

ARTICLES OF INCORPORATION  
OF  
THE FOOTHILLS CLUSTERS HOMEOWNERS ASSOCIATION

In compliance with the requirements of Arizona Revised Statutes, 10-451 through 10-458, the undersigned, all of whom are residents 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 THE FOOTHILLS CLUSTERS HOMEOWNERS ASSOCIATION, hereafter called the ASSOCIATION.

ARTICLE II

The principal office of the ASSOCIATION is located at 8257 East Broadway, Tucson, Arizona 85731.

ARTICLE III

WILLIAM A. ESTES, JR., 425 South Brown Way, Tucson, Arizona 85710, who has been a bona fide resident of the State of Arizona for more than three (3) years last past is hereby appointed the lawful or statutory agent of this corporation for and on behalf of said corporation, to accept and acknowledge service of all necessary processes and for all purposes required by law.

ARTICLE IV

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 provide for maintenance, preservation and architectural control of the residence Lots

and Common Area within that certain tract of property described as:

Lot 214-372 inclusive, THE FOOTHILLS CLUSTERS, as recorded in Book 27, at page 15 thereof in the Pima County Recorder's Office.

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 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 the Pima County Recorder, Pima County, Arizona, and as the same may be amended from time to time as therein provided;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the DECLARATION or By-Laws; 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, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or 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 two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members;

(g) 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 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. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the ASSOCIATION.

#### ARTICLE VI

#### VOTING RIGHTS

The ASSOCIATION shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an 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 members shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happenings of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;

(b) on January 1, 1981.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this ASSOCIATION shall be managed by a Board of nine (9) Directors, who need not be members of the ASSOCIATION. The number of directors may be changed by amendment of the By-Laws of the ASSOCIATION. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
WILLIAM A. ESTES, JR.	425 South Brown, Tucson, Arizona
RICHARD F. BENEDETTO	8933 East Palms Park Drive, Tucson, Arizona
JAMES N. SHEDD	7214 East Camino Vecino, Tucson, Arizona
SHIRLEY ESTES	425 South Brown, Tucson, Arizona
BEVERLY BENEDETTO	8933 East Palms Park Drive, Tucson, Arizona
PEARL M. POLLOCK	2242 South Oak Park, Tucson, Arizona
JEAN SHEDD	7214 East Camino Vecino, Tucson, Arizona
DONALD CLARK	845 South Santa Ana Drive, Tucson, Arizona
JOHN J. DURKIN	6135 West Miramar Tucson, Arizona

The above directors were elected at the meeting held at 8257 East Broadway, Tucson, Arizona on January 21, 1974, to serve as directors until the first meeting of the members of the corporation or until their successors are duly elected and qualified.

The annual meeting of the members shall be held on the third Tuesday of November of each year commencing with the year of 1975, unless such date be a legal holiday, in which case the meeting shall be held on the first succeeding day which is not a legal holiday.

At the first annual meeting the members shall elect three (3) directors for a term of one (1) year, three (3) directors for a term of two (2) years, and three (3) directors for a term of three (3) years; and at each annual meeting thereafter the members shall elect three (3) directors for a term of three (3) years.

#### ARTICLE VIII

##### DISSOLUTION

The ASSOCIATION may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. 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 non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

#### ARTICLE IX

##### DURATION

The time of commencement of this corporation shall be when the Articles have been filed in the office of the Corporation Commission of the State of Arizona, and a certified copy thereof recorded in the office of the County Recorder of Pima County, Arizona. The corporation shall exist for a period of twenty-five (25) years, and its existence may be extended pursuant to Arizona Revised Statutes.

ARTICLE X

AMENDMENTS

Amendments of these Articles shall require the assent of seventy-five (75%) percent of the entire membership and must be recorded.

ARTICLE XI

CORPORATE INDEBTEDNESS

The highest amount of indebtedness or liability, direct or contingent to which this corporation shall subject itself at anytime is FIFTY THOUSAND DOLLARS (\$50,000.00).

ARTICLE XII

EXEMPTION OF PRIVATE PROPERTY

The private property of the members, officers, and directors shall be exempt from liability for corporate debts and obligations.

ARTICLE XIII

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 6th day of November, 1974.

NAME

ADDRESS

CITY & STATE

William A. [Signature] 425 S. Broward Tucson, Arizona 85710  
James M. Shell 1214 E. Camelback Tucson, Arizona 85715  
Richard F. Benedette 8933 E. Palm Bk Drive Tucson, Arizona 85715

STATE OF ARIZONA )  
 ) ss.  
 COUNTY OF PIMA )

The foregoing instrument was acknowledged before me this 6th day of November, 1974, by William A. [Signature], James M. Shell, and Richard F. Benedette

[Signature]  
 NOTARY PUBLIC

My Commission Expires:  
July 7, 1978



101465

ARIZONA CORPORATION COMMISSION  
INCORPORATING DIVISION

FILED

JUL 23 1975

At 10:15 A.M. on the part of  
The Esces Company  
Address 8257 E. Broadway  
Tucson, Az. 85731  
By Nathalie Schaub  
SECRETARY  
George M. Dempsey

*Miss N. Dinicola*  
*PO Box 17360*  
*85731*

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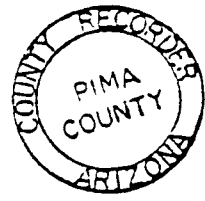
State of Arizona  
County of Pima } ss

I hereby certify that the within instrument was duly for record of record

Date *Jul 29 1975 - 12 10 PM*

Book *5069* Page *440*

Witness my hand and Official Seal  
By *Nathalie Schaub*  
Deputy



BOOK 5069 PAGE 440

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BY LAWS  
CLUSTERS ASSOCIATION