

*Carefree Ranch
Homeowners Association
Articles of Incorporation*



*Carefree Ranch Homeowners Association
P.O. Box 5720
Mesa, AZ 85211*

PREFERRED COMMUNITIES
"LOVING WHERE YOU LIVE."



AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
CAREFREE RANCH OWNERS ASSOCIATION
(A non-profit corporation)

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, having associated ourselves together for the purpose of forming a non-profit corporation pursuant to the laws of the State of Arizona, and having filed Articles of Incorporation on December 7, 1979, do hereby amend and restate the Articles of Incorporation as follows.

I. NAME AND LOCATION

The name of the corporation shall be Carefree Ranch Owners Association and its principal place of business shall be in Carefree, Maricopa County, Arizona, where meetings of members and the board of directors shall be held.

II. PURPOSE

The purpose for which the corporation is organized is to transact any and all lawful business for which corporations may be incorporated in Arizona except that the corporation shall not engage in any transactions for pecuniary profit.

III. BUSINESS

The business to be conducted by the corporation shall be to function as the property owners association for the owners of lots in The Ranch Highlands, a subdivision in Maricopa County, Arizona as shown on the plat thereof recorded in Book 218 of Maps, page 26, records of said County, and Lone Mountain, a subdivision in Maricopa County, Arizona as shown on the plat thereof recorded in Book 225 of Maps, page 40; to promote the common interests of all such owners in maintaining high community standards of all areas included within Ranch Highlands and Lone Mountain, and to exercise such rights, powers, responsibilities and functions as may be granted to the corporation pursuant to an Amended, Restated and Consolidated Declaration of Covenants, Conditions and Restrictions for Carefree Ranch, which is recorded at Recording number _____, records of Maricopa County, Arizona.

IV. MEMBERS

Each person who owns or hereafter acquires title to a leasehold interest in a lot in The Ranch Highlands or Lone Mountain shall be a member of the corporation as provided in the Amended, Restated and Consolidated Declaration of Covenants, Conditions and Restrictions heretofore mentioned. Each annual meeting of members shall be held during the last fifteen (15) days of March or the first fifteen (15) days of April each year in Carefree, Arizona or Scottsdale,

Arizona, at a time and place specified in a notice from the board of directors to the members.

V. INCORPORATORS

The names and addresses of the original incorporators are:

James L. Johnson	5401 E. Cheery Lynn Rd. Phoenix, Arizona 85018
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Roy A. Dye	5402 Calle del Medio Phoenix, Arizona 85018
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Carefree Properties Incorporated a Delaware corporation	First National Bank Plaza P.O. Box 1269 Carefree, Arizona 85377
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VI. DIRECTORS

The affairs of the corporation shall be conducted by a board of directors composed of at least three persons who need not be members. The exact number of directors may be set by the board as stated in the bylaws. The initial board of directors was elected at a meeting of the incorporators held at 10:00 a.m., December 6, 1979, at the office of the statutory agent, First National Bank Plaza, # 11 Sundial Circle, Carefree, Arizona 85377. The following persons were elected to serve as directors until a total of fifty lots in The Ranch Highlands were sold after which time directors were elected by members at their annual meeting: James L. Johnson and Roy A. Dye, whose addresses are specified in Article V hereof, and James N. Mellor, 6330 E. McDonald Dr., Scottsdale, Arizona 85253. The board shall have authority to elect a director to serve during the remaining unexpired term of any person who ceases to be a member of the board.

The board of directors shall have authority to adopt and amend bylaws, except that any amendment of the bylaws adopted by the members shall prevail over any inconsistent provision in the bylaws adopted by the board of directors. The board of directors shall have authority to elect officers and employ persons to manage the day-to-day affairs of the corporation.

VII. STATUTORY AGENT

The name and address of the statutory agent is Jim Hanley, Rossmar & Graham, 9362 East Raintree Drive, Scottsdale, Arizona 85260, the current management company of the Association.

VIII. FISCAL YEAR

The fiscal year of the corporation shall end on December 31 of each calendar year.

IX. INDEMNIFICATION

Any person who serves as a director or who serves on a board or council in an advisory capacity to this nonprofit corporation or board of directors of this nonprofit corporation shall be immune from civil liability and shall not be subject to suit directly or by way of contribution for any act or omission resulting in damage or injury if such person was acting in good faith and within the scope of his official capacity, unless such damage or injury was caused by wilful and wanton or grossly negligent conduct of such person. Nothing in this section shall limit or modify in any manner the duties or liabilities of a director or such person serving in an advisory capacity to the corporation or the corporation's members. "Official capacity" as used in this section is any decision, act or event undertaken by this nonprofit corporation in furtherance of the purpose or purposes for which such organization is organized.

The corporation shall indemnify and hold harmless each director and officer of the corporation with respect to any claims, demands, actions and causes of action which may be asserted against such director or officer during his term of office, or subsequent thereto, arising out of or in any way connected with the performance of his duties and responsibilities as such director or officer, such indemnification to include reasonable and necessary attorneys fees incurred by such director or officer in defending himself against such claims, demands, actions and causes of action. Such indemnification shall grant the full protection granted to members, directors, officers and employees of the corporation granted in Section 10-1005(C) of the Arizona Revised Statutes.

IN WITNESS WHEREOF the undersigned certifies that these Amended and Restated Articles of Incorporation were approved by the members pursuant to the provisions of the Arizona Nonprofit Corporation Act.

Dated this ____ day of _____, 2006.

CAREFREE RANCH OWNERS ASSOCIATION

By _____

Its President