



JUL 30 2007

ARTICLES OF INCORPORATION

FILE NO. 1383495-2

OF

HERRO PARK COMMUNITY ASSOCIATION

In compliance with the requirements of § 10-3201, et seq., Arizona Revised Statutes, as amended, the undersigned, states as follows:

ARTICLE I

NAME

The name of the Association is Herro Park Community 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 Declaration of Covenants, Conditions and Restrictions for Herro Park now or hereafter recorded in the records of Maricopa County, Arizona (the "Declaration").

ARTICLE III

PRINCIPAL OFFICE

The principal office of the Association shall be located at 8130 East Cactus Road, Suite 500, Scottsdale, Arizona 85260.

ARTICLE IV

STATUTORY AGENT

William P. Connealy, whose address is 4250 North Drinkwater Boulevard, Suite 170, Scottsdale, Arizona 85251, and who has been a bona fide resident of the State of Arizona for more than three (3) years, 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 this Association is organized is to provide for the management, maintenance, and care of the Areas of Association Responsibility and other property owned or to be 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 Community Documents. In furtherance of, and in order to accomplish the foregoing object and purpose, the Association may transact any or all lawful business for which Associations 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 Areas of Association Responsibility for the Herro Park project and to exercise and perform such other powers and duties as are imposed on or granted to the Association by the Community Documents.

ARTICLE VII
MEMBERSHIP AND VOTING RIGHTS

Membership in the Association shall be limited to Owners of Lots with the Project and may only be transferred or terminated in conjunction with conveyance of the Lot. Membership rights may be suspended or limited if a Member is in default under the Declaration. Each Owner shall have such rights, privileges and votes in the Association as are set forth in the Community Documents. There shall be two classes of members in the Association: Class A members, which shall include all Lot Owners, and the Class B member, which shall include the Declarant. Transfer of a Class A or Class B membership shall be pursuant to the provisions set forth in the Declaration.

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>
David Nairne	8130 East Cactus Road, Suite 500 Scottsdale, Arizona 85260
Robert Hunt	8130 East Cactus Road, Suite 500 Scottsdale, Arizona 85260
Ryan Kapci	8130 East Cactus Road, Suite 500 Scottsdale, Arizona 85260

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:

President -	Ryan Kapci
Secretary -	David Nairne

Treasurer - Robert Hunt

ARTICLE X

LIMITATION ON LIABILITY OF DIRECTORS AND OFFICERS

The personal liability of a director or officer of the Association to the Association or its Members for monetary damages for breach of his or her fiduciary duties as a director or officer is hereby eliminated to the extent permitted by the Arizona Nonprofit Corporation Act, as it may be amended from time to time. Subject to the provisions of this Article X and the Arizona Nonprofit Corporation Act, the Association shall indemnify, defend and hold harmless the following persons and their respective spouses, personal representatives, heirs, successors and assigns (hereinafter individually referred to as an "Indemnatee"): (x) Declarant and any and all present and former officers, directors, partners, members, managers, employees and agents of Declarant; and (y) the undersigned incorporators and all present and future directors, officers, employees and agents of the Association (including all members of any committee or subcommittee appointed by the Board of Directors), against all expenses incurred by any and each Indemnatee including, but not limited to, attorney's fees and costs, court costs, judgments, penalties, and amounts paid in settlement or compromise, that may arise or be incurred, rendered, or levied in any legal action or proceeding brought or threatened against any Indemnatee for or on account of any act or omission alleged to have been committed by such Indemnatee while acting within the scope of his or her official capacity as a director, officer, employee or agent of the Association (or member of any committee or subcommittee appointed by the Board of Directors), whether or not any legal action or proceeding is or has been filed against them and whether or not any settlement or compromise is approved by a court, and whether or not the legal action or proceeding brought or threatened is by or in the right of the Association or by any other person. The foregoing right of indemnification is not exclusive of any other right that any Indemnatee now may have or hereafter may acquire. The foregoing indemnification by the Association is mandatory unless the Board of Directors determines in good faith that the act or omission of the Indemnatee was made or taken with gross negligence or with fraudulent or criminal intent in regard to the subject matter of the actual, threatened or contemplated legal action or proceeding. Furthermore, the Association may refuse indemnification in any instance in which the Indemnatee unreasonably refuses to permit the Association, at the Association's own expense and through counsel of its own choosing, to defend him or her in the legal action or proceeding.

ARTICLE XI

AMENDMENTS

These Articles may be amended at a regular or special meeting of the Members by the Members representing at least seventy-five percent (75%) of the total authorized votes entitled to be cast by Members of the Association present in person or by proxy at the regular or special meeting; provided, however, that the Declarant, so long as the Declarant owns any Lot, and thereafter, the Board, without a vote of Members, may amend these Articles in order to (i) conform these Articles to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or any federal, state or local governmental agency whose approval of the Project or the Community Documents is required by law or requested by the Declarant or the Association, or (ii) correct any error or inconsistency in these Articles if the

amendment does not adversely affect the rights of any Member. So long as the Declarant owns any Lot, 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 owners representing not less than two-thirds (2/3) of the authorized votes in each class of membership. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be disbursed in accordance with Arizona law for non-profit corporations, or as otherwise agreed to by a unanimous vote of all members.

ARTICLE XIII **DURATION**

The Association shall exist perpetually.

ARTICLE XIV **INCORPORATOR**

The name and address of the incorporator of the Association is:

Name

Address

David Nairne

8130 East Cactus Road, Suite 500
Scottsdale, Arizona 85260

Dated this 25 day of July, 2007.

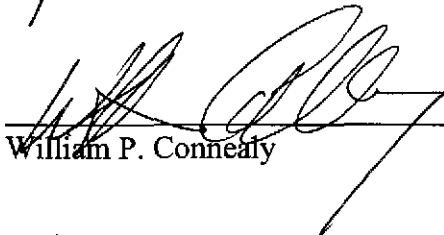


David Nairne, Incorporator

ACCEPTANCE OF APPOINTMENT AS STATUTORY AGENT

The undersigned, having been designated to act as statutory agent for this 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 30th day of July, 2007.



William P. Connealy

**NONPROFIT
CERTIFICATE OF DISCLOSURE**
Pursuant to A.R.S. § 10-3202 (D)

Herro Park Community 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 ✓

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 as an officer, director, trustee or incorporator of the corporation, served in any such capacity in any other corporation in any jurisdiction on the bankruptcy receivership, charter revocation administrative dissolution or judicial dissolution of the other corporation?

Yes _____ No ✓

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:
(a) Was incorporated
(b) Has transacted business. | |

D The fiscal year end adopted by the corporation is 12/31

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 July 25/07 BY _____ DATE _____

TITLE MANAGER TITLE _____

BY _____ DATE _____ BY _____ DATE _____

TITLE _____ 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 (60) 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