

**ARTICLES OF INCORPORATION
OF
PARKWOOD RANCH COMMUNITY MASTER ASSOCIATION**

In compliance with the requirements of § 10-2301, ET SEQ, Arizona Revised Statutes, the undersigned, who is a person capable of contracting, does hereby certify:

ARTICLE I

NAME

The name of the corporation is Parkwood Ranch Community Master Association (the "Master Association").

ARTICLE II

DEFINED TERMS

Capitalized terms used in these Articles of Incorporation without definition shall have the meanings specified for such terms in the Declaration of Covenants, Conditions and Restrictions for Parkwood Ranch recorded at Recorder's No. 96-799144, records of Maricopa County, Arizona.

ARTICLE III

PRINCIPAL OFFICE

The principal office of the Master Association shall be located at 5343 N. 16th Street, Suite 460, Phoenix, Arizona 85016.

ARTICLE IV

STATUTORY AGENT

Neil D. Biskind whose address is 4201 N. 24th Street. Suite 300. Phoenix, Arizona 85016, and who has been a bona fide resident of the State of Arizona for more than three (3) years last past is hereby appointed and designated as the initial statutory agent for the Master Association.

ARTICLE V

PURPOSE OF THE ASSOCIATION

The object and purpose for which the Master Association is organized is to provide for the management, maintenance and care of the Master Common Area and other property owned by the Master Association or property placed under its jurisdiction and to perform all duties and exercise all rights imposed on or granted to the Master Association by the Declaration, these Articles and the Bylaws. In furtherance of, and in order to accomplish the foregoing object and purpose, the Master Association may transact any or all lawful business for which corporations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time.

ARTICLE VI

CHARACTER OF BUSINESS

The character of the business which the Master Association intends to conduct in Arizona is to provide for the management, maintenance and care of the Master Common Area and to exercise and perform such other powers and duties as are imposed on or granted to the Master Association by the Declaration, these Articles and the Bylaws.

ARTICLE VII

MEMBERSHIP AND VOTING RIGHTS

Membership in the Master Association shall be limited to Owners of Lots and Parcels that are subject to assessment. Each Owner shall have such rights, privileges and votes in the Master Association as are set forth in the Declaration, these Articles and the Bylaws.

ARTICLE VIII

BOARD OF DIRECTORS

The number of directors constituting the: initial Board of Directors shall be three (3). The names and addresses of the initial directors of me Master Association, who shall serve until the first annual meeting of the Members or until their successors are elected and qualified, are as follows:

<u>Name</u>	<u>Mailing Address</u>
Curtis Coughlin	5343 N. 16th Street, Suite 460 Phoenix. Arizona 85016
Mark Voigt	5343 N. 16th Street, Suite 460 Phoenix, Arizona 85016
David Rogers	5343 N. 16th Street, Suite 460 Phoenix. Arizona 85016

The Board shall adopt the initial Bylaws of the Master Association. The power to alter amend or repeal the Bylaws is reserved to the Members except that the Declarant, so long as the Declarant owns any Lot or Parcel, and thereafter the Boar~ without a vote of the Members, shall have the right to amend the Bylaws in order to: (i) correct any error or inconsistency in the Bylaws if the amendment does not adversely affect the rights of any Owner; and (ii) comply with the requirements or guidelines in effect nom time to time of any governmental or quasi-governmental entity or federal corporation guarantying or insuring mortgage loans or governing transactions involving mortgage instruments including, without limitation, the Federal National Mortgage Association (“FNMA”, the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal Housing Administration (“FHA” or the Veterans Administration “VA”) whose approval of the Master Association documents or the Declaration is requested by the Declarant or the Master Association. So long as the Declarant owns any Lot or Parcel, any amendment of the Bylaws must be approval in writing by the Declarant.

ARTICLE IX

OFFICES

The following persons shall be the initial officers of the Association and shall hold the positions opposite their names until the first annual meeting of the Association and, until their successors have been elected and qualified:

Curtis Coughlin	President
Mark Voigt	Vice President
David Rogers	Secretary/Treasurer

ARTICLE X

LIMITATION ON LIABILITY OF DIRECTORS

The personal liability of a director of the Master Association to the Master Association or its Members for monetary damages for breach of his or her fiduciary duties as a director is hereby eliminated to the extent permitted by the Arizona Nonprofit Corporation Act, as it may be amended from time to time.

ARTICLE XI

AMENDMENTS

These Articles may be amended by Members representing at least seventy-five percent (75%) of the total authorized votes entitled to be cast by each class of Members of the Master Association; provided, however, that the Declarant, so long as the Declarant owns any Lot or Parcel, and thereafter the Board, without a vote of Members may amend these Articles in order to conform these Articles to the requirements or guidelines of the FNMA, the FHLMC, the FHA, the VA or any federal, state or local governmental agency whose approval of Parkwood Ranch, the Declaration. Bylaws or these Articles is required by law or requested by the Declarant or the Master Association. So long as the Declarant owns a Class B Membership, any amendment to these Articles must be approved in writing by the Declarant.

ARTICLE XII

DISSOLUTION

The Master Association may be dissolved with the assent given in writing and signed by Owners representing not less than two-thirds (2/3) of the total authorized votes entitled to be cast by the Members. Upon dissolution of the Master Association other than incident to a merger or consolidation the assets of the Master Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Master Association was created. In the event that such dedication is refused acceptance, such assets shall be granted conveyed or assigned to any nonprofit corporation association, trust or other organization to be devoted to such similar purpose.

ARTICLE XIII

FHA/VA APPROVAL

To the extent that any first mortgages insured by the FHA or guaranteed by the VA are held on any of the Lots at the time of the following described actions, and to the extent that it is required by any regulations governing FHA/VA mortgages, until the termination of the Class B Membership, the following actions will require the prior approval of the FHA or the VA annexation of additional properties, mergers and consolidations, mortgaging of Master Common Area, amendment of the Articles and dissolution of the Master Association.

ARTICLE XIV

INCORPORATOR

The name and address of the incorporator of the Master Association is:

<u>Name</u>	<u>Mailing Address</u>
Curtis Coughlin	5343 N. 16th Street, Suite 460 Phoenix. Arizona 85016

Dated this 10th day of April 1997.

C. Curtis Coughlin
Curtis Coughlin