



THE RECORD REPORTER

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ARIZONA CORP COMMISSION
CORPORATIONS DIVISION

AFFIDAVIT OF PUBLICATION

Reference #: - 1167870-0
Notice Type: AI Articles of Incorporation
Ad Description: SUN CITY FESTIVAL COMMUNITY ASSOCIATION, INC.

I, WENDY COOPER, am authorized by the publisher as agent to make this affidavit. Under oath, I state that the following is true and correct.

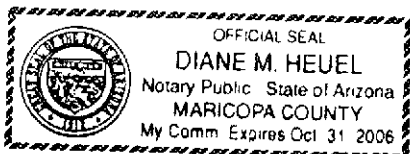
THE RECORD REPORTER is a newspaper of general circulation published Monday, Wednesday and Friday except legal holidays, in the County of Maricopa, State of Arizona. The copy hereto attached is a true copy of the advertisement as published on the following dates:

01/10/05, 01/12/05, 01/14/05

Wendy Cooper

Subscribed and sworn to before me on the 14th day of January, 2005

Diane M. Heuel



ARTICLES OF INCORPORATION
OF
SUN CITY FESTIVAL COMMUNITY
ASSOCIATION, INC.

(An Arizona Nonprofit Corporation)
In compliance with the requirements of Section 10-3201, et seq., Arizona Revised Statutes, as amended, the undersigned, who is a person capable of contracting, states as follows:

Article 1. Name. The name of the corporation is Sun City Festival Community Association, Inc. ("Association")

Article 2. Known Place of Business. The initial known place of business of the Association is Pulte Homes, 15111 N. Pima Road, Scottsdale, Arizona, 85260.

Article 3. Definitions. All capitalized terms used herein which are not defined shall have the same meaning as set forth in the Declaration of Covenants, Conditions, and Restrictions for Sun City Festival, recorded or to be recorded in the Office of the County Recorder of Maricopa County, Arizona, as such declaration may be amended or supplemented from time to time ("Declaration").

Article 4. Purposes and Character of Affairs. The purposes for which the Association is organized, and the character of affairs which the Association initially intends to actually conduct in Arizona, are:

(a) to be and constitute the Association to which reference is made in the Declaration, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the Bylaws of Sun City Festival Community Association, Inc., as such bylaws may be amended from time to time ("Bylaws"), and as provided by law; and
(b) to provide an entity for the furtherance of the interests of the Owners of Lots subject to the Declaration.

(c) the transaction of any or all lawful business for which non-profit corporations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time.

Article 5. Powers. The powers of the Association shall include and be governed by the following provisions:

(a) The Association shall have all of the common law and statutory powers conferred upon nonprofit corporations under Arizona law and all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the Bylaws, or the Declaration, including, without limitation, the power:

(i) to fix, collect, and enforce payment, by any lawful means, of assessments and other charges to be levied against the Lots;

(ii) to manage, control, operate, maintain, repair, and improve property subject to the Declaration and any other property for which the Association by rule, regulation, covenant, or contract has a right or duty to provide such services;

(iii) to enforce covenants, conditions, or restrictions affecting any property to

the Association may be under the Declaration or Bylaws.

(iv) to engage in activities which will actively foster, promote, and advance the common interests of all Owners of Lots subject to the Declaration;

(v) to buy or otherwise acquire, sell, dedicate for public use, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, own, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association, subject to such limitations as may be set forth in the Declaration or Bylaws;

(vi) to borrow money for any purpose, subject to such limitations as may be contained in the Declaration or Bylaws;

(vii) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other association, corporation, or other entity or agency, public or private;

(viii) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals;

(ix) to adopt, alter, and amend or repeal the Bylaws as may be necessary or desirable for the proper management of the affairs of the Association; provided, however, that the Bylaws may not be inconsistent with or contrary to any provisions of the Declaration; and

(x) to provide for any and all supplemental municipal services to the real property subject to the Declaration as may be necessary or proper.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other rights and powers which may now or hereafter be permitted by law. The powers specified in each of the paragraphs of this Article are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph of this Article.

(b) The Association shall make no distributions of income to its Members, directors, or officers.

Article 6. Members.
(a) The Owner of each Lot shall be a Member of the Association and shall be entitled to vote in accordance with the terms of the Declaration and the Bylaws. The foregoing is not intended to include persons or entities that hold an interest in a Lot merely as security for the performance of an obligation.

(b) The Association shall have two classes of membership, Class "A" and Class "B." The Class "A" Members shall be all the Owners, except the Class "B" Member, if any. The Class "B" Member shall be, collectively, the Declarant and any Builders who are Owners. The rights of the Class "A" Members and the Class "B" Member are specified in the Declaration and Bylaws. The manner of exercising voting rights shall be as set forth in the Declaration and in the Bylaws of the Association.

(c) Change of membership in the Association shall be established by

recording in the official records of Maricopa County, Arizona, a deed or other instrument establishing record title to real property subject to the Declaration. Upon such recordation, the Owner designated by such instrument shall become a Member of the Association and the membership of the prior Owner shall be terminated. By acquiring fee title to or otherwise becoming the Owner of a Lot, a Person consents to becoming a Member of the Association. No Member shall have the right to resign as a Member of the Association. The share of a Member in the privileges, rights and assets of the Association cannot be assigned, hypothecated, or transferred in any manner, except as an appurtenance of its Lot.

Article 7. Dissolution. The Association may be dissolved upon the written consent or affirmative vote of Owners representing not less than 67% of the Class "A" votes in the Association, and the consent of the Declarant during the Property Control Period. Upon the dissolution of the Association, whether resulting from voluntary action on the part of the Board of Directors, court orders, lapse of time, or otherwise, no part of the remaining assets of the Association, after the 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 shall be dedicated by the directors in cash or in kind absolutely and without possibility of reversion, as absolute gifts without return consideration, direct or indirect, in such amounts and proportions as the directors shall determine, to a public agency or utility or to a nonprofit organization to be devoted to purposes similar to those of the Association. The termination of the directors with respect to all such distributions shall be final.

Article 8. Directors and Officers.

(a) The affairs of the Association shall be conducted, managed, and controlled by a Board of Directors consisting of at least one member, who need not be Members of the Association. The number of persons to serve on the Board of Directors thereafter, and the qualifications that a person must meet in order to serve on the Board of Directors, shall be fixed by the Bylaws. The names and addresses of the persons who are to serve as directors until the first annual meeting of members or until their successors are elected and qualify are:

John Waldron 15111 N. Pima Road
Scottsdale, AZ, 85260
Lorne Wilson 15111 N. Pima Road
Scottsdale, AZ, 85260
Sam Cogan 15111 N. Pima Road
Scottsdale, AZ, 85260

The persons who are to serve as the initial officers at the pleasure of the board of directors until their successors have been elected and qualify are:

President John Waldron 15111 N. Pima Road
Scottsdale, AZ 85260
Secretary Lorne Wilson 15111 N. Pima Road
Scottsdale, AZ, 85260
Treasurer Sam Cogan 15111 N. Pima Road
Scottsdale, AZ, 85260

Article 9. Bylaws. The Bylaws shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided in the Bylaws.

Article 10. Liability of Directors, Officers and Committee Members. To the fullest extent that Arizona law, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors, officers and committee members, no director, officer or committee member of the Association shall be personally liable to the Association or its Members for monetary damages for breach of duty of care, breach of fiduciary duty, or other duty as a director, officer or committee member. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director, officer or committee member of the Association for or with respect to any acts or omissions of such director

occurring prior to such amendment or repeal.

Article 11. Indemnification. The Association shall indemnify any Person made a party to any civil suit or criminal, administrative or investigative action, other than an action by or in the right of the Association, by reason of the fact that he is or was a Member, director, officer, committee member, employee, or agent of the Association against expenses, including attorneys' fees, and judgments, fines and amounts paid in settlement actually and reasonable incurred by him in connection with such action, if he acted, or failed to act, in good faith and he reasonably believed (i) in the case of conduct in an official capacity with the Association, that the conduct was in its best interests, (ii) in all other cases, that the conduct was at least not opposed to its best interests, and (iii) in the case of any criminal action or proceeding, that he had no reasonable cause to believe the conduct was unlawful. Any indemnification of the Members, directors, officers, committee members, employees, or agents of the Association shall be governed by and made in accordance with the provisions of the Arizona Revised Statutes pertaining to nonprofit corporations. Any repeal or modifications of this Article 11 shall be prospective only and shall not adversely affect, defeat or limit the right of any Person to indemnification for any act, or failure to act, occurring prior to the effective date of such repeal or modification.

Article 12. Amendments. These Articles of Incorporation may be amended unilaterally by the Declarant for any reason at any time during the Class "B" Control Period, and hereafter by the affirmative vote or written consent, or any combination thereof, of Members representing at least 67% of the Class "A" votes in the Association, and the consent of the Declarant during the Property Control Period; provided, no amendment may be in conflict with the Declaration, and provided, further, no amendment shall be effective to impair or dilute any rights of Members that are governed by such Declaration.

Article 13. Statutory Agent. The name and address of the initial statutory agent of the Corporation is Associated Asset Management, Inc., 7740 N. 16th Street, Suite 300, Phoenix, AZ 85020.

Article 14. Duration. The corporation shall exist perpetually.

Article 15. Assessments and Fees. Each Member shall be obligated to pay Assessments and other fees and charges to the Association in accordance with the Declaration and Bylaws.

Article 16. Incorporator. The incorporator of the Association is Jeff Romaine

15111 N. Pima Road
Scottsdale, AZ, 85260
IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation this 19 day of November, 2004.

/s/ Jeff Romaine
Jeff Romaine
Incorporator
01/10/2005, 01/12/2005, 01/14/2005
RR-766488#