

STATE OF ARIZONA

Corporation Commission



To all to Whom these Presents shall Come, Greeting:

I, DONALD E. VANCE, Executive SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT the annexed is a true and complete copy of the Articles of Incorporation of
CASA PALOMA I HOMEOWNERS, INC.

which were filed in the office of the Arizona Corporation Commission on the 15th day of December, 1976, as provided by law.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL IN THE CITY OF PHOENIX, THIS 16th DAY OF December, 1976.

BY

Donald E. Vance
Ernst R. ...

SECRETARY

ASSISTANT SECRETARY

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The following is an unofficial collection of changes to the Articles of Incorporation, done to the best of our ability.

Official copy is on file with the "Arizona Corporation Commission".

Articles of Incorporation Of Casa Paloma I Homeowners, Inc

We, the undersigned, desiring to form a non-profit corporation in accordance with Arizona Revised Statutes Title 10, do hereby associate ourselves together for that purpose, and adopt the following articles of incorporation:

Article I Incorporators

The names and addresses of the incorporators are:

Berthold M. Fischer, 348 Avenida de Lumbre, Green Valley, Arizona

William B. King, 421 W. Calle de Oro, Green Valley, Arizona

Nelly M. Lewis, \$04 N. Calle de Lumbre, Green Valley, Arizona

Harold R. Reid, 449 N. Calle del Diablo, Green Valley, Arizona

Anthony Saeli, 372 W. Calle de la Amistad, Green Valley, Arizona

Nat R. Winslow, 394 W. Calle de las Flores, Green Valley, Arizona

Article II Name

The name of the corporation shall be:

Casa Paloma I Homeowners, Inc.

Article III Place of Business

The principal place of business of the corporation shall be the office or home of the Registered Agent.

Revised 1982

Article IV Time of Commencement

The time of commencement of this corporation shall be the date on which the Articles of Incorporation were filed with the Arizona Corporation Commission.

Article V Objects of Corporation

Section 1: The object of the corporation is to give effect to any valid conditions, covenants and restrictions of record affecting that certain subdivision in Pima County, Arizona, designated Green Valley Townhouse III, Lots 1 thru 256, inclusive, and Lot 258, also known as

Casa Paloma I, and to perform the functions, the duties, and exercise the power of the property owners' association as described in the recorded Declaration of Establishment of Conditions, Covenants and Restrictions and to exercise all powers not prohibited by law to a non-profit corporation, all powers which may be deemed by its officers and directors to be necessary to its objects and all powers which may reasonably be implied from the above language.

Section 2: The corporation may, insofar as permitted by law, establish, amend and enforce such regulation as may be necessary to promote and objects for which this corporation is organized, provided that such regulation may not abrogate any condition, covenant or restriction imposed on any property by Deed Restrictions of record.

Article VI Meetings

Section 1: The annual meeting shall be held on the third Tuesday in February.

Revised 2007

Section 2: Special meeting shall be held upon the written request of 25% of the membership. Said meeting shall be held within thirty days of receipt of said request by the Board of Directors. Special meetings may also be called upon a majority vote of the Board of Directors.

Section 3: Notice of the annual meeting shall be mailed or hand delivered to each member at the last address reported by the member to the Secretary. The notice shall be mailed *or hand delivered* at least 15 days prior to the meeting, and shall set forth the general nature of the business to be conducted.

Revised 2011

Article VII Membership

Section 1: There shall be no capital stock of the corporation; participation shall be limited to membership in the corporation as provided for in section 2 of this Article.

Section 2: Every person or legal entity, who is a record owner of any dwelling unit or vacant lot within Green Valley Townhouse III, Lots 1 thru 256, inclusive, shall be a member.

Section 3: Each member in good standing shall be entitled to one vote for each dwelling unit or vacant lot owned; provided that if more than one person is the owner of a single dwelling unit, or vacant lot, said joint owners shall be entitled to one vote. Fractional votes shall not be recognized.

Section 4: The rights and privileges of membership are subject to the payment of assessments levied by the corporation, the obligation of which is imposed against each owner

of, and becomes a lien upon, the property against which such assessments are made as provided by the Deed Restrictions to which the properties are subject.

Section 5: The rights and privileges of a member is automatically suspended when any assessment is delinquent for more than thirty days. However, upon payment of such assessment, together with reasonable costs of collection, interest and attorneys fees either assessed by the Board of Directors or imposed by the Court, the delinquent member shall become a member in good standing and his rights and privileges shall be automatically restored.

Article VIII

Board of Directors

Section 1: The affairs of this corporation shall be conducted by a Board of Directors consisting of a minimum of five persons with a maximum of nine persons, the exact number of Directors to be determined by the By-Laws, to be elected for a term of three years. Such Directors shall serve the term for which they are elected and until their successors are elected and qualified. Any vacancy on the Board of Directors shall, until the next annual meeting, be filled by a majority vote of the remaining members of the Board.

Revised 2007

Section 2: The following persons were elected members of the Board of Directors at a meeting held on November 20, 1976 at Green Valley, Arizona.

Arthur C. Mains, 150 N. Camino Del Varonil, Green Valley, AZ 85614
Marie Walbrecht, 248 N. Calle de las Santo, Green Valley, AZ 85614
Nat Winslow, 394 W. Calle de las Flores, Green Valley, AZ 85614
Steve Y. Felker, 237 N. Calle del Diablo, Green Valley, AZ 85614
Frank Kislin, 160 N. Camino Del Varonil, Green Valley, AZ 85614
Milton Waltensperger, 201 N. Camino del Varonil, Green Valley, AZ 85614
Dean Bogan, 382 W. Calle de Las Flores, Green Valley, AZ 85614
Philip H. Landrey, 343 W. Camino del Sonador, Green Valley, AZ 85614
Berthold M. Fischer, 348 Avenida de Lumbre, Green Valley, AZ 85614

Each annual election hereafter shall be held during the annual meeting.

Article IX

Officers

The officers of the corporation shall consist of a President, a Vice President, a Secretary and a Treasurer, and such other officers as may be determined from time to time by the Board of Directors of the corporation. Such officers shall be elected by the Board of Directors.

Article X

Assessments

Members of the corporation shall pay an annual assessment as determined by the Board of Directors, unless said assessment is changed at a special meeting by a two-thirds of the votes cast or majority of the voting power whichever is less.

Revised 2011

Article XI

Liability of Corporation

Revised 1982

The maximum amount of liability, direct or contingent, to which the corporation may be subject shall be Two Thousand Five Hundred Dollars, unless said maximum amount is changed at either a special or annual meeting by a two-thirds of the votes cast or majority of the voting power whichever is less.

Revised 2011

Article XII

Liability of Members and Directors

Section 1: The private property of members of the corporation shall forever be exempt from corporate debts and no member or officer shall be individually liable or responsible for any debts or liabilities of the corporation.

Section 2: The personal liability of the directors to the corporation or its members for monetary damages for breach of fiduciary duty as a director is eliminated to the fullest extent permitted by applicable law. Neither this provision nor any other provision in these Articles shall eliminate or limit the liability of a director for any of the following:

- (a) Any breach of the director's duty of loyalty to the corporation or its members.
- (b) Acts or 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. Sec 10-1026 (shares of stock and dividends prohibited).
- (d) Any transaction from which the director derived an improper personal benefit.
- (e) A violation of A.R.S. Sec 10-1097 (director conflicts of interest).

For purposes of this provision, "Director" shall include trustees or persons who serve on a board or council of the corporation in an advisory capacity.

Revised 1989

Article XIII

Organized Not For Profit

The corporation is not organized with pecuniary profit as its object and the members thereof shall have no individual interest in any of the property, assets or profits of the corporation.

Article XIV

Amendment of Articles of Incorporation

The Articles of Incorporation may be amended by a two-thirds of the votes cast or majority of the voting power whichever is less at either a special or annual meeting provided that no amendment shall be in conflict with the recorded Deed Restrictions.

Revised 2011

Article XV

Amendment of By-Laws

The By-Laws may be amended by a two-thirds of the votes cast or majority of the voting power whichever is less at either a special or annual meeting provided that no by-law shall be in conflict with the Articles of Incorporation or the recorded Deed Restrictions.

Revised 2011

Article XVI

Amendment of Deed Restrictions

The Deed Restrictions affecting Green Valley Townhouses III, Lots 1 thru 256, inclusive, and Lot 258, may be amended in accordance with the recorded Deed Restrictions provided such amendment is approved by a two-thirds of the votes cast or majority of the voting power whichever is less at either a special or annual meeting.

Revised 2011

Article XVII

Quorum Requirements

The presence in person or by absentee ballot of Members entitled to cast at least 10% of the Eligible Votes in the Association shall constitute a quorum at any meeting of the Members.

Revised 2011

Article XVIII

Registered Agent

Stanley Y. Felker, 237 Calle del Diablo, Green Valley, Arizona, is hereby appointed the lawful agent of this corporation. The Board of Directors of this corporation may revoke this appointment at any time and shall have full power to fill the vacancy in such position. Stanley Y. Felker has been a resident of Arizona for three years.

Revised 1982

Article XIX

Merger

The corporation may participate in mergers and consolidations with other non-profit corporations organized for similar purposes, provided such merger is approved by a two-thirds of the votes cast or majority of the voting power whichever is less at either a special or annual meeting.

Revised 2011

IN WITNESS WHEREOF, the incorporators have hereunto set their hands this 13 day of December, 1976.

Berthold M. Fischer

William B. King

Nelly N. Lewis

Harold R. Reid

Anthony Saeli

Nat R. Winslow

STATE OF ARIZONA)

SS

COUNTY OF PIMA)

This instrument was acknowledged before me this 13 day of December, 1976, by Berthold M. Fischer, William B. King, Nelly N. Lewis, Harold R. Reid, Anthony Saeli, and Nat R. Winslow.

Robert Royal
Notary Public

My Commission Expires:
July 16, 1977