

# STATE OF ARIZONA

## Corporation Commission



96285

20-ART

To all to Whom these Presents shall Come, Greeting:

I, GEORGE M. DEMPSEY SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT the annexed is a true and complete copy of the ARTICLES OF INCORPORATION OF CORTEZ GROVES LOT OWNERS ASSOCIATION

which were filed in the office of the Arizona Corporation Commission on the 13th day of April, 1972 as provided by law.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 13th DAY OF April A. D. 1972

*George M. Dempsey*  
SECRETARY

ASSISTANT SECRETARY

ARTICLES OF INCORPORATION  
OF  
CORTEZ GROVES LOT OWNERS ASSOCIATION

In compliance with the requirements of Article 16, Title 10, Arizona Revised Statutes, the undersigned, all of whom are residents of the State of 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

The name of the corporation is CORTEZ GROVES LOT OWNERS ASSOCIATION, hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located at 4320 East Broadway, Phoenix, Maricopa County, Arizona.

ARTICLE III

Douglas P. Patterson, whose address is 4320 East Broadway, Phoenix, Arizona, 85040, is hereby appointed the initial registered agent of this Association; he has been a resident of the State of Arizona for three years or more.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or

- 2 -

profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described as:

CORTEZ GROVES a subdivision, Lots 1 through 150, and Tracts A, B, C, D, E, F, G, H, I, J, K, L, and M, as recorded in Book 146 of Maps, Page 14, according to the records of the Maricopa County Recorder, being the South Half of the Northwest Quarter of Section 35, Township 3, North, Range 2 East, of the G&SRB&M.

and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association by annexation, as provided in Article IX herein, and for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Office of Maricopa County Recorder, Phoenix, Maricopa County, Arizona, and as the same may be amended from time to time as therein

- 3 -

provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) 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;

(d) borrow money; to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(e) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Arizona by law may now or hereafter have or exercise.

#### ARTICLE V

#### MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants

- 4 -

of record to assessment by the Association, 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. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

#### ARTICLE VI

#### VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be all those Owners as defined in Article V with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article V. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant (as defined in the Declaration). The Class B member shall be entitled to three (3) votes for

- 5 -

each Lot in which it holds the interest re-  
quired for membership by Article V, provided that  
the Class B membership shall cease and be con-  
verted to Class A membership or the happening of  
either of the following event, whichever occurs  
earlier.

- (a) when the total votes outstanding in  
the Class A membership equal the total  
votes outstanding in the Class B mem-  
bership; or
- (b) June 1, 1973.

## ARTICLE VII

## BOARD OF DIRECTORS

The affairs of this Association shall be managed by a  
Board of six (6) Directors, who need not be members of the Associa-  
tion. The number of directors may be changed by amendment of the  
By-Laws of the Association. The following persons were elected  
August 12, 1974, at 4320 East Broadway, Phoenix, to serve as  
Directors until the election of their successors:

Douglas P. Patterson	3610 N. 31 Street	Phoenix, AZ
Barbara J. Patterson	3610 N. 31 Street	Phoenix, AZ
Larry L. Patterson	2417 S. Clark Dr.	Tempe, AZ
Andrew J. Ryan, Jr.	3225 East Colter	Phoenix, AZ
William R. Burk	2406 S. Clark Dr.	Tempe, AZ
John Conner	6602 E. Fanfol Dr.	Paradise Valley,

- 6 -

Thereafter the Board shall be elected at the regular annual meeting of the Members which shall be held at Phoenix, Maricopa County, Arizona, on the First Tuesday of June commencing with the year 1973. At the first annual meeting the members shall elect two directors for a term of one year, two directors for a term of two years and two directors for a term of three years; and at each annual meeting thereafter the members shall elect two directors for a term of three years.

## ARTICLE VIII

## LIABILITIES

Any indebtedness or liability, direct or contingent, must be authorized by an affirmative vote of a majority of the votes cast by the members of the Board of Directors at a lawfully held meeting, and approved by the Arizona Corporation Commission, to the extent required by the laws of the State of Arizona. The highest amount of indebtedness or liability direct or contingent, to which this corporation may be subject at any one time shall not exceed one hundred fifty percent (150%) of its income for the previous fiscal year, except that additional amounts may be authorized by an affirmative vote of two-thirds (2/3) of the membership. The private property of each and every officer, director and member of this corporation shall, at all times, be exempt from all debts and liabilities of the corporation.

- 7 -

## ARTICLE IX

## ANNEXATION OF ADDITIONAL PROPERTIES

Except as set out in Section 2, Article II of the Declaration of Covenants, Conditions, and Restrictions, the Association may, at any time, annex additional residential properties and common areas to the Properties described in Article IV and so add to its membership under the provisions of the Article V, provided that any such annexation shall have the assent of two-thirds (2/3) of the entire Class A membership and two-thirds (2/3) of the entire Class B membership, if any.

## ARTICLE X

## MERGERS AND CONSOLIDATIONS

To the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the entire Class A membership and two-thirds (2/3) of the entire Class B membership, if any.

## ARTICLE XI

## AUTHORITY TO MORTGAGE

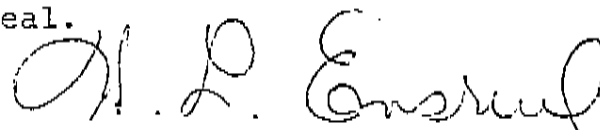
Any mortgage by the Association of the Common Area defined in the Declaration shall have the assent of two-thirds (2/3) of the entire Class A membership and two-thirds (2/3) of the Class B membership, if any.



STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

On this, the 13th day of March, 1972, before me, the undersigned Notary Public, personally appeared: WILLIAM R. BURK and ANDREW J. RYAN, JR., known to me to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.



Notary Public

My Commission Expires:

April 4 - 75

- 8 -

## ARTICLE XII

## AUTHORITY TO DEDICATE

The Association shall have power to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to cast two-thirds (2/3) of the votes of the entire Class A membership and two-thirds (2/3) of the entire Class B membership, if any, agreeing to such dedication, sale or transfer.

## ARTICLE XIII

## DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the entire Class A membership and two-thirds (2/3) of the entire Class B membership, if any. Upon dissolution of the Association, the assets, both real and personal of the Association, shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. 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

- 9 -

purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association.

#### ARTICLE XIV

##### DURATION

The time of the commencement of this corporation shall be the issuance of it of a Certificate of Incorporation by the Arizona Corporation Commission, and the termination thereof shall be twenty-five (25) years from and after said date with the privilege of renewal as provided by law.

#### ARTICLE XV

##### MEETINGS FOR ACTIONS COVERED BY ARTICLES VIII THROUGH XIII

In order to take action under Articles VIII through XIII, there must be a duly held meeting. Written notice, setting forth the purpose of the meeting shall be given to all members not less than 30 days nor more than 60 days in advance of the meeting. The presence of members or of proxies entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half of the required quorum of the preceding meeting. No such subsequent meeting shall be

- 10 -

held more than 60 days following the preceding meeting. In the event that two-thirds (2/3) of the Class A membership or two-thirds (2/3) of the Class B membership, if any, are not present in person or by proxy, members not present may give their written assent to the action taken thereat.

## ARTICLE XVI

## AMENDMENTS

Amendment of these Articles shall require the assent of 75 percent (75%) of the entire membership.


## ARTICLE XVII

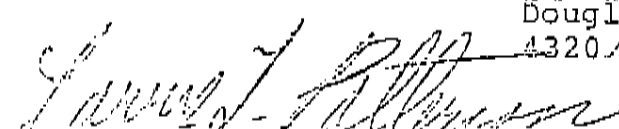
## FHA/VA APPROVAL

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

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 13 day of March, 1972.

DOUGLAS P. PATTERSON DEVELOPMENT CORP.

By   
Douglas P. Patterson, President  
4320 East Broadway, Phoenix, AZ 85040

ATTEST:   
Harry L. Patterson, Corporate Secretary  
4320 East Broadway,  
Phoenix, AZ 85040

*Barbara J. Patterson*

Barbara J. Patterson  
3610 N. 31 Street  
Phoenix, AZ 85016

*William R. Burk*

William R. Burk  
2406 S. Clark Drive  
Tempe, AZ 85282

*Andrew J. Ryan, Jr.*

Andrew J. Ryan, Jr.  
3225 East Colter  
Phoenix, AZ 85018

STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

On this, the 13th day of March, 1972, before me, the undersigned Notary Public, personally appeared: DOUGLAS P. PATTERSON and LARRY L. PATTERSON, who acknowledged themselves to be the President and Corporate Secretary, respectively, of DOUGLAS P. PATTERSON DEVELOPMENT CORP., an Arizona Corporation, and that they as such officers, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the Corporation by themselves as such officers.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

*W. L. Emmert*

Notary Public

My Commission Expires:

4-4-75