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RECORDS COMMISSION
FOR THE STATE OF ARIZONA

ARTICLES OF INCORPORATION

OF

DEC 15 3 33 PM '93
Darla Scrimally
12-17-93

COLONIAS LA CANADA HOMEOWNERS' ASSOCIATION

In compliance with the requirements of A.R.S. §10-1001, et seq. the undersigned, all of whom are residents of Pima County, Arizona, and all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I
NAME

The name of the corporation is Colonias La Canada Homeowners' Association hereinafter called the "Association".

ARTICLE II
STATUTORY AGENT

Christopher D. Marrs, whose address is 3573 E. Sunrise Drive, Suite 233, Tucson, Arizona 85718 is hereby appointed the initial statutory agent of this Association.

ARTICLE III
INITIAL BUSINESS

The Association initially intends to perform the business of a homeowners' association to fulfill the purpose and powers more specifically set forth in Article IV below for the subdivision known as Colonias La Canada, Lots 1-82 and Common Areas 'A' and 'B' as shown on the Plat of record recorded in Book 45 at Page 45 of the Pima County Recorder's Office.

ARTICLE IV
PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to its members. The specific purposes for which it is formed are to provide for architectural and use control of residential lots and maintenance of improvements on certain Common Areas and easements within the Colonias La Canada Subdivision 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 Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the property and recorded in the Office of the Pima County Recorder at Book 9670, Page 2167, 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) to accept such properties, improvements and rights as may be granted to the corporation, and to maintain, operate and manage all buildings, structures, landscaping, parking areas, walks and trails, common areas and other facilities - now or hereafter constructed on the common areas, to pay taxes and assessments if any, to insure the improvements and common areas, to make assessments for maintenance and operations as required, to impose liens against individual lots if needed and to do all things which in the sole discretion of the Board of Directors is deemed necessary for the general benefit and welfare of the members of the Association.

(c) 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; and,

(d) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit 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, as defined in the Declaration, 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

There shall be one vote for each Lot. When more than one person holds an interest in any Lot, 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.

ARTICLE VII BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors of not less than three (3) nor more than seven (7) Directors, as determined by the members of the Association from time to time in accordance with the By-Laws. The Directors need not be members of the Association. The personal liability of directors to the Association and

its members for monetary damages for breach of fiduciary duty as a director is eliminated except as to:

- (a) Any breach of the director's duty of loyalty to the corporation or its members;
- (b) Acts of omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law;
- (c) A violation of A.R.S. § 10-1026 (Regarding shareholders' preemptive rights);
- (d) Any transaction from which the director derived an improper personal benefit; or
- (e) A violation of A.R.S. § 10-1097 (Regarding jurisdiction of court to liquidate assets and business of corporation).

The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Christopher D. Marrs	A.W. Marrs, Inc. 3573 E. Sunrise, Suite 233 Tucson, AZ 85718
Anthony W. Marrs	A.W. Marrs, Inc. 3573 E. Sunrise, Suite 233 Tucson, AZ 85718
Ward Sumner	P.O. Box 64324 Tucson, AZ 85728

ARTICLE VIII INCORPORATORS

The names and addresses of the incorporators is as follows:

Christopher D. Marrs	A.W. Marrs, Inc. 3573 E. Sunrise, Suite 233 Tucson, AZ 85718
Anthony W. Marrs	A.W. Marrs, Inc. 3573 E. Sunrise, Suite 233 Tucson, AZ 85718

ARTICLE IX

DISSOLUTION

The Association may be dissolved by an affirmative vote of not less than two-thirds (2/3) of the votes entitled to be cast. 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, 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 X DURATION

The corporation shall exist perpetually.

ARTICLE XI PRIVATE PROPERTY

The Members, directors, and officers of this corporation shall not be individually or personally liable for the debts or other liabilities of this corporation, and the private property of the Members, directors and officers of this corporation shall be forever exempt from corporate debts or liabilities of any kind whatsoever.

ARTICLE XII IDEMNIFICATION

To the fullest extent permitted by law, this corporation shall indemnify any person against expenses, including without limitation, reasonable attorney's fees, judgments, fines, penalties, or amounts paid in settlement, actually and reasonably incurred by reason of the fact that such person was a director, officer, or agent of the corporation, or is or was serving at the request of the corporation as a member of a committee appointed by the Board of Directors or in accordance with the Declaration, provided that the Board of Directors shall determine in good faith that such Person did not act, fail to act, or refuse to act, with gross negligence or with wrongful, fraudulent or criminal intent in regard to the matter involved in the action.

ARTICLE XIII
AMENDMENTS

Amendment of these Articles shall require an affirmative vote of not less than two-thirds (2/3) of the votes entitled to be cast.

IN WITNESS WHEREOF, for the purposes 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 14th day of December, 1993.

Christopher D. Marrs
Christopher D. Marrs

Anthony W. Marrs
Anthony W. Marrs

CONSENT TO APPOINTMENT OF STATUTORY AGENT

I, Christopher D. Marrs, do hereby consent to appointment as statutory agent for Colonias La Canada Homeowners' Association.

Christopher D. Marrs
Christopher D. Marrs

STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

ACKNOWLEDGED before me this 14 day of December, 1993, by Christopher D. Marrs.

My Commission Expires:

Nov 1, 1996

Susan J. Deland
Notary Public

