

ARTICLES OF INCORPORATION
OF
41ST STREET NORTH CONDOMINIUM ASSOCIATION

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KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have this day associated ourselves for the purpose of forming a corporation under the laws of the State of Arizona, and for that purpose do hereby adopt the following Articles of Incorporation.

1. Name. The name of this corporation (hereinafter "Association") is 41ST STREET NORTH CONDOMINIUM ASSOCIATION.

2. Duration. The period of duration of the Association shall be perpetual.

3. Principal Place of Business. The principal office for the transaction of business of the Association is located in Maricopa County, Arizona.

4. Statutory Agent. The name and address of the initial Statutory Agent for the Association are:

David W. Kreutzberg
Squire, Sanders & Dempsey
Two Renaissance Square
40 North Central Avenue, Suite 2700
Phoenix, AZ 85004-4441

5. Nonprofit Corporation. This Association is organized as a nonprofit corporation under the laws of the State of Arizona.

6. Purpose and Powers. This Association does not contemplate the distribution of gains, profits or dividends to its Members. The specific primary purposes for which it is formed are to provide for the acquisition, construction, management, operation, administration, maintenance, repair, improvement, preservation and architectural control of the Common Elements and all other areas for which the Association has such responsibility within that certain tract of property situated in Maricopa County, Arizona, which is more particularly described in that certain Declaration of Covenants, Conditions and Restrictions (the "Declaration") which was recorded on the ____ day of _____, 1995, as Document No. _____ of the official records of the Maricopa County Recorder, and to promote the health, safety and welfare of all 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, all according to the Declaration.

In furtherance of said purposes, this Association shall have the powers to:

a. Perform all of the duties and obligations of the Association as set forth in the Declaration;

b. Fix, levy, collect and enforce Assessments and fines as set forth in the Declaration;

c. Pay all expenses and obligations incurred by the Association in the conduct of its business, including without limitation, all licenses, taxes or governmental charges levied or imposed against the property owned by the Association (not including Common Elements);

d. 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 (but Common Elements are owned by Owners as provided in the Declaration);

e. Borrow money and, only with the assent (by vote or written consent) 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 (not including Common Elements owned by Owners) as security for money borrowed or debts incurred;

f. Grant easements over the Common Elements to any public agency, authority or utility company as provided in the Declaration;

g. Convey the Common Elements or subject the same to a Mortgage or other security interest, further subject to the provisions of the Declaration and the Arizona Condominium Act;

h. Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any merger or consolidation shall have the assent of Members as required by the Arizona Condominium Act (A.R.S. § 33-1201 et seq.), further subject to the provisions of the Declaration; and

i. Have and exercise any and all powers, rights and privileges which a corporation organized under the Arizona Nonprofit Corporation Act (A.R.S. § 10-1001 et seq.) and Arizona Condominium Act by law may now or hereafter have or exercise.

7. Membership Voting Rights. The number and qualifications of Members of the Association, the different classes of Membership, if any, the property, voting and other rights and privileges of Members, their liability for Assessments and the method of collection thereof shall be as set forth in the Declaration and the Bylaws.

8. Board of Directors. The affairs of this Association shall be managed by a Board of not less than three (3) nor more than *7 Directors (the exact number and qualifications of which shall be fixed by the Bylaws, or amendments thereof, duly adopted by the Members or by the Board of Directors). The number of Directors may be changed by amendment to the Bylaws. The initial Board of Directors, the members of which shall serve until their successors are elected or appointed according to the Bylaws, is as follows:

9. Elimination of Director Liability. As set forth in the Arizona Nonprofit Corporation Act, each Director shall be immune from civil liability and shall not be subject to suit indirectly or by way of contribution for any act or omission resulting in damage or injury if said Director was acting in good faith and within the scope of his official capacity (which is any decision, act or event undertaken by the Association in furtherance of the purpose or purposes for which it is organized), unless such damage or injury was caused by willful and wanton or grossly negligent conduct of the Director. Without limiting the foregoing, it is the intention of this paragraph to provide for the Directors the full benefits and immunities created by or available under the provisions of A.R.S. §§ 10-1017(D) and 10-1029(D) and 10-1029(A) (8), as the same may be expanded or modified in the future.

10. Dissolution. In the event of dissolution, liquidation or winding up of the Association (other than incident to a merger or consolidation), the Association shall pay or adequately provide for the debts and obligations of the Association and otherwise comply with the Arizona Nonprofit Corporation Act. The Directors or Persons in charge of the liquidation shall dedicate the assets of the Association to an appropriate public agency to be used for purposes similar to those for which this Association was created or if such dedication is refused acceptance then such assets may be granted, transferred or conveyed to any nonprofit corporation, association, trust or other organization devoted to similar purposes. If such actions are not feasible, said Directors or other Persons in charge of the liquidation, with the consent of the Veterans Administration and/or the Federal Housing Administration (if those agencies have approved this plan of development), shall divide the remaining assets among the Members in accordance with their respective rights therein as set forth in the Declaration, except as otherwise required by law.

11. Amendments. These Articles may be amended by the vote or written assent of Members representing sixty-seven percent (67%) of the total allocated votes in each class of Membership of the Association, provided however, that the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause or provision.

12. Incorporators. The Incorporators and their names and addresses are:

David W. Kreutzberg, Esq.
Squire, Sanders & Dempsey
Two Renaissance Square
40 North Central Avenue, Suite 2700
Phoenix, AZ 85004-4441

Janice L. Pouncey
Squire, Sanders & Dempsey
Two Renaissance Square
40 North Central Avenue, Suite 2700
Phoenix, AZ 85004-4441

13. Definitions. All initially capitalized terms used herein without definition shall have the meanings set forth for such terms in the Declaration.

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of Arizona, we, the undersigned, constituting the Incorporators of this Association, have executed these Articles of Incorporation this ____ day of _____, 1995.

By _____
DAVID W. KREUTZBERG
Incorporator

By _____
JANICE L. POUNCEY
Incorporator