

ARTICLES OF INCORPORATION

OF

SUNNY LANE ESTATES HOMEOWNERS ASSOCIATION

In compliance with the requirements of A.R.S. § 10-1001 et seq., the undersigned, all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a nonprofit corporation and do hereby certify:

ARTICLE I

The name of the corporation is SUNNY LANE ESTATES HOMEOWNERS ASSOCIATION, hereafter called the "Association." *OK*

ARTICLE II

The principal office of the Association is located at Apache Junction, Arizona, c/o Post Office Box 1117, 233 West Highway 60, Apache Junction, Arizona 85220.

ARTICLE III

Martori, Meyer, Hendricks & Victor, whose address is Suite 4000, 2700 North Third Street, Phoenix, Arizona, is hereby appointed the initial 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 residence Lots and Common Area within that certain tract of property described on Exhibit "A"

attached hereto and made a part hereof by this reference, and to promote the health, safety and welfare of 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 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 Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Office of the Maricopa County Recorder and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth in full;

(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 each class of members, 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 each class of members;

(g) 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 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.

#### 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 Developer, 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 they 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 Developer (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 in accordance with the "Declaration."

## ARTICLE VII

### Board of Directors

The affairs of the Association shall be conducted by a Board of Directors and such officers as the Board of Directors may select from time to time, all as shall be set forth in the Association's Bylaws.

The number of Directors of this Association shall be initially set at three (3), but such number may be changed by the Board of Directors in accordance with the Bylaws of the Association, as the same may be duly adopted or amended from time to time. The following persons shall serve as the initial Board of Directors of the Association until the first annual meeting of the Members of the Association or until their successors shall have been duly elected and qualify:

Ruben G. Smyers  
1724 West Linder  
Mesa, Arizona

Cindy L. Smyers  
1724 West Linder  
Mesa, Arizona

K. D. Bullock  
c/o 1724 West Linder  
Mesa, Arizona

The Board of Directors will adopt Bylaws for the corporation, and such Bylaws may be amended, supplemented, repealed or

suspended, and new Bylaws may be adopted by the Board of Directors or otherwise as provided for therein.

ARTICLE VIII

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 purpose.

ARTICLE IX

Duration

The corporation shall exist perpetually.

ARTICLE X

Amendments

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

IN WITNESS WHEREOF, the undersigned have caused these Articles to be executed as of the 15<sup>th</sup> day of July, 1982.

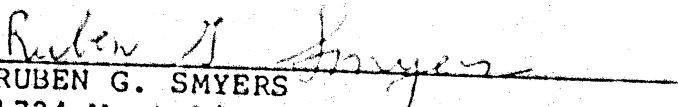
  
RUBEN G. SMYERS  
1724 West Linder  
Mesa, Arizona

EXHIBIT A

Lots 1 to 61, inclusive and Tract A, B, and C, SUNNY LANE  
ESTATES, according to Cabinet A, Slide 78, records of Pinal  
County, Arizona.