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AZ CORPORATION COMMISSION
FILED

JUL 25 2006

FILE NO. 1300625-8

ARTICLES OF INCORPORATION**OF****DESERT PEAK HOMEOWNERS ASSOCIATION**

The undersigned hereby voluntarily sets forth the following statements for the purpose of forming a non-profit corporation under and pursuant to the laws of the State of Arizona, and for that purpose hereby adopts these Articles of Incorporation.

**ARTICLE I
NAME**

The name of the corporation is DESERT PEAK HOMEOWNERS ASSOCIATION, hereinafter called the "Association".

**ARTICLE II
KNOWN PLACE OF BUSINESS**

The address of the Association's known place of business is 16430 N. Scottsdale Road, Suite 200, Scottsdale, Maricopa County, Arizona 85254, but other offices may be established and maintained at such other places as the Board of Directors may designate from time to time.

**ARTICLE III
PURPOSE AND INITIAL BUSINESS**

The initial business and primary purpose of the Association is to serve as a governing body for all of the Owners of the Lots at that Property known as Desert Peak, (the "Property"), subject to Covenants, Conditions, Restrictions, and Easements, as amended from time to time, now or hereafter recorded in the records of the County Recorder, Maricopa County, Arizona (the "Declaration"), and to perform such other duties as are imposed upon the Association under the Declaration. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

The Association shall not engage in any other business or activity, except as set forth herein and in the Bylaws of the Association. Notwithstanding any other provisions of these Articles, the Association shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization qualifying under Section 528 or if the Association so elects, Section 501(c)(4) of the Internal Revenue Code of 1986, as the case may be.

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The Association does not contemplate pecuniary gain or profit to the members thereof, and the members shall have no individual interest in the profits of the Association, if they are generated.

ARTICLE IV MEMBERSHIP

Each and every Owner of a Lot, in accepting a deed, entering into a recorded agreement for sale, or displaying some other acceptable evidence of ownership interest in a Lot, shall be a member of the Association ("Member"). The foregoing is not intended to include persons or entities holding an interest in a Lot or Lots merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot. A membership in the Association shall not be transferred, pledged or alienated in any way, except upon the conveyance of a Lot and then only to the new Owner of the Lot who shall automatically become a member of the Association after such conveyance. Membership shall be evidenced by an official list of Owners, which list shall be kept by the Secretary of the Association.

ARTICLE V VOTING RIGHTS

The Association shall have two (2) classes of voting membership:

1. Class A – Class A Members shall be all of the Owners, except the Declarant and each Builder until the termination of the Class B membership. Each Class A Member shall be entitled to one vote for each Lot owned. When more than one person is the owner of any Lot, all such persons shall be Members. The vote for such jointly owned Lot shall be exercised as the collective Owners determine, but in no event shall more than one ballot be cast with respect to any Lot.
2. Class B – The Class B Member shall be the Declarant and each Builder and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A on the happening of one of the following events, whichever first occurs:
 - (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
 - (b) The 31st day of December, 2016; or
 - (c) When the Declarant notifies the Association in writing that it relinquishes its Class B membership.

ARTICLE VI BOARD OF DIRECTORS

The affairs of the Association shall be conducted by a Board composed initially of the three (3) directors named herein. The maximum number of Board Members is seven (7). Except for the initial Board and except for so long as there is a Class B Membership, each director shall be a record Owner of a Lot or, if a record Owner is a corporation, partnership, trust, or other legal entity, the director may be a representative thereof.

Until the first annual meeting of the Members and until their successors are designated or elected or qualified, the following persons shall constitute the Board of Directors of the Association:

- | | |
|-----------------|---|
| Jessica Ganly | - D.R. Horton - Continental
Series
16430 North Scottsdale Road
Suite 200
Scottsdale, AZ 85254 |
| Melanie Sanders | - D.R. Horton - Continental
Series
16430 North Scottsdale Road
Suite 200
Scottsdale, AZ 85254 |
| Kelsi Anaya | - D.R. Horton - Continental
Series
16430 North Scottsdale Road
Suite 200
Scottsdale, AZ 85254 |

ARTICLE VII OFFICERS

The affairs of the Association shall be administered by officers elected by the Board of Directors at its first meeting, and at each successive meeting of the Board of Directors following the annual meeting of the Members of the Association, or at other meetings called for such purpose, which officers shall serve at the pleasure of the Board of Directors. The officers shall consist of a President, Vice President, Secretary and Treasurer.

ARTICLE VIII
ELIMINATION OF DIRECTOR LIABILITY

To the fullest extent permitted by Arizona law as the same exists or may be hereafter amended, no director of the Association shall be liable to the Association or its Members for monetary damages for any action taken or any failure to take any action as a director. No repeal, amendment or modification of this article, whether direct or indirect, shall eliminate or reduce its effect with respect to any act or failure to act of a director of the Association occurring prior to such repeal, amendment or modification.

ARTICLE IX
INDEMNIFICATION

To the fullest extent permitted by Arizona law as the same exists or may be hereafter amended, the Association shall indemnify and advance expenses to any person who incurs expenses or liabilities by reason of the fact he or she is or was an officer or director of the Association or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, limited liability company, trust or other entity. The foregoing indemnification and advancement of expenses shall be mandatory in all circumstances in which the same are permitted by law. No repeal, amendment or modification of this article, whether direct or indirect, shall eliminate or reduce its effect with respect to any matter giving rise to indemnification and advancement of expenses occurring prior to such repeal, amendment or modification.

ARTICLE X
DISSOLUTION

Subject to and in accordance with the restrictions imposed within the Declaration and by the Federal Housing Administration or the Veterans Administration, the Association may be dissolved by the affirmative vote of 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, no part of the remaining assets of the Association, after discharge of all corporate liabilities, shall inure to the private profit, benefit or advantage of any current or past Member, director or officer, but the whole of such remaining assets of the Association shall be distributed exclusively to an organization then subject to and qualifying under Section 528 of the Internal Revenue Code of 1986, or to a public body (to the extent permitted under Section 528) as the Association shall elect.

**ARTICLE XI
INCORPORATOR**

The name and address of the Incorporator are as follows:

Lance Johnson
16430 N. Scottsdale Road
Suite 200
Scottsdale, Arizona 85254

All powers, duties and responsibilities of the Incorporator shall cease upon the filing of these Articles of Incorporation by the Arizona Corporation Commission.

**ARTICLE XII
STATUTORY AGENT**

Lance Johnson, 16430 North Scottsdale Road, Suite 200, Scottsdale, Arizona 85254, is hereby appointed Statutory Agent of the Association upon whom all notices and process, including summons, may be served. The Board of Directors may revoke the appointment of such agent at any time and shall have the power to fill any vacancy.

**ARTICLE XIII
DURATION**

The duration of the Association shall be perpetual.

**ARTICLE XIV
CONFLICT WITH DECLARATION**

To the extent that these Articles shall be contrary to, inconsistent with, or more permissive than the provisions of the Declaration dealing with the same subject, or laws, rules, and regulations or pertaining to the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Administration, the Veterans Administration and/or the Federal Housing Administration, applicable to the Association, these Articles shall be considered superseded by the Declaration or such laws.

**ARTICLE XV
AMENDMENTS**

Subject to the provisions of Article XIV hereof, the Association may, at any regular or special meeting called for such purpose, amend, alter, or repeal any provision hereof by the affirmative vote of two-thirds (2/3) of each membership class then entitled to vote in person or by proxy, and upon ten (10) days prior

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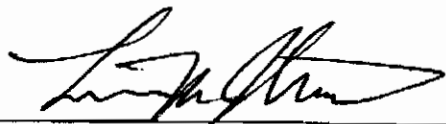
written notice to all first mortgagees who have previously requested the Association, in writing, to be notified of any amendment to the Articles and, if required by law, after publications in a newspaper having general circulation in Maricopa County, Arizona. As long as there is a Class B membership, any amendment to the Association's Articles of Incorporation shall require, to the extent then required by applicable regulations to the Veterans Administration or the Federal Housing Administration, the prior written approval of the Federal Housing Administration or the Veterans Administration.

ARTICLE XVI FHAVA APPROVALS

As long as there is a Class "B" membership, the following actions shall require the prior written approval, to the extent then required by applicable regulations of the Veterans Administration or Federal Housing Administration, of the Federal Housing Administration or the Veterans Administration:

1. The annexation of additional properties;
2. A merger or consolidation to which the Association is a party;
3. The mortgage or dedication of all or part of the Common Area;
4. The dissolution of the Association; or
5. The amendment of the Association's Articles of Incorporation.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of July, 2006



Incorporator

1300 25-8

**CONSENT OF STATUTORY AGENT
OF
DESERT PEAK HOMEOWNERS ASSOCIATION**

The undersigned, having been named in the Articles of Incorporation of Desert Peak Homeowners Association, as its statutory agent for the State of Arizona, hereby confirms that he has been notified of the appointment and that he accepts the appointment as statutory agent.

DATED: July 11, 2006


Lance Johnson
16430 North Scottsdale Road
Suite 200
Scottsdale, AZ 85254

ARIZONA CORPORATION COMMISSION
CORPORATIONS DIVISION

Phoenix Address: 1300 West Washington
Phoenix, Arizona 85007-2929

Tucson Address: 400 West Congress
Tucson, Arizona 85701-1347

NONPROFIT
CERTIFICATE OF DISCLOSURE
A.R.S. Section 10-2505

Desert Peak Homeowners Association
EXACT CORPORATE NAME

- A. Has any person serving either by election or appointment as officer, director, trustee, or incorporator in the corporation:
1. Been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 3. Been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
 - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction?; or
 - (b) Involved the violation of the consumer fraud laws of that jurisdiction?; or
 - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes _____ No X

B. IF YES, the following information MUST be attached:

1. Full name and prior name(s) used.
2. Full birth name.
3. Present home address.
4. Prior addresses (for immediate preceding 7-year period).
5. Date and location of birth.
6. Social Security number.
7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or cause number of case.

2. Has any person serving (a) either by election or appointment as an officer, director, trustee or incorporator of the corporation or, (b) major stockholder possessing or controlling any proprietary, beneficial or membership interest in the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked?

Yes _____ No X

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the corporation.
2. Full name, including alias and address of each person involved.
3. State(s) in which the corporation:
 - (a) Was incorporated.
 - (b) Has transacted business.
4. Dates of corporate operation.
5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency and the file or cause number of the case.

3. The fiscal year end adopted by the corporation is 9-30.

Under penalties of law, the undersigned incorporators/officers declare that we have examined this Certificate, including any attachments, and to the best of our knowledge and belief it is true, correct and complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY <u>[Signature]</u> DATE <u>7-11-06</u>	BY <u>Melvin J. Smith</u> DATE <u>7-11-06</u>
TITLE <u>President</u>	TITLE <u>Vice President</u>
BY <u>[Signature]</u> DATE <u>7-11-06</u>	BY <u>[Signature]</u> DATE _____
TITLE <u>Secretary / Treasurer</u>	TITLE <u>Incorporator</u>

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. (If more than four incorporators, please attach remaining signatures on a separate sheet of paper.)

When initial officers have been elected, an AMENDED Certificate must be filed within sixty (60) days of original filings and must be signed by two (2) executive officers or directors.

FOREIGN CORPORATIONS: Must be executed by any two executive officers or directors.

**NEWSPAPERS ACCEPTABLE FOR PUBLISHING
CORPORATE & LIMITED LIABILITY COMPANY FILINGS***

*Qualifying newspapers must comply with A.R.S. §§ 10-140.34 & 39-201. A and B
October 3, 2005

APACHE (1)

NAVAJO TIMES
WINDOW ROCK, AZ 86515
928-871-5400

THE APACHE COUNTY PAPER
EAGAR, AZ 85925
928-333-2033
1-800-648-3921

WHITE MOUNTAIN INDEPENDENT
(APACHE EDITION)
SPRINGERVILLE, AZ 85938
928-537-5721
ST. JOHNS, AZ 85936
928-337-4662

COCHISE (2)

SAN PEDRO VALLEY NEWS-SUN
BENSON, AZ 85602-6407
520-586-7332

ARIZONA RANGE NEWS
WILCOX, AZ 85644
520-384-3571

THE DAILY DISPATCH
DOUGLAS, AZ 85607
520-364-3424

THE BISBEE OBSERVER
BISBEE, AZ 85603
520-432-7254

FIVE STAR PUBLISHING
MOUNTAIN VIEW NEWS
SIERRA VISTA, AZ 85635
520-458-3340

BREWERY GULCH GAZETTE
BISBEE, AZ 85603
520-432-2244

SIERRA VISTA DAILY HERALD
BISBEE DAILY REVIEW
SIERRA VISTA, AZ 85635
520-458-9440

THE SUNSITER
PEARCE, AZ 85625
520-826-3122

TOMBSTONE TUMBLEWEED
TOMBSTONE, AZ 85638
520-457-3008

COCONINO (3)

SEDONA RED ROCK NEWS
SEDONA, AZ 86336
928-282-7795

THE ARIZONA DAILY SUN
FLAGSTAFF, AZ 86002
928-774-4545

NAVAJO HOPI OBSERVER
FLAGSTAFF, AZ 86001
928-226-9696

LAKE POWELL CHRONICLE
PAGE, AZ 86040
928-645-8888

WILLIAMS-GRAND CANYON NEWS
WILLIAMS, AZ 86040
928-635-4426

SOUTHERN UTAH NEWS
KANAB, UTAH 84741
435-644-2900

GILA (4)

THE PAYSON ROUNDUP &
ADVISOR
PAYSON, AZ
928-474-5251

ARIZONA SILVER BELT
GLOBE, AZ 85501
928-425-7121

THE MOCCASIN
GLOBE, AZ 85501
928-425-7121

GRAHAM (5)

EASTERN ARIZONA COURIER
SAFFORD, AZ 85546
928-428-2287

ARIZONA (TUCSON) DAILY STAR
TUCSON, AZ 85725
520-573-4292

WILD WEST NEWS
SOLOMON, AZ 85551
928-428-0098

GREENLEE (6)

THE COPPER ERA
CLIFTON, AZ 85533
928-865-4237

EASTERN ARIZONA COURIER
SAFFORD, AZ 85546
928-428-2560

MARICOPA (7)

ARIZONA BUSINESS GAZETTE
PHOENIX, AZ 85001
602-444-7315

ARIZONA CAPITOL TIMES
PHOENIX, AZ 85007
602-258-7026

PEORIA TIMES
GLENDALE, AZ 85301
623-842-6000

JEWISH NEWS
PHOENIX, AZ 85020
602-870-9470

GLENDALE STAR
GLENDALE, AZ 85301
623-842-6000

WICKENBURG SUN
WICKENBURG, AZ 85258
928-684-5454

WEST VALLEY BUSINESS
LITCHFIELD PARK, AZ 85340
623-535-8439

DAILY NEWS SUN
SUN CITY, AZ 85351
623-977-8351

THE TRIBUNE
MESA, AZ 85210
480-898-6500

GILA BEND SUN
GILA BEND, AZ 85337
928-683-2393
623-386-7495(Phoenix)

RECORD REPORTER
PHOENIX, AZ 85004
602-417-9900

ARIZONA INFORMANT
PHOENIX, AZ 85034
602-257-9300

BUCKEYE VALLEY NEWS
BUCKEYE, AZ 85326
623-386-4426

FOUNTAIN HILLS TIMES
FOUNTAIN HILLS, AZ 85268
480-837-1925

WEST VALLEY VIEW
LITCHFIELD PARK, AZ 85340
623-535-8439

ASIAN AMERICAN TIMES
MESA, AZ 85202
602-538-9988