

AZ. CORP. COMMISSION
FOR THE STATE OF AZ.

ARTICLES OF INCORPORATION

OF

VILLA CATALINA HOMEOWNERS' ASSOCIATION, INC.

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The undersigned persons, the Incorporators named herein, have voluntarily associated themselves for the purpose of forming a nonprofit corporation under the laws of the State of Arizona, and particularly Arizona Revised Statutes (A.R.S.) Section 10-1001, et seq., and do hereby adopt the following Articles of Incorporation:

ARTICLE I

NAME

The name of the Corporation is VILLA CATALINA HOMEOWNERS' ASSOCIATION, INC.

ARTICLE II

PURPOSE

The purpose for which this Corporation is organized is the conduct of any or all lawful affairs for which nonprofit 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, the purpose of providing for the acquisition, construction, management, maintenance and care of property of the Corporation and of property commonly held by members of the Corporation.

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ARTICLE III

INITIAL AFFAIRS

The Corporation initially intends to conduct the affairs of maintenance and management of property of the Corporation and of property commonly held by members of the Corporation.

In accordance with Arizona law, the foregoing statement will not limit the character and affairs that the Corporation might undertake.

ARTICLE IV

STATUTORY AGENT

The name and address of the initial statutory agent of the Corporation is Robin C. Carter, Esq. (Linden, Chapa & Fields), Suite 500, 5210 East Williams Circle, Tucson, Arizona, 85711.

ARTICLE V

DIRECTORS

The initial Board of Directors shall consist of five (5) persons. The persons who are to serve as Directors until the first annual election of directors or until their successors are elected and qualify and the addresses of such persons are as follows:

Colgan T. Mumma	3012 East Sixth Street Tucson, Arizona 85716
Albert D. Runkle	3030 East Sixth Street Tucson, Arizona 85716
Homer P. Grob	3008 East Sixth Street Tucson, Arizona 85716
Sara Rosenthal	3002 East Sixth Street Tucson, Arizona 85716
Mary F. Kelley	3000 East Sixth Street Tucson, Arizona 85716

Except for the initial Board of Directors, members of the Board shall be elected or appointed, and the Board shall be constituted, as provided in the Bylaws of the Corporation.

ARTICLE VI

INCOME DISTRIBUTION

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, any member, director, or officer of the Corporation, or to any private individual, although the Corporation shall be empowered to relate excess membership dues, fees or assessments, and to pay reasonable compensation for services rendered, and to make payments and distributions in furtherance of its purposes, including for acquiring, contracting, or providing management, maintenance and care for, Corporation property as that held commonly by members.

The Corporation may elect, at any time, and from time to time, to be a homeowners association exempt from income taxation, to the extent allowed under law applicable to such an organization.

ARTICLE VII

POWERS

The Corporation shall have the powers granted nonprofit corporations under the laws of the State of Arizona, which may be necessary or desirable for furtherance or attainment of any of the purposes for which the Corporation is organized.

ARTICLE VIII

LIMITATION ON LIABILITY

The private property of the directors, officers, and members of this Corporation shall be forever exempt from its debts and obligations.

ARTICLE IX

BYLAWS

Provisions for regulation of the internal affairs of the Corporation, except as provided in these Articles, shall be set forth in the Bylaws of the Corporation.

Provision for memberships shall be made in the Bylaws.

ARTICLE X

INDEMNIFICATION, DIRECTORS' LIABILITY

To the extent permissible under applicable Arizona law, the Corporation shall indemnify any person who incurs expenses by reason of the fact he or she is or was an officer, director, employee, or agent of the Corporation. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law.

To the fullest extent permissible under applicable Arizona law, a director of the Corporation shall have no personal liability to the Corporation or its membership for monetary damages for breach of fiduciary duty, or negligence or other misconduct in the performance of his or her duty, as a director. It is provided, however, that no provision in these Articles may eliminate or limit the liability of a director for any of the following:

- (a) any breach of the director's duty of loyalty to the Corporation (or its members);
- (b) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law;
- (c) a violation of A.R.S. Section 10-1026 (prohibiting the unlawful payment of a dividend or other distribution of income or profit);
- (d) any transaction from which the director derived an improper personal benefit;
- (e) a violation of A.R.S. Section 10-1097 (relating to director conflicts of interest), or
- (f) any breach of contract with the Corporation or with any other party, on account of which the Corporation or its members suffer damages.

ARTICLE XII

INCORPORATORS

The name and address of each incorporator of the Corporation are as follows:

Colgan T. Mumma	3012 East Sixth Street Tucson, Arizona 85716
Homer P. Grob	3008 East Sixth Street Tucson, Arizona 85716

All powers and duties of the incorporators shall cease at the time of delivery of these Articles to the Arizona Corporation Commission for filing.

IN WITNESS WHEREOF, the above-named incorporators sign these Articles of Incorporation this 17th day of May, 1989.

Colgan T. Mumma

COLGAN T. MUMMA

Homer P. Grob

HOMER P. GROB

STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

On this 17th day of May, 1989, before me, a Notary Public, in and for said County and State, personally appeared COLGAN T. MUMMA and HOMER P. GROB, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged that they executed the same for the purposes herein contained.

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

Raymond H. Frank

Notary Public

My Commission Expires:
My Commission Expires Aug. 21, 1990