

ARTICLES OF INCORPORATION

NON-PROFIT CORPORATION

ENTITY INFORMATION

ENTITY NAME: VALENCIA CROSSING HOMEOWNERS
ASSOCIATION, INC.
ENTITY ID: 1994261
ENTITY TYPE: Domestic Nonprofit Corporation
EFFECTIVE DATE: 06/05/2019
CHARACTER OF BUSINESS: Any legal purpose
CORPORATION WILL HAVE MEMBERS: YES
CORPORATION WILL NOT HAVE MEMBERS: NO

STATUTORY AGENT INFORMATION

STATUTORY AGENT NAME: Robert Morken III
PHYSICAL ADDRESS: 2200 E. River Rd., #105, TUCSON, AZ 85718
MAILING ADDRESS:

KNOWN PLACE OF BUSINESS

2200 E. River Rd., #105, TUCSON, AZ 85718

PRINCIPAL INFORMATION

Director: Jeff Gereke - c/o Terramar Properties, Inc., 2200 E. River Rd., #105, TUCSON, AZ 85718, USA - tklipp@terramarproperties.net - Date of Taking Office:
Director: Robert Morken - c/o Terramar Properties, Inc., 2200 E. River Rd., #105, TUCSON, AZ 85718, USA - tklipp@terramarproperties.net - Date of Taking Office:
Director: Terry Klipp - c/o Terramar Properties, Inc., 2200 E. River Rd., #105, TUCSON, AZ 85718, USA - tklipp@terramarproperties.net - Date of Taking Office:
Incorporator: Robert Morken III - 2200 E. River, #105, TUCSON, AZ 85718, USA - - Date of Taking Office:

CERTIFICATE OF DISCLOSURE

FELONY JUDGEMENT QUESTIONS:

Has any person (a) who is currently an officer, director, trustee, or incorporator, or (b) who controls or holds over ten per cent of the issued and outstanding common shares or ten percent of any other proprietary, beneficial or membership interest in the corporation 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 signing of this certificate? NO

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 signing of this certificate? NO

Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the signing of this certificate, NO

involving any of the following:

- The violation of fraud or registration provisions of the securities laws of that jurisdiction;
- The violation of the consumer fraud laws of that jurisdiction;
- The violation of the antitrust or restraint of trade laws of that jurisdiction?

BANKRUPTCY QUESTION:

Has any person (a) who is currently an officer, director, trustee, incorporator, or (b) who controls or holds over twenty per cent of the issued and outstanding common shares or twenty per cent of any other proprietary, beneficial or membership interest in the corporation, served in any such capacity or held a twenty per cent interest in *any other corporation* (not the one filing this Certificate) on the bankruptcy or receivership *of the other corporation*? NO

NAME AND BIRTH INFORMATION:

BIRTH NAME :
PRESENT NAME :
ALIAS NAME :
DATE OF BIRTH :
LOCATION OF BIRTH :

PRESENT/ PRIOR ADDRESS:

PRESENT FULL ADDRESS :

PRIOR FULL ADDRESS :

CASE INFORMATION:

CASE NUMBER:
COURT:
CASE CAPTION:
DESCRIPTION:

OTHER CORPORATION INFORMATION:

CORPORATION NAME :
INCORPORATION STATE :
DATE OF INCORPORATION :
STATE OF TRANSACTION :
BANKRUPTCY FULL ADDRESS :
INDIVIDUAL FULL ADDRESS :

SIGNATURE

Incorporator: Robert Morken III - 06/05/2019

ARTICLES OF INCORPORATION
FOR
VALENCIA CROSSING HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND PERPETUAL DURATION

The name of the corporation is VALENCIA CROSSING HOMEOWNERS ASSOCIATION, INC. (hereinafter called the "**Corporation**"). The Corporation is a nonprofit corporation under Arizona law. The period of duration shall be perpetual.

ARTICLE II
STATUTORY AGENT

Robert Morken, III, whose address is 2200 E. River Rd., #105, Tucson, Arizona, 85718, is the statutory agent of this Corporation.

ARTICLE III
ADDRESS OF THE CORPORATION

The address of the known place of business of the Corporation is 2200 E. River Rd., #105, Tucson, Arizona, 85718.

ARTICLE IV
INCORPORATOR

The name and address of the incorporator is Robert Morken, III, 2200 E. River Rd., #105, Tucson, Arizona, 85718.

ARTICLE V
PURPOSE AND POWERS OF THE CORPORATION

This Corporation does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for the protection, improvement, alteration, maintenance, repair, replacement, administration, and operation of the property owned by the Corporation or placed under its jurisdiction, including without limitation, the Common Area, Commercial/Multifamily Common Area, and the Areas of Association Responsibility, and to perform all duties and exercise all rights imposed on or granted to the Corporation by that certain Master Declaration of Covenants, Conditions, Restrictions, and Reciprocal Easements for Valencia Crossing as recorded in the office of the Pima County Recorder (the "**Declaration**"). Any capitalized terms not otherwise defined herein shall have the meanings assigned to them by the Declaration.

The Corporation shall have the power to participate in mergers and consolidations with other corporations organized for the same purposes or annex additional property, streets, roadways or alleys.

ARTICLE VI **MEMBERSHIP**

Membership shall be as provided in the Declaration. The Declaration currently provides that there shall be two (2) classes of membership, Class A and Class B. The Class B Member shall be the Declarant and any Member to whom Declarant assigns its rights and privileges as the Declarant and Class B Member. The Class A Members shall be all Owners of Parcels within the Covered Property, except that in the case of Parcels within a platted subdivision having a Subsidiary Association therefor, the Member shall be the Subsidiary Association, and not the owners of such Parcels governed thereby, all as further provided in the Declaration. Each Owner's Membership in the Association, except for Declarant and a Subsidiary Association, as may be provided in the Declaration, shall be appurtenant to and may not be separated from ownership of the Covered Property to which the Membership is attributable.

ARTICLE VII **VOTING RIGHTS**

The Members' voting rights shall be as determined in the Declaration. The Declaration currently provides that each Class A Member shall have one (1) vote for each ten thousand (10,000) square feet (in each case rounded to the nearest 10,000 square feet) of each Parcel owned by such Owner within the Covered Property, except as otherwise provided in the Declaration and further except that in the case of subdivided Parcels within a subdivision as shown by recorded Plat and restricted by Tract Declaration or by the provisions of the Declaration to Single Family Residential use or Condominium use, the Subsidiary Association shall have all votes, and such votes shall equal one (1) vote for each ten thousand (10,000) square feet of land, including Common Area, within the subdivision (in each case rounded to the nearest 10,000 square feet). Declarant and any Class B Member shall at all times have four (4) times the number of votes for each ten thousand (10,000) square feet or majority portion thereof for each Parcel that a Class A Member would otherwise have. Should Declarant or the Class B Member in writing relinquish its Class B Membership during the Declarant Control Period or while it still owns any portion of the Covered Property, the Membership for each Parcel owned by such Declarant or Class B Member shall convert to Class A Membership.

Notwithstanding the foregoing, in accordance with Section 13.5.1 of the Declaration, if any Member is in default in paying any assessment or other amount due to the Association, or is in breach of the provisions of the Declaration, the Bylaws of the Association and/or any rules and regulations promulgated by the Association, then no vote in the Association shall be cast by such Owner or on behalf of the Multiple Owners (as defined in the Declaration) with whom the Member holds an ownership interest until such default or breach is cured.

ARTICLE VIII
INITIAL BUSINESS

The character of business that the Corporation initially intends to conduct in this state is the operation of a property owners association and the maintenance of such Common Area, Commercial/Multifamily Common Area, the Areas of Association Responsibility, and other properties which may become Areas of Association Responsibility of the Corporation, and the Corporation shall levy and collect Assessments and other fees required to be paid pursuant to the Declaration, unless the duty to collect such Assessments and other fees is delegated to a Subsidiary Association in accordance with the Declaration.

ARTICLE IX
BOARD OF DIRECTORS

The number, qualifications and term of each of the directors shall be provided in the Bylaws and the Declaration, with Declarant, as a Class B Member, having such rights and privileges as contained therein, including rights during the Declarant Control Period to appoint all directors. The names and addresses of the persons appointed to serve as directors until the next annual meeting of Members or until their successors are elected and qualified are:

Terry Klipp
c/o Terramar Properties, Inc.
2200 E. River Road, Suite 105
Tucson, AZ 85718
Email: tklipp@terramarproperties.net

Jeff Gereke
c/o Terramar Properties, Inc.
2200 E. River Road, Suite 105
Tucson, AZ 85718
Email: tklipp@terramarproperties.net

Robert Morken
c/o Terramar Properties, Inc.
2200 E. River Road, Suite 105
Tucson, AZ 85718
Email: tklipp@terramarproperties.net

ARTICLE X
BYLAWS

The initial Bylaws of the Corporation shall be adopted by the Board of Directors. Declarant's consent shall be required for any amendment to the Bylaws so long as Declarant is a Class A or Class B Member. No amendment to the Bylaws may remove, revoke, or modify any right or privilege of Declarant or the Class B Member without the

written consent of Declarant, the Class B Member, or the assignee of such rights or privileges, as applicable.

ARTICLE XI **DISSOLUTION**

Upon dissolution of the Corporation, the Board of Directors, after providing for the payment of all obligations, shall distribute any remaining assets to any other similar nonprofit organization in a manner consistent with the Articles of Incorporation and applicable law, including any applicable federal and Arizona tax law.

ARTICLE XII **LIMITATION OF DIRECTORS' LIABILITY**

The personal liability of the directors to the Corporation for monetary damage for any action or failure to take any action as a director is eliminated to the fullest extent permitted by A.R.S. § 10-3202(B)(1), as it may hereafter be amended or renumbered, or the analogous provision of any future Arizona nonprofit corporation code.

ARTICLE XIII **INDEMNIFICATION**

The Corporation shall, to the fullest extent permitted by law, indemnify the officers and directors of the Corporation from and against liability incurred in connection with their good faith activities on behalf of the Corporation and shall, to the fullest extent permitted by law, have the power to purchase and maintain insurance to protect officers and directors from liability.

ARTICLE XIV **AMENDMENT**

A. By Declarant. During the Declarant Control Period, Declarant, as a Class B Member, may at any time and from time to time unilaterally amend these Articles for any purpose whatsoever, including, without limitation, (i) to bring any provision into compliance with any applicable governmental statute, rule or regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Parcels; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans to make, purchase, insure or guarantee mortgage loans on the Parcels; and (iv) to correct any error or ambiguity or to conform to the Declaration.

B. By Members Generally. In addition to such action that is permitted by Declarant pursuant to paragraph A, above, Members may petition to amend these Articles, but if prior to termination of the Declarant Control Period, only with the written consent of the Declarant. The petition must be (i) written, signed, and dated by Members representing at least twenty percent (20%) of the total Class A and Class B votes in the Association; and (ii) delivered to the President and the Board of Directors. The petition shall include a description of the proposed amendment to these Articles

and the names and the votes represented by each of the Members signing the petition. If the petition is correct and in proper form as determined by the Board of Directors, and if the proposed amendments have been approved by the Board of Directors, the President and Secretary shall call and hold a special meeting for the purpose of Membership voting on the proposed amendment. The special meeting shall be held in a manner consistent with the notice, voting, quorum, and other procedural requirements set forth in the Bylaws and the Declaration, or as required or permitted by law, except that so long as the Declarant is a Member of the Association, if the Declarant does not approve of the petition, the petition shall not further be considered and shall not be adopted or voted upon.

C. Validity of Amendments. No amendment may remove, revoke, or modify any right or privilege of Declarant or the Class B Member without the written consent of Declarant, the Class B Member, or the assignee of such right or privilege.

ARTICLE XV CONFLICTS

In the case of any conflict between the terms hereof and the Declaration, the Declaration shall always control, and in the case of a conflict with the Bylaws, these Articles of Incorporation shall control.

DATED: June 4th, 2019.

INCORPORATOR:


Robert Morken, III

CONSENT OF STATUTORY AGENT

Robert Morken, III, having been designated to act as Statutory Agent, hereby consents to act in that capacity until removed or its resignation is submitted.

DATED: June 4th, 2019.

STATUTORY AGENT:



Robert Morken, III