

**AZ CORPORATION COMMISSION
FILED**

AZ Corp. Commission

01384480

EXP NOV 17 2005

ARTICLES OF INCORPORATION

FILE NO. 12428399

OF

DESERT BREEZE VILLAS CONDOMINIUM ASSOCIATION

In compliance with the requirements of § 10-3101, et seq., Arizona Revised Statutes, the undersigned certify:

**ARTICLE I
NAME**

The name of the corporation is Desert Breeze Villas Condominium Association (the "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 Condominium Declaration for Desert Breeze Villas Condominium, as recorded in the official records of Maricopa County, Arizona, as the same may be amended from time to time (the "Declaration").

**ARTICLE III
PRINCIPAL OFFICE**

The principal office of the Association shall be located at 7557 North Dreamy Draw Drive, Unit 151, Phoenix, Arizona 85020.

**ARTICLE IV
STATUTORY AGENT**

Charles R. Berry, Titus, Brueckner & Berry, P.C., whose address is 7373 N. Scottsdale Road, Suite B-252, Scottsdale, Arizona 85253, and who is a bona fide resident of the State of Arizona, is hereby appointed and designated as the initial statutory agent for the Association.

**ARTICLE V
PURPOSE OF THE ASSOCIATION**

The object and purpose for which the Association is organized is to provide for the management, maintenance and care of the Common Elements and other property owned by the Association or property placed under its jurisdiction and to perform all duties and exercise all rights imposed on or granted to the Association by the Declaration, these Articles and the Bylaws. In furtherance of, and in order to accomplish the foregoing object and purpose, the

01132967
PAID
11/20/05

-1242839-9

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

ARTICLE VII
MEMBERSHIP AND VOTING RIGHTS

Membership in the Association shall be limited to Unit Owners that are subject to assessment. Each Unit Owner shall have such rights, privileges and votes in the 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 the 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>
Walter Chornichuk	7557 N. Dreamy Draw Dr., Unit 151, Phoenix, AZ 85020
John Bryk	7557 N. Dreamy Draw Dr., Unit 151, Phoenix, AZ 85020
Lee Ha Bryk	7557 N. Dreamy Draw Dr., Unit 151, Phoenix, AZ 85020

The Board shall adopt the initial Bylaws of the Association. The power to alter, amend or repeal the Bylaws is reserved to the Members except that the Declarant, so long as the Declarant is the Unit Owner of any Unit, and thereafter the Board, without a vote of the Members, shall have the right to amend the Bylaws in order to comply with the requirements or guidelines in effect from 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, Fannie Mae, the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"), whose approval of the Association documents or the Declaration is

-1212839-9

requested by the Declarant or the Association. So long as the Declarant is the Unit Owner of any Unit, any amendment of the Bylaws must be approved in writing by the Declarant.

**ARTICLE IX
OFFICERS**

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:

Walter Chomichuk	President
Lee Ha Bryk	Vice President
John Bryk	Secretary/Treasurer

**ARTICLE X
LIMITATION ON LIABILITY OF DIRECTORS**

The personal liability of a director of the Association to the 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 Association; provided, however, that the Declarant, so long as the Declarant is the Unit Owner of any Unit, 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 Fannie Mae, the FHLMC, the FHA, the VA or any federal, state or local governmental agency whose approval of The Villas at Ocotillo Condominium, the Declaration, Bylaws or these Articles is required by law or requested by the Declarant or the Association. So long as the Period of Declarant Control continues, any amendment to these Articles must be approved in writing by the Declarant.

**ARTICLE XII
DISSOLUTION**

The Association may be dissolved with the assent given in writing and signed by Unit 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 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 the Association was created. In the event that

-1242839-9

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

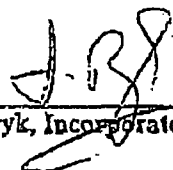
To the extent that any first mortgages insured by the FHA or guaranteed by the VA are held on any of the Units at the time of the following described actions, and to the extent that it is required by any regulations governing FHA/VA mortgages, until the termination of the Period of Declarant Control,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

ARTICLE XIV
INCORPORATOR

The name and address of the incorporators of the Association are:

<u>Name</u>	<u>Mailing Address</u>
John Bryk	7557 North Dreamy Draw Drive, Unit 151, Phoenix, AZ 85020

Dated this 17 day of NOV, 2005.




John Bryk, Incorporator

1242839-9

ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

The undersigned, having been designated to act as statutory agent for **DESERT BREEZE VILLAS CONDOMINIUM ASSOCIATION**, hereby accepts such appointment and agrees to act in that capacity until removal or resignation is submitted in accordance with applicable provisions of the Arizona Revised Statutes.

Dated this 17th day of November, 2005.



Charles R. Berry