or on behalf of the Association. Such Articles of Amendment, when filed, shall be binding upon all of the property and all persons having an interest therein.

**ARTICLE XII****FHA/VA APPROVAL**

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles. Consent of the FHA and VA to

the foregoing will not be required if the FHA and VA have elected not to approve the property for certification or if such approval has been revoked, withdrawn, canceled or suspended. Consent of the FHA or VA will be deemed to have been given if the matter has been submitted to the agency for approval and the agency has failed to respond within 30 days of such submittal.

### ARTICLE XIII

#### BYLAWS

The original Bylaws of the Association may be adopted by the incorporator.

### ARTICLE XIV

#### INDEMNIFICATION

The Association shall indemnify any person against expenses, including without limitation, attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by reason of the fact that he or she is or was serving at the request of the Association as a director, officer, employee or agent of the Association or another corporation, partnership, joint venture, trust or other enterprise, in all circumstances in which, and to the extent that, such indemnification is specifically permitted and provided for by the laws of the State of Arizona as then in effect.

### ARTICLE XV

#### INCORPORATOR

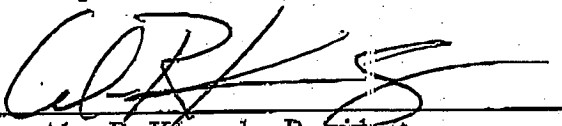
The name and address of the incorporator is:

Sunrise At Parkwood Ranch Investors, L.L.C.  
an Arizona limited liability company  
2632 South 24<sup>th</sup> Street, Suite B,  
Phoenix, Arizona 85034

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 5<sup>th</sup> day of April, 1999.

SUNRISE AT PARKWOOD RANCH  
INVESTORS, L.L.C., an Arizona  
limited liability company

BY: THE DEHAVEN COMPANY, an Arizona  
corporation, Manager

By:   
Alan R. Kennedy, President