

RENZ D. JENNINGS
CHAIRMAN

MARCIA WEEKS
COMMISSIONER

CARL J. KUNASEK
COMMISSIONER



JAMES MATTHEWS
EXECUTIVE SECRETARY

ARIZONA CORPORATION COMMISSION

2/27/95

S C COMMUNITY ASSOCIATION

We are pleased to notify you that your Articles of Incorporation were filed on 2/24/95.

You must publish a copy of your Articles of Incorporation WITHIN SIXTY (60) DAYS from the File Date. The publication must be in a newspaper of general circulation in MARICOPA County, for three (3) consecutive publications. An affidavit from the newspaper, evidencing such publication, must be delivered to the Commission for filing WITHIN NINETY (90) DAYS from the File Date.

All corporations transacting business in Arizona are required to file an Annual Report with the Commission, no later than the 15th day of the fourth (4th) month following the close of each fiscal year. Your fiscal year end is 12/31/95. Each year, a preprinted Annual Report Form will be mailed to you during that month.

Your first annual report will be due 4/15/96.

If you have any questions or need further information, please contact us at (602) 542-3135 or Toll Free (Arizona residents only) at 1-800-345-5819.

Very truly yours,

CHRISTINE GARZA

Examiner
Corporations Division
Arizona Corporation Commission

EXPEDITED
AZ CORP COMMISSION
FILED

FEB 24 1 01 PM '95

APPR *Christine Janga*
DATE *2/27*
TERM _____
DATE _____

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ARTICLES OF INCORPORATION
OF
S C COMMUNITY ASSOCIATION

In compliance with the requirements of § 10-1001, et seq., Arizona Revised Statutes, as amended, the undersigned, who is a person capable of contracting, states as follows:

ARTICLE I

NAME

The name of the corporation is S C Community Association.

ARTICLE II

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 Sunset Cove recorded at Recorder's No. 95-0069285, records of Maricopa County, Arizona.

ARTICLE III

PRINCIPAL OFFICE

The principal office of the Association shall be located at 10235 S. 51st St., Suite 100, Phoenix, Arizona 85044.

ARTICLE IV

STATUTORY AGENT

Steven L. Lisker, whose address is One East Camelback Road, Suite 1100, Phoenix, Arizona, 85012, 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 as the initial statutory agent for the corporation.

ARTICLE V

PURPOSE OF THE ASSOCIATION

The object and purpose for which this Association is organized is to provide for the management, maintenance, and care of the Common Area and other property owned by the Association or property placed under its jurisdiction and to perform all duties and exercise all rights imposed on or granted to the Association by the Project Documents. 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

CHARACTER OF BUSINESS

The character of the business which the Association intends to conduct in Arizona is to provide for the management, maintenance and care of the Common Area and to exercise and perform such other powers and duties as are imposed on or granted to the Association by the Project Documents.

ARTICLE VII

MEMBERSHIP AND VOTING RIGHTS

Membership in the Association shall be limited to Owners of Lots. Each Owner shall have such rights, privileges and votes in the Association as are set forth in the Project Documents.

ARTICLE VIII

BOARD OF DIRECTORS

The number of directors constituting the initial Board of Directors shall be three (3). The names and addresses of the initial directors of the Association who shall serve until the first annual meeting of the members or until their successors are elected and qualified are as follows:

<u>Name</u>	<u>Mailing Address</u>
Willis W. Martin	10235 S. 51st Street Suite 100 Phoenix, Arizona 85044
Linda S. Bruewer	10235 S. 51st Street Suite 100 Phoenix, Arizona 85044
Frank Haunschild	10235 S. 51st Street Suite 100 Phoenix, Arizona 85044

The Board shall adopt the initial Bylaws of the Association. The power to alter, amend or repeal the Bylaws is reserved to the Members except that the Declarant, so long as the Declarant owns any Lot, and thereafter, the Board, without a vote of the members, may amend the Bylaws in order to conform the Bylaws to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or any federal, state or local governmental agency whose approval of the Project, the Plat or the Project Documents is required by law or requested by the Declarant or the Association.

ARTICLE IX

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:

Willis W. Martin	-	President
Linda S. Bruewer	-	Vice President
Frank Haunschild	-	Secretary/Treasurer

ARTICLE X

LIMITATION ON LIABILITY OF DIRECTORS

The personal liability of a director of the Association to the Association or its members for monetary damages for breach of his fiduciary duties as a director is hereby eliminated to the extent permitted by the Arizona Nonprofit Corporation Act, as it may be amended from time to time.

ARTICLE XI

AMENDMENTS

These Articles may be amended by Members representing at least seventy-five percent (75%) of the total authorized votes entitled to be cast by Members of the Association; provided, however, that the Declarant, so long as the Declarant owns any Lot, and thereafter, the Board, without a vote of Members, 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, the Veterans Administration or any federal, state or local governmental agency whose approval of the Project, the Plat or the Project Documents is required by law or requested by the Declarant or the Association. So long as the Declarant owns any Lot, any amendment to these Articles must be approved in writing by the Declarant.

ARTICLE XII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by owners representing not less than two-thirds (2/3) of the authorized votes in each class of membership. 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 nonprofit corporation, association, trust or other organization to be devoted to such similar purpose.

ARTICLE XIII

DURATION

The corporation shall exist perpetually.

ARTICLE XIV

VA/FHA APPROVAL

As long as there is a Class B membership in the Association, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties; mergers or consolidations, mortgaging of Common Area, dedication of Common Area, undertaking self-management of the Project or the Association and dissolution or amendment of these Articles of Incorporation.

ARTICLE XV

INCORPORATOR

The name and address of the incorporator of the Association is:

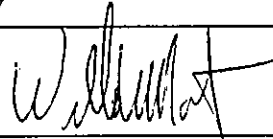
Name

Address

Willis Martin

10235 S. 51st Street
Suite 100
Phoenix, Arizona 85044

Dated this 21st day of February, 1995.



Willis W. Martin

ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

The undersigned, having been designated to act as statutory agent for this corporation, hereby accepts such appointment and agrees to act in that capacity until removal or resignation is submitted in accordance with applicable provisions of the Arizona Revised Statutes.

Dated this 21st day of February, 1995.


Steven L. Lisker