

ARTICLES OF INCORPORATION
OF
COUNTRYSIDE COMMUNITY CLUB ASSOCIATION

AZ. CORP. COMMISSION FOR THE STATE OF AZ. FILED	
DEC 19 '84	
APPR. <i>Letty Berlow</i>	
DATE APPR. <u>12-20-84</u>	FILE # _____
TERM _____	
DATE _____	

In compliance with the requirements of the Arizona Corporation Act, 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: **512136**

ARTICLE I
NAME OF CORPORATION

The name of the corporation is Countryside Community Club Association, hereafter called the "C.C.C.A."

ARTICLE II
PRINCIPAL OFFICE

The principal office of C.C.C.A. is now located at 5363 East Pima, Second Floor, Tucson, Arizona.

ARTICLE III
STATUTORY AGENT

Balwant Cheema, acting on behalf of U.S. Home Corporation, whose address is 5363 East Pima, Second Floor, Tucson, Arizona, is hereby appointed the initial statutory agent of C.C.C.A.

ARTICLE IV
DEVELOPER

Any reference to "Developer" in these Articles shall mean and refer to U.S. Home Corporation, a Delaware corporation, and its successors in interest pursuant to a duly recorded instrument conveying its interest as Developer.

ARTICLE V
PURPOSES AND POWERS

The C.C.C.A. does not contemplate pecuniary gain or profit to the members thereof. The specific purposes for which it is formed are to provide for the operation, management, maintenance, and preservation of the recreational facilities and Club Property located within and including that certain parcel of real property legally described on Exhibit A attached hereto and incorporated by reference herein and any additions and personal property now or hereafter owned by or leased by the C.C.C.A., and to promote the health, recreation, safety, and welfare of the members. For these purposes, the C.C.C.A. may:

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1. Exercise all of the powers and privileges, to perform all of the duties and obligations of C.C.C.A. as set forth in those certain Declarations of Covenants, Conditions and Restrictions or other covenants applicable to the "Member Properties" as the same are set forth in Article V herein and as legally described on Exhibit B attached hereto and incorporated by reference herein.

2. Fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the said covenants of record; pay all expenses in connection therewith and all operation, management, maintenance and other expenses incident to the conduct of the business of C.C.C.A., including all licenses, taxes or governmental charges levied or imposed against the Club Property; provided that the operating budget shall be first approved by Developer as long as Developer maintains an ownership interest, whether legal, equitable or beneficial, in the Member Properties.

3. 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 C.C.C.A.; provided that no such dedication, sale or transfer shall be effective without the prior written approval of Developer.

4. Borrow money, and with the assent of two-thirds (2/3) of Class A members and of Developer, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

5. Dedicate, sell or transfer all or any part of the Club Property to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members and approved by the Board and Developer. No such dedication, sale or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of Class A members agreeing to such dedication, sale or transfer and by Developer; and provided that all members of C.C.C.A. and Developer are given notice of such dedication or transfer in accordance with the covenants of record for the Member Properties; and provided that no such dedication, sale or transfer shall be effective without the prior written approval of Developer.

6. Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common areas, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of Class A members and of Developer;

7. Have and exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Law of the State of Arizona by law may now or hereafter have or exercise.

ARTICLE VI MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided interest in any property which is located within that certain designated geographical area, legally described on Exhibit B attached hereto and incorporated by reference herein (referred to elsewhere herein as "Member Properties") including contract sellers, and which is subject by covenants of record running with the land to assessment in an amount to be determined by the Board of Directors of C.C.C.A. pursuant to the terms of the Declaration(s), shall be a member of C.C.C.A. Developer shall also be a member of the C.C.C.A. 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 property which is subject to assessment by C.C.C.A. All members shall be either Class A or Class B members.

All covenants of record giving rise to the membership rights described herein must have been originally executed by or approved by Developer.

ARTICLE VII

The C.C.C.A. shall have two classes of voting membership:

Class A. Class A members shall be all Owners having covenants of record obligating them to pay assessments to C.C.C.A. (with the exception of Developer or the Trustee of any land trust in which Developer holds a beneficial interest, or assigns and successors in interest of either), and shall be entitled to one vote for each lot in which he holds the interest required for membership. When more than one person holds an interest in any lot, all such persons shall be members. The voting for such lot shall be exercised as such persons among themselves determine, but in no event shall more than one vote be cast with respect to any Class A member's lot.

The voting rights of all Class A members (except those Class A members which were converted from Class B membership), shall cease and revert to the Class B member upon the occurrence of any of the following events:

(a) Failure to maintain insurance coverages as required by the Bylaws of C.C.C.A.

(b) Failure to maintain the physical appearance of the Club Property including all improvements thereon.

(c) Failure to maintain the Club Property in a condition safe for use by the members.

(d) Failure to approve the expansion of the facilities adequate to accommodate the members.

(e) Failure to promulgate or enforce reasonable rules and regulations for the safe and efficient operation of the Club Property.

(f) Failure to maintain and/or follow a reasonable and appropriate operating budget.

The Class B member(s) shall determine in good faith and in its sole discretion when the condition(s) which triggered the reversion of Class A membership has been sufficiently rectified or stabilized to allow the reestablishment of Class A membership. At that time, Class A membership shall be immediately reestablished in accordance with the provisions of this Article relating to Class A voting membership rights.

Class B. The Class B member shall be Developer, or its assigns and successors, and shall be entitled to three (3) votes for each lot owned by Developer in any of the Member Properties or for each lot in which Developer holds a beneficial interest thereto under the provisions of a land trust. The total votes which the Developer shall be entitled to cast may be cast in such proportion on any matter as Developer may determine. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership.

ARTICLE VIII BOARD OF DIRECTORS

The affairs of C.C.C.A. shall be managed by a Board of five (5) Directors, except for the time prior to the first annual meeting when C.C.C.A. shall be managed by the three (3) persons who shall act in the capacity of Directors.

At the first annual meeting, five (5) Directors shall be elected.

The names and addresses of the persons who are to act in the capacity of Directors until the first annual meeting when their successors and two additional Directors shall be elected are:

<u>NAME</u>	<u>ADDRESS</u>
Rik Alex President	c/o U.S. Home Corporation 5363 E. Pima, Second Floor Tucson, Arizona 85712
John Krygelski Vice President	c/o U.S. Home Corporation 5363 E. Pima, Second Floor Tucson, Arizona 85712
Balwant Cheema Secretary/Treasurer	c/o U.S. Home Corporation 5363 E. Pima, Second Floor Tucson, Arizona 85712

ARTICLE IX
INCORPORATORS

The following incorporators of Countryside Community Club Association are:

Rik Alex	5363 E. Pima, Second Floor Tucson, Arizona 85712
Balwant Cheema	5363 E. Pima, Second Floor Tucson, Arizona 85712

ARTICLE X
DISSOLUTION

The C.C.C.A. may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members, and the assent of Developer. Upon dissolution of C.C.C.A., other than incident to a merger or consolidation, the assets of C.C.C.A. shall be dedicated to an appropriate public agency to be used for purposes similar to those for which C.C.C.A. was created. 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 such similar purposes.

ARTICLE XI
DURATION

The corporation shall exist perpetually.

ARTICLE XII
AMENDMENT

Amendment of these Articles shall require the assent of two-thirds (2/3) of the votes of the entire membership and the assent of Developer.

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 areas, dedication of common areas, dissolution, and amendment of these Articles.

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of Arizona, we, the undersigned, constituting the incorporators of COUNTRYSIDE COMMUNITY CLUB ASSOCIATION, have executed these Articles of Incorporation this 10 day of November, 1984.

Rik Alex
Rik Alex, Incorporator

Balwant Cheema
Balwant Cheema, Incorporator

STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

On this, the 10 day of November, 1984, before me, the undersigned Notary Public, personally appeared Rik Alex and Balwant Cheema, who acknowledged themselves to be incorporators of COUNTRYSIDE COMMUNITY CLUB ASSOCIATION, an Arizona corporation, and that they, as such incorporators, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by themselves as such incorporators.

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

Marie E. [Signature]
Notary Public

My Commission Expires:
My Commission Expires Aug. 22, 1987
