

MAR 29 2006

ARTICLES OF INCORPORATION
OF

FILE NO. 1273557-4 ~~THE~~ CANYONS HOMEOWNERS ASSOCIATION
an Arizona Non-profit Corporation

1. Name. The name of the non-profit corporation (hereinafter called "Corporation") shall be "The Canyons Homeowners Association."

2. Initial Business. The Corporation has been formed for the purpose of construction, management, maintenance and care of The Canyons, a subdivision in Cochise County, Arizona, and to administer and enforce covenants relating to the architecture and appearance of the real estate development. The Corporation shall cause a Declaration of Covenants, Conditions and Restrictions (the "Declaration") to be recorded in the Recorder's Office of Cochise County, Arizona. The Corporation shall carry on only those activities permitted to be carried on by a homeowners association exempt from federal income tax under Section 528 of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States revenue law.

3. Board of Directors. The affairs of the Corporation shall be conducted by a board of directors consisting of an odd number of not less than one (1) nor more than fifteen (15) members, as may be fixed from time to time in the Bylaws of the Corporation. The term for which each director shall serve shall be as set forth in the Bylaws of the Corporation. The board of directors, who shall serve in such capacity until the first annual election of directors or until their successors are duly elected and qualified, are:

Pat P. Lopez III
6262 N. Swan Rd. #200
Tucson, AZ 85718

James D. Lynch
7036 N. Finger Rock Pl.
Tucson, AZ 85718

Christine W. Young
6262 N. Swan Rd. #200
Tucson, AZ 85718

4. Statutory Agent. Rusing & Lopez, P.L.L.C., 6262 North Swan, Suite 200, Tucson, Arizona 85718, is appointed and designated initial statutory agent for the Corporation.

5. Known Place of Business. The location of the Corporation's principal office shall be 6262 N. Swan Road, Suite 200, Tucson, Arizona 85718, but other offices may be established and maintained within or without the State of Arizona at such places as the board of directors may designate.

6. Incorporator. The name, residence and post office address of the incorporator is as follows:

Pat P. Lopez III
6262 N. Swan Rd. #200
Tucson, AZ 85718

7. Membership. There shall be members in the Corporation. Membership shall be determined as provided in the Declaration and/or the Bylaws of the Corporation.

8. Limited Liability. The directors of this Corporation shall not be individually liable for the Corporation's debts or other liabilities. The private property of such individuals shall be exempt from any corporate debts or liabilities. A director shall have no personal liability to the Corporation or its directors for monetary damages for breach of fiduciary duty as a director. This shall not limit the liability of a director for any of the following:

(a) Any breach of the director's duty of loyalty to the Corporation or its directors;

(b) Acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law;

(c) A violation of A.R.S. § 10-3833;

(d) Any transaction from which the director derived an improper personal benefit; and

(e) A violation of A.R.S. § 10-3862 and/or A.R.S. § 10-3863.

If the Arizona Revised Statutes are hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Arizona Revised Statutes, as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

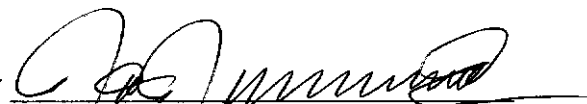
9. Indemnification. Any person (and the heirs, executors, and administrator of such person) made or threatened to be made a party to any action, suit, or proceeding by reason of the fact that he or she is or was a director or elected officer hereof shall be indemnified by the Corporation against any and all liability and the reasonable expenses, including attorney's fees and costs, incurred by him or her in connection with the defense or settlement of such action, suit or proceeding, or in connection with any appearance therein, to the fullest extent permitted by law. Such right of indemnification shall not be deemed exclusive of any other right to which such director or officer (or such director or officer's heirs, executor, or administrator) may be entitled apart from this section.

IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation as of the 28th day of March, 2006.


Pat P. Lopez III, Incorporator

Rusing & Lopez, P.L.L.C., having been designated to act as Statutory Agent, hereby consents to act in that capacity until removal or resignation is submitted in accordance with Arizona Revised Statutes.

RUSING & LOPEZ, P.L.L.C.

By 
Pat P. Lopez, Member

-1273557-0

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 10-3202.D.

The Canyons 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. | 6. Social Security number. |
| 2. Full birth name. | 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. |
| 3. Present home address. | |
| 4. Prior addresses (for immediate preceding 7-year period). | |
| 5. Date and location of birth. | |

- C. Has any person serving either by election or appointment as an officer, director, trustee or incorporator of the corporation, served in any such capacity or held such interest in any other corporation which has been placed in bankruptcy or receivership or had its charter revoked, or administratively dissolved by any jurisdiction?

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. | 4. Dates of corporate operation. |
| 2. Full name, including alias and address of each person involved. | 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. State(s) in which the corporation: <ol style="list-style-type: none">(a) Was incorporated.(b) Has transacted business. | |

D. The fiscal year end adopted by the corporation is December

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 [Signature] DATE 3/28/06
TITLE Incorporator

BY _____ DATE _____
TITLE _____

BY _____ DATE _____
TITLE _____

BY _____ DATE _____
TITLE _____

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.)

If within sixty days, any person becomes an officer, director, or trustee and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by all incorporators, or if officers have been elected, by a duly authorized officer.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.