

ARTICLES OF INCORPORATION
OF
NORTHTOWN HOMEOWNERS' ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have this day associated ourselves together for the purpose of forming a non-profit corporation under and by virtue of the provisions of Section 10-451, Arizona Revised Statutes, and do hereby adopt Articles of Incorporation as follows:

ARTICLE I

The name of this corporation is NORTHTOWN HOMEOWNERS' ASSOCIATION, INC., hereinafter called the "Association."

ARTICLE II

The principal place of business of the Association shall be at Phoenix, Arizona.

ARTICLE III

The names, residences and post office addresses of the incorporators are as follows:

Name Residence Address

William T. Province 321 E. Verde Lane, Phoenix, AZ 85012

Michael Master 8608 E Heatherbrae, Scottsdale, AZ 85251

ARTICLE IV

The objects and purposes for which this Association is established do not include pecuniary profit, gain or private advantage for the incorporators, directors, officers, members or for the Association. The specific purposes for which this Association is formed are to provide for maintenance, preservation and architectural control of the resident's Lots and Common Area within that certain tract of property described as:

Lots 1 to 95 inclusive and Tracts A, C and D Northtown Unit

Three-A according to the plat of record in the office of the County

Recorder of Maricopa County in Book 134 of Maps, Page 2.

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 obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and 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 at length; provided, however, that annexation of additional lands lying within the S.E. $\frac{1}{4}$ of Section 3, T3N, R3E, G.&S.R.,B.&M., Maricopa County, Arizona may be accomplished without the consent of the membership as provided in the Declaration of Restrictions of Northtown Unit Three-A.
- 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 ($\frac{2}{3}$) 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 ($\frac{2}{3}$) 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 ($\frac{2}{3}$) 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 Declarant 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 among themselves 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 Declarant (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 on the happening of either of the following events, whichever occurs earlier:

- a. when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- b. on April 1, 1974.

ARTICLE VII

BOARD OF DIRECTORS AND OFFICERS

The affairs of this Association shall be conducted by a Board of nine (9) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the By-Laws of the Association, but the number thereof shall not be less than five (5) nor more than (9). The Board of Directors shall be elected at the regular annual meeting of the members which shall be held on the third Tuesday in December of each year commencing with the year 1971, or such other time as the By-Laws of the corporation may provide.

At the first annual meeting the members shall elect three (3) directors for a term of one year, three (3) directors for a term of two years, and three (3) directors for a term of three year; and at each annual meeting thereafter, the members shall elect three (3) directors for a term of three years.

A President, one or more Vice Presidents, who must be members of the Board of Directors, a Secretary and a Treasurer (any two offices except the President and Vice President may be held by the same person) shall be elected by the Board of Directors. The officers shall be elected at the first meeting of the Board of Directors following each annual meeting of the members. All such officers shall hold office until their successors are elected.

ARTICLE VIII

The names of the persons who are elected by the original incorporators to serve until the first annual meeting of the Association as the initial Board of Directors of this corporation are:

Name Address

William T. Province 321 E. Verde Lane, Phoenix, Arizona

Michael Master 8608 E. Heatherbrae, Scottsdale, Arizona

Barbara Betzer 10219 N. 36th Avenue, Phoenix, Arizona

James E. Robinson 3802 N. 28th Street, Phoenix, Arizona

Anna Galvan 4121 E. Camelback Road, Phoenix, Arizona

Richard Weindel 1820 Palmcroft Way, N.W., Phoenix, Arizona

William Weidemaier 4164 E. St. Joseph Way, Phoenix, Arizona

Barbara Dysart 548 W. Portland, Phoenix, Arizona

Ann Lavit 6537 E. Palm Lane, Scottsdale, Arizona

The initial Board of Directors was elected at a meeting of incorporators held at 3940 East Camelback Road, Phoenix, Maricopa County, Arizona; beginning at the hour of two o'clock (2:00 P.M.) on March 24, 1971. Following their election, the Board of Directors appointed the following officers to serve at the pleasure of the Board of Directors:

William T. Province President

Michael Master Vice President

Barbara Betzer Secretary

Barbara Betzer Treasurer

ARTICLE IX

Any indebtedness or liability, direct or contingent, must be authorized by an affirmative vote of a majority of the votes cast by the members of the Board of Directors at a lawfully held meeting, and approved by the Arizona Corporation Commission, to the extent required by the laws of the State of Arizona. The highest amount of indebtedness or liability, direct or contingent, to which this corporation may be subject at any one time shall not exceed one hundred fifty percent (150%) of its income for the previous fiscal year, except that additional amounts may be authorized by an affirmative vote of three fourths (3/4) of the Members of the Association and approved by the Arizona Corporation Commission.

ARTICLE X

The private property of the incorporators, directors, officers, employees, agents and members of this corporation shall be forever exempt from its debts or obligations, except as provided in the Declaration of Covenants, Conditions and Restrictions, referred to above.

ARTICLE XI

The time of commencement of this corporation shall be the date of issuance of the Certificate of Incorporation by the Arizona Corporation Commission, and the termination thereof shall be twenty-five (25) years thereafter, with the privilege of successive renewal as provident by law, so as to achieve perpetual succession.

ARTICLE XII

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 purposes.

ARTICLE XIII

AMENDMENTS

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

ARTICLE XIV

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 of the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

ARTICLE XV

The Board of Directors shall be empowered to approve the By-Laws for the Northtown Homeowners' Association, Inc., corporation at its first Board of Directors meeting.

ARTICLE XVI

SHIMMEL, HILL & BISHOP, P.C., whose business address is 10th Floor, 111 West Monroe Street, Phoenix, Arizona 85003, and which is a corporation empowered by its articles to so act, is hereby appointed the agent of the corporation upon whom all notices and process, including service of summons, may be served, and the service upon such agent shall be lawful personal service on the

corporation. This appointment may be revoked at any time by the filing of the appointment of another agent as provided by law.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 29th day of June, 1971.

(The signatures of William Province and Michael Master are affixed and their signatures were notarized by Barbara Betzer on June 29, 1971. Also, a copy of the State of Arizona Corporation Commission Certificate of Incorporation dated July 16, 1971, is included as part of this document.)

STATE OF ARIZONA
ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
NORTHTOWN HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of Arizona Revised Statutes 10-2363, the undersigned nonprofit corporation adopts the attached Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is "Northtown Homeowners Association, Inc."

SECOND: The document attached hereto as Exhibit "A" sets forth Amendments to the Articles of Incorporation which were adopted by consent of 75% of the entire membership, in accordance with Arizona Revised Statutes 10-2362.

DATED: September 28, 1996.

(The signatures of William Raptis and Sara Shrewsbury are affixed and were notarized by Tracy Persig on 10/8/96.)

EXHIBIT "A"
ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
NORTHTOWN HOMEOWNERS ASSOCIATION, INC.

1. Article XI regarding the Corporation's limited period of existence is hereby deleted in its entirety, thereby providing for perpetual existence.

Except as hereinabove amended, the terms of the original Articles of Incorporation shall remain in full force and effect.