

AZ. CORP. COMMISSION
FOR THE STATE OF AZ.
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ARTICLES OF INCORPORATION

OF

GREEN VALLEY DESERT HILLS NO. 5, INC.

We, the undersigned, desiring to form a non-profit corporation in accordance with Arizona Revised Statutes Title 10, do hereby associate ourselves together for that purpose, and adopt the following articles of incorporation:

ARTICLE I
INCORPORATORS

The names and addresses of the incorporators are:

Morris E. Meacham
P.O. Box 1061
Green Valley, Arizona 85614

Jeanette I. Damm
P.O. Box 951
Green Valley, Arizona 85614

ARTICLE II
NAME

The name of the corporation shall be:

Green Valley Desert Hills No. 5, Inc.

ARTICLE III
PLACE OF BUSINESS

The principal place of business of the corporation shall be Green Valley, Arizona.

ARTICLE IV
DISSOLUTION

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the corporation, dispose of all of its assets as determined by the Superior Court of Pima County, Arizona, exclusively for the purposes of the corporation or to an organization which is organized and operated exclusively for such purposes.

ARTICLE V
PURPOSE OF CORPORATION

SECTION 1: The purpose of the corporation is to give effect to any valid conditions and restrictions of record, affecting that certain subdivision in Pima County, Arizona, designated Green Valley Desert Hills No. 5, and to perform the functions, the duties, and exercise the powers of the property owners' association as described in the recorded Declaration of Establishment of Conditions and Restrictions and to exercise all powers not prohibited by law to a non-profit corporation, all powers which may be deemed by its officers and directors to be necessary to its purpose and all powers which may reasonably be implied from the above language.

SECTION 2: The corporation may, insofar as permitted by law, establish, amend and enforce such regulations as may be necessary to promote the purpose from which this corporation is organized, provided that such regulation may not abrogate any condition or restriction imposed on Green Valley Desert Hills No. 5 by Deed Restrictions of record.

ARTICLE VI
MEETINGS

SECTION 1: The annual meeting shall be held on the second Wednesday in February.

SECTION 2: Special meetings shall be called by the President upon the written request of twenty-five percent of the membership. Said meetings shall be held within thirty days of the receipt of said request by the President. Special meetings shall also be called upon a majority vote of the Board of Directors.

SECTION 3: Notice of the annual meeting and of a special meeting shall be given by mailing a notice to each member at the last address reported by the member to the Secretary. The notice shall be mailed at least 15 days prior to the meeting, and shall enumerate the items of business to be conducted.

ARTICLE VII
MEMBERSHIP

SECTION 1: There shall be no capital stock of the corporation; participation shall be limited to membership in the corporation as provided for in Section 2 of this Article.

SECTION 2: Every person or legal entity who is an owner of record of any dwelling unit within Green Valley Desert Hills No. 5 shall be a member.

SECTION 3: Each member in good standing shall be entitled to one vote for each dwelling unit owned; provided that if more than one person is the owner of a single dwelling unit, said joint owners shall be entitled to one vote. Fractional votes shall not be recognized.

SECTION 4: The rights and privileges of membership are subject to the payment of dues and assessments levied by the corporation, the obligation of which is imposed against each owner of, and can become a lien upon, the property against which such assessments are made as provided by the Deed Restrictions to which the properties are subject.

SECTION 5: The rights and privileges of a member are automatically suspended when any assessment is delinquent for more than thirty days. However, upon payment of such assessment, together with reasonable costs of collection, interest and attorney fees either assessed by the Board of Directors or imposed by the Court, the delinquent member shall become a member in good standing and his rights and privileges shall be automatically restored.

ARTICLE VIII BOARD OF DIRECTORS

SECTION 1: The affairs of this corporation shall be conducted by a Board of Directors consisting of five persons. Each Director shall be elected for a term of three years, and shall serve for the term for which they were elected and until their successor is elected and qualified. The election for Board of Directors shall be held during the annual meeting. Any vacancy on the Board of Directors occurring for any reason other than completion of the term of office shall be filled by a majority vote of the remaining members of the Board.

SECTION 2: The following persons were selected to be members of the Board of Directors in accordance with Paragraph 19 of the recorded Deed Restrictions. Said election was held February 20, 1980, at Green Valley, Arizona:

Morris E. Meacham, P.O. Box 1061, Green Valley, Arizona;
Jeanette I. Damm, P.O. Box 951, Green Valley, Arizona;
Lyle Ondracek, 1818 Camino del Sol, Green Valley, Arizona;
Steven M. Myers, P.O. Box 321, Green Valley, Arizona;
A. Leonard Granath, P.O. Box 1207, Green Valley, Arizona.

SECTION 3: The first Board of Directors to be elected by the general membership shall be composed of two members serving a three-year term, two members serving a two-year term, and one member serving a one-year term. Directors will be elected at each annual meeting thereafter to fill the vacancies occurring due to completion of terms of office.

ARTICLE IX OFFICERS

The officers of the corporation shall consist of a President, a Vice-President, a Secretary and a Treasurer; and, such other officers as may be determined from time to time by the Board of Directors of the corporation. Such officers shall be elected by the Board of Directors.

ARTICLE X ASSESSMENTS

Members of the corporation shall pay annual dues and assessments as determined by the Board of Directors, unless said dues and assessments are changed by a majority vote of members either in person or by proxy at either a special or annual meeting.

ARTICLE XI INDEBTEDNESS OF CORPORATION

The maximum amount of indebtedness, direct or contingent, to which the corporation may be subject shall be Five Thousand Dollars, unless said maximum amount is changed by a majority vote of members either in person or by proxy at either a special or annual meeting.

ARTICLE XII LIABILITY OF MEMBERS

The private property of members of the corporation shall forever be exempt from all corporate liabilities and no member or officer shall be individually liable for any liability of the corporation.

ARTICLE XIII ORGANIZED NOT FOR PROFIT

The corporation is not organized with pecuniary profit as its object and the members thereof shall have no individual interest in any of the property, assets, or profits of the corporation.

ARTICLE XIV
AMENDMENT OF ARTICLES OF INCORPORATION

The Articles of Incorporation may be amended by a 67% affirmative vote by members either in person or by proxy at either a special or annual meeting, provided that no amendment shall be in conflict with the recorded Deed Restrictions.

ARTICLE XV
AMENDMENT OF BY-LAWS

The By-Laws may be amended by a majority vote of members either in person or by proxy at either a special or annual meeting, provided that no By-Law shall be in conflict with the Articles of Incorporation or the recorded Deed Restrictions.

ARTICLE XVI
AMENDMENT OF DEED RESTRICTIONS

The Deed Restrictions affecting Green Valley Desert Hills No. 5 may be amended in accordance with the Deed Restrictions, provided such amendment is approved by a 67% affirmative vote by members either in person or by proxy at either a special or annual meeting.

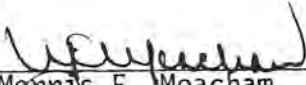
ARTICLE XVII
QUORUM REQUIREMENTS AND PROXIES

The quorum required for any action of the corporation at either the annual or a special meeting shall be the members present, in person or by proxy. Proxy votes shall be legal for all business of the corporation.

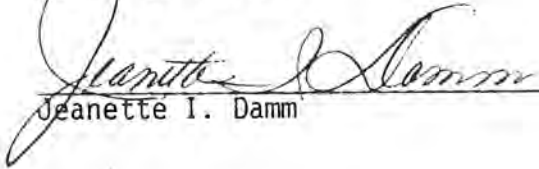
ARTICLE XVIII
REGISTERED AGENT

Robert Royal, 1220 Arizona Bank Plaza, Tucson, Arizona, 85701, who has been a resident of Arizona for three years, is hereby appointed the lawful agent of this corporation. The Board of Directors of this corporation may revoke this appointment at any time and shall have full power to fill the vacancy in such position.

IN WITNESS WHEREOF, the incorporators have herunto set their hands this 20th day of February, 1980.



Morris E. Meacham



Jeanette I. Damm