

ARTICLES OF INCORPORATION  
OF  
CAMELOT PARK VILLAS OWNERS ASSOCIATION

In compliance with the requirements of §10-1001, et seq., Arizona Revised Statutes, as amended, the undersigned, all of whom are of full age, have this date voluntarily associated themselves for the purpose of forming a corporation not for profit, and do hereby certify:

ARTICLE I

NAME

The name of the corporation is Camelot Park Villas Owners Association.

ARTICLE II

PRINCIPAL OFFICE

The principal office of the corporation shall be located at 6808 E. Camelback Rd., Scottsdale, Arizona 85251.

ARTICLE III

DEFINED TERMS

Capitalized terms used in these Articles without definition shall have the meanings specified for such terms in the Declaration of Covenants, Conditions and Restrictions for Camelot Park Villas recorded with the County Recorder of Maricopa County, Arizona as Instrument No. 84 376971.

ARTICLE IV

STATUTORY AGENT

Donald E. Dyekman, whose address is 4110 N. Scottsdale Road, Suite 308, Scottsdale, Arizona 85251, and who has been a bona fide resident of the State of Arizona for more than three (3) years last past, is hereby appointed and designated Statutory Agent for the corporation, for the State of Arizona, upon whom service of process may be had. This appointment may be revoked at any time by the filing of the appointment of another agent.

## ARTICLE V

### PURPOSE OF THE ASSOCIATION

The object and purpose for which this Association is organized is to provide for the acquisition, construction, management, maintenance, and care of the Common Area and other property owned by the Association or property placed under its jurisdiction. In furtherance of, and in order to accomplish the foregoing object and purpose, the Association may transact any or all lawful business for which corporations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time.

## ARTICLE VI

### THE CHARACTER OF THE BUSINESS

The general nature and character of the business to be transacted by the Association shall be as follows:

(a) To own, operate, repair and maintain the Common Area and all other property and improvements to be used in common by and for the benefit of the Owners of Lots within the real property described in Exhibit A attached hereto, including private streets, and any additions thereto as may hereafter be brought within the jurisdiction of the Association by annexation of additional property as provided in the Declaration;

(b) To accept the Common Area and such other property and improvements as may be conveyed to the Association and to maintain, repair and replace all landscaping, parking areas, walk areas, recreational areas, facilities and private streets upon such Common Area; to pay all taxes and assessments, if any, which may properly be levied against the Common Area or other property acquired by or owned by the Association; to impress liens against the individual Lots to secure the payment of Assessments and other obligations due from the Owners thereof to the Association and to collect, foreclose or otherwise enforce, compromise, release, satisfy and discharge said demands, and to do all other acts necessary to the filing, maintenance and discharge of said liens; to take any action necessary to enforce the Project Documents; to do any and all lawful things and acts which the Association, at any time, and from time to time, shall in its discretion, deem to be in the best interests of the Members, and to pay all costs and expenses in connection therewith and in connection with any and all purpose of the Association; to do any and all lawful things which may be advisable, proper, authorized or permitted to be done by the

Association under and by virtue of any condition, covenant, restrictions, reservation, charge or assessment affecting the Property, or any portion thereof, and to do and perform any and all acts which may be either necessary for or incidental to the exercise of any of the foregoing powers, or for the peace, health, comfort, safety or general welfare of the Members; and further, to do any and all things and exercise all rights and powers permitted to nonprofit corporations under the laws of the State of Arizona, including the power to mortgage or encumber any property owned by it and to take any action necessary to enforce the Project Documents;

(c) To enter into, perform and carry out contracts of any kind necessary to, or in connection with, or incidental to, the accomplishment of the purpose of the Association;

(d) To borrow and loan money, and give, take and hold security and collateral, to execute, make and issue and take and receive bonds, notes, debentures, mortgages, pledges and other evidences of indebtedness and security, of any and all kinds whatsoever, in furtherance of any or all of the objects of its business;

(e) To make contracts of all kinds and descriptions with third parties, firms and corporations;

(f) To do and perform any and all acts and things and to transact any business, not inconsistent with law, which may be necessary, incidental to or convenient in carrying out of any of the business or purposes of the Association, including, without limitation, all acts necessary to perform all obligations and duties of the Association under the Project Documents.

## ARTICLE VII

### MEMBERSHIP

Identity of Members. The Association shall be a non-stock corporation and no stock shall be issued and no dividends or pecuniary profits shall be paid to its members. Membership in the Association shall be limited to Owners of Lots. An Owner of a Lot shall automatically, upon becoming the Owner thereof, be a Member of the Association and shall remain a Member of the Association until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease.

Transfer of Membership. Membership in the Association shall be appurtenant to each Lot and a membership in the Association shall not be transferred, pledged or alienated in any way, except upon the sale of a Lot and then only to such Purchaser, or by intestate succession, testamentary disposition, foreclosure of mortgage of record or other legal process. Any attempt to make a prohibited transfer shall be void and shall not be reflected upon the books and records of the Association.

## ARTICLE VIII

### VOTING RIGHTS

Classes of Members. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, of Lots. Each Class A member shall be entitled to one (1) vote for each Lot owned.

Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to six (6) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the earlier of (a) 120 days after 75% of the Lots have been conveyed to Purchasers, (b) five (5) years after the first Lot is conveyed to a purchaser or (c) when the Declarant notifies the Association in writing that it relinquishes its Class B membership.

Joint Ownership. When more than one person is the Owner of 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 ballot be cast with respect to any Lot. The votes for each such Lot must be cast as a unit, and fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner casts a ballot representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other Owners of the same Lot. In the event more than one ballot is cast for a particular Lot, none of said votes shall be counted and said votes shall be deemed void.

Corporate Ownership. In the event any Lot is owned by a corporation, partnership or other association, the corporation, partnership or association shall be a Member and shall designate in writing at the time of acquisition of the Lot an

individual who shall have the power to vote said membership, and in the absence of such designation and until such designation is made, the president or general partner of such corporation, partnership or association shall have the power to vote the membership.

Suspension of Voting Rights. In the event any Owner shall be in arrears in the payment of any assessments or other amounts due under any of the provisions of the Project Documents for a period of ten (10) days, said Owner's right to vote as a Member of the Association shall be suspended and shall remain suspended until all payments, including accrued interest and attorneys' fees, are brought current, and for a period not to exceed sixty (60) days for any infractions of the Project Documents.

## ARTICLE IX

### BOARD OF DIRECTORS

The affairs of the Association shall be conducted by a board of directors and such officers and committees as the directors may elect and appoint. So long as there is a Class B membership in the Association, the directors need not be Members of the Association. After the termination of the Class B membership, all directors must be Members of the Association. The number of directors constituting the initial Board shall be three (3). The names and addresses of the initial directors of the Association are as follows:

<u>Name</u>	<u>Mailing Address</u>
Mark Hancock	6808 E. Camelback Road Scottsdale, Arizona 85251
Trevor Hancock	6808 E. Camelback Road Scottsdale, Arizona 85251
Michael Brekke	6808 E. Camelback Road Scottsdale, Arizona 85251

The initial directors shall serve until the first annual meeting of the Members and until their successors have been elected and qualified.

Any vacancy occurring on the Board by reason of death, resignation, or disqualification of any director shall be filled by the remaining directors, such replacement director to serve the unexpired portion of the prior director's term.

The Board is expressly authorized to adopt Bylaws for

the Association at a regular or special meeting of the Board.

## ARTICLE X

### OFFICERS

The following persons shall be the initial officers of the Association and shall hold the positions opposite their names until the first annual meeting of the Association and until their successors have been elected and qualified:

Mark Hancock	President
Michael Brekke	Vice President
Trevor Hancock	Secretary/Treasurer

## ARTICLE XI

### DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the Owners entitled to cast not less than two-thirds (2/3) of the total authorized votes in the Association. 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, or assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purpose.

## ARTICLE XII

### AMENDMENTS

These Articles may be amended by the affirmative vote of the Owners representing at least sixty-seven percent (67%) of the total authorized votes in the Association; provided, however, that the Board, without the consent of any Owner or First Mortgagee being required, may amend these Articles in order to conform these Articles to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration or the Veterans Administration.

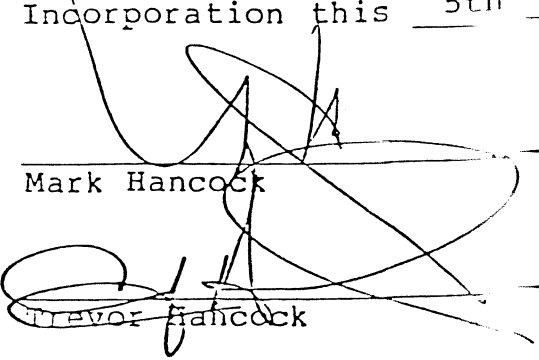
ARTICLE XIII

INCORPORATORS

The names and addresses of the incorporators of the Association are:

<u>Names</u>	<u>Addresses</u>
Mark Hancock	6808 E. Camelback Road Scottsdale, Arizona 85251
Trevor Hancock	6808 E. Camelback Road Scottsdale, Arizona 85251

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 the Association, have executed these Articles of Incorporation this 5th day of September, 1984.

  
\_\_\_\_\_  
Mark Hancock


  
\_\_\_\_\_  
Trevor Hancock

EXHIBIT A

Lots 9 through 12, inclusive, Lots 19 through 24, inclusive, and Tracts A, B, C, D, E and F, CAMELOT PARK VILLAS, a subdivision according to the plat recorded in Book 262 of Maps, page 11, records of Maricopa County, Arizona.