

ARTICLES OF INCORPORATION

OF

SONORAN RIDGE ESTATES PROPERTY OWNERS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned persons whose residences are set forth hereinbelow, do hereby adopt these Articles of Incorporation of and for the Sonoran Ridge Estates Property Owners Association, Inc., a non-profit corporation.

ARTICLE I

The name of this corporation is Sonoran Ridge Estates Property Owners Association, Inc.

ARTICLE II

The period of duration of the corporation shall be perpetual.

ARTICLE III

The principal place of business for the transaction of business of the corporation is 2720 E. Thomas Rd., C-250, Phoenix, AZ 85016.

ARTICLE IV

The purpose for which this corporation is organized is the transaction of any and all lawful business for which non-profit corporations may be incorporated under the laws of the State of Arizona as they may be amended from time to time, and specifically, but not in limitation thereof, for those purposes as set forth in the Declaration of Covenants, Conditions and Restrictions for Sonoran Ridge Estates, expansions, and any amendments thereto, as

recorded in Maricopa County, Arizona Recorder's office, and do all other appropriate, or convenient in furtherance of its operation as an owners association, and in accordance with these Articles, the Bylaws, and any adopted rules and regulations.

#### ARTICLE V

The corporation initially intends to conduct the business of an owners association, which includes managing, maintaining and improving the roadways, along with gates, fences and culverts, and common areas and water wells, if any, at Sonoran Ridge Estates, Maricopa County, Arizona, including expansions thereof, and additional units at Sonoran Ridge Estates, if there be any, and if designated to be included within this corporation.

#### ARTICLE VI

The name and address of the initial statutory agent of the corporation shall be Richard Schust whose address is 2720 E. Thomas Rd., C-250, Phoenix, AZ 85016.

#### ARTICLE VII

The number of Directors constituting the initial Board of Directors is 3 and their names and addresses are set forth below; said initial Directors shall serve as Directors until the first annual election of Directors or until their successors are elected and qualified. Excepting for the initial Board of Directors, the affairs of the corporation shall be managed by a Board of not less than 3 or more than 5 Directors as set by the Bylaws.

Richard Schust  
2720 E. Thomas Rd., C-250  
Phoenix, AZ 85016

Ross Wilson  
2720 E. Thomas Rd., C-250  
Phoenix, AZ 85016

Richard Peagler  
2720 E. Thomas Rd., C-250  
Phoenix, AZ 85016

#### ARTICLE VIII

The names and addresses of the initial incorporators are those as set forth in Article VII above, being also the initial directors.

#### ARTICLE IX

The corporation shall have two (2) classes of voting membership, with voting to be on a one vote per acre basis, calculated to the nearest whole acre, as to all Members, except for Sonoran Ridge Estates, L.L.C., who shall have nine (9) votes per acre, calculated to the nearest whole acre. There shall be cumulative voting.

Membership in this corporation shall be limited solely to those individuals owning or purchasing under contract, one or more parcels within the development known as Sonoran Ridge Estates, or acres of any future additional units or expansions of said development, qualifying for membership in this corporation pursuant to a recorded Declaration of Covenants, Conditions and Restrictions. The corporation may issue one certificate evidencing membership to such owner or owners of record or contract purchasers of each acre within the above-described property. In the event any acre within the above-described property is owned or is being purchased by two or more persons, a single certificate may be

issued in the names of the multiple owners, who shall be deemed one member with one vote. Each certificate shall have the rights, privileges, limitations, prohibitions, restrictions, and other attributes and shall be issued on such terms and at such times as provided by the Declaration of Covenants, Conditions and Restrictions, Bylaws and Rules and Regulation of this corporation. Failure to issue the certificate shall not abridge the provisions of this Article.

#### ARTICLE X

These Articles of Incorporation may be amended by the vote or written assent of members representing sixty-six and two-thirds percent (66-2/3%) of the total voting power of the Association, provided, however, that as to particular matters as set forth in the Declaration of Covenants, Conditions and Restrictions, 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. Nothing here contained shall preclude a merger with a neighboring property owners association.

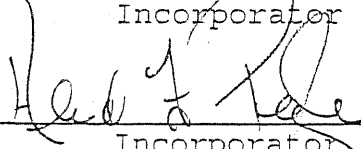
#### ARTICLE XI

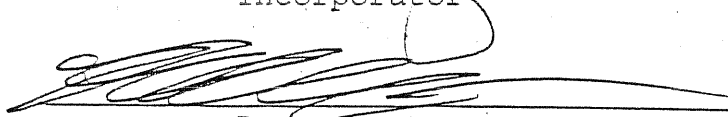
Except for those matters which cannot be eliminated or limited pursuant to the Arizona Statutes, a Director shall not be liable to the corporation or its members for monetary damages for breach of fiduciary duty as a Director. This indemnification shall be mandatory in all circumstances in which indemnification is

permitted by law and shall be effective whether a legal action is brought or threatened by or against the corporation.

IN WITNESS WHEREOF, we have hereunto set our hands on the 31<sup>st</sup> day of October, 2000.

  
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Incorporator

  
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Incorporator

  
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Incorporator