

RECEIVED

ARTICLES OF INCORPORATION

FEB 2 1996

OF

VILLAS NORTH HOMEOWNERS' ASSOCIATION

ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

In compliance with the requirements of A.R.S. § 10-1023 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 Villas North Homeowners' Association hereinafter called the "Association."

ARTICLE II

PRINCIPAL PLACE OF BUSINESS

The principal office of the Association is located at Apache Wells Realty, 2215 N. 56th Street, Mesa, Arizona 85212.

ARTICLE III

STATUTORY AGENT

Fred A. Farsjo, whose address is 2195 East River Road, Suite 201, Tucson, Arizona 85718, is hereby appointed the initial statutory agent of this Association.

ARTICLE IV

INITIAL BUSINESS

The Association initially intends to perform the business of a homeowners' association to fulfill the purposes and powers more specifically set forth in Article V below for the subdivision known as Sierra Villas North, as shown on the plat of record recorded in Book 38 of Maps, at page 17, of the Pima County Recorder's Office, more specifically described in Article V below.

ARTICLE V

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to promote the health, safety and welfare of its members and to provide for maintenance, preservation and architectural control of certain residence lots and ownership, maintenance, preservation and architectural control of certain common areas

within the subdivision in Pima County, Arizona known as Sierra Villas North, Lots 1 through 97, and Common Area Tracts A and B. The Association in the fulfillment of its purposes shall have those powers enumerated in A.R.S. § 10-1005 and the Declaration of Covenants, Conditions and Restrictions for Sierra Villas North, recorded in Docket 7406, at page 540, of the Pima County Recorder's Office, as may be amended from time to time, hereinafter referred to as "Declarations."

ARTICLE VI

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot, 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 VII

VOTING RIGHTS

The voting rights of the members are determined pursuant to the Declarations.

ARTICLE VIII

BOARD OF DIRECTORS

The initial board of directors shall consist of three (3) directors; the number of directors thereafter shall be fixed by the Bylaws. The names and addresses of the persons who are to serve as directors until the First Annual Meeting of the Members or until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
Jerry Davis	c/o Apache Wells Realty 2215 N. 56th Street Mesa, Arizona 85212
Susan E. Hughes	c/o Apache Wells Realty 2215 N. 56th Street Mesa, Arizona 85212
Mark S. Hughes	c/o Apache Wells Realty 2215 N. 56th Street Mesa, Arizona 85212

ARTICLE IX

INCORPORATOR

The name and address of the incorporator is as follows:

Fred A. Farsjo
2195 East River Road, Suite 201
Tucson, Arizona 85718

ARTICLE X

EXEMPTION FROM 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), 10-1029(D) and 10-1029(A)(8), as the same may be expanded or modified in the future.

ARTICLE XI

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the members entitled to vote. 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 and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XII

DURATION

The corporation shall exist perpetually.

ARTICLE XIII

GOVERNING DOCUMENTS

In the event that any part or provision of these Articles of Incorporation are in conflict or inconsistent with the Declaration, the terms and provisions of the Declaration shall prevail and supersede such conflicting or inconsistent provisions hereof, except as may otherwise be required by applicable law. Any provision contained in these Articles of Incorporation to the contrary notwithstanding, neither the corporation, the Board of Directors of the corporation, nor any agent or employee of the corporation shall be authorized or empowered to take any action inconsistent with the provisions of the Declaration.

ARTICLE XIV

AMENDMENTS

Amendment of these Articles shall require the assent of fifty-one percent (51%) of the entire membership entitled to vote.

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of Arizona, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 31st day of JANUARY, 1996.



FRED A. FARJJO

CONSENT TO APPOINTMENT OF STATUTORY AGENT

I, Fred A. Farsjo, do hereby consent to appointment as statutory agent for Villas North Homeowners' Association.

DATED this 31 day of January, 1996.

FRED A. FARSJO

STATE OF ARIZONA)
) SS.
COUNTY OF Pima)

ACKNOWLEDGED before me this 31 day of January, 1996, by FRED A. FARSJO.



Notary Public-State of Arizona
PIMA COUNTY
My Comm. Exp. Aug. 10 1997

Paula M. Pearson
Notary Public

My Commission Expires:
August 10, 1997