

MAY 17 2016

FILE NO. 2093656-6

**ARTICLES OF INCORPORATION
OF
LATERA HOMEOWNERS ASSOCIATION**

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, for the purpose of forming a non-profit corporation under the laws of the State of Arizona, does hereby adopt the following Articles of Incorporation.

1. **Name.** The name of this corporation (hereinafter "**Association**") is Latera Homeowners Association.

2. **Duration.** The period of duration of the Association shall be perpetual.

3. **Principal Place of Business.** The initial known place of business and principal office for the transaction of business of the Association is located at 3230 E. Broadway Rd., Ste. B-115, Phoenix, Arizona 85040.

4. **Statutory Agent.** The name and address of the Association's initial Statutory Agent, a bona fide resident of the State of Arizona, are:

Street Address: Danielle Cook,
3230 E. Broadway Rd., Ste. B-115,
Phoenix, Arizona 85040

Mailing Address: 2320 E. Baseline Rd., Ste. 148-605, Phoenix, Arizona 85042.

5. **Nonprofit Corporation.** This Association is organized as a nonprofit corporation under the laws of the State of Arizona.

6. **Purpose and Powers.** This Association shall serve as a homeowners association for the Members as provided in the Declaration of Covenants, Conditions and Restrictions for Latera to be Recorded hereafter (the "**Declaration**") in the Official Records of the Maricopa County, Arizona Recorder. This Association does not contemplate the distribution of gains, profits or dividends to its Members. The specific primary purposes for which the Association is formed are to provide for the management, operation, administration, maintenance, repair, improvement, preservation and architectural control of the Common Area and other Association Maintained Property and the health, safety and welfare of all Owners and Residents within the Project shown on the Amended Final Plat for Latera Recorded in Book 1204 of Maps, page 22, in the Official Records of the Maricopa County, Arizona Recorder.

In furtherance of said purposes, this Association shall have the powers to:

- a. Perform all of the duties and obligations of the Association as set forth in the Declaration;
- b. Fix, levy, collect and enforce Assessments, late charges, monetary penalties, fines, and/or all other fees and charges as are set forth in the Declaration and as allowed by Applicable Laws;
- c. Pay all expenses and obligations incurred by the Association in the conduct of its business, including without limitation, all licenses, taxes or governmental charges levied or imposed against any property owned by the Association;
- d. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, further subject to the provisions of the Declaration;
- e. Grant easements over the Common Area to any public agency, authority or utility company, further subject to the provisions of the Declaration;
- f. Convey the Common Area or subject the same to a mortgage or other security interest, further subject to the provisions of the Declaration;
- g. Participate in mergers and consolidations with other nonprofit corporations organized for the same purpose;
- h. Have and exercise any and all powers, rights and privileges which a corporation organized under the Arizona Nonprofit Corporation Act (A.R.S. §10-3101 et seq.) by law may now or hereafter have or exercise.

7. Membership Voting Rights. This Association will have Members. The number and qualifications of Members of the Association, the property, voting and other rights and privileges of Members, their liability for Assessments and the method of collection thereof shall be as set forth in the Declaration and the Bylaws.

8. Board of Directors. The affairs of this Association shall be managed by a board of directors (with each member thereof referred to herein as a “**Director**”) consisting of not less than one (1) Director and not more than three (3) Directors at any time and shall always consist of an odd number of Directors after the Declarant Control Period expires or terminates. No Director serving on the Board after the Declarant Control Period expires or terminates shall be related by blood, adoption, or marriage to, or share ownership of or any interest in a Lot with, any other Director serving on the Board at that same time. The names and addresses of the initial Directors who shall serve until their successors are elected or appointed according to the Bylaws are as follows:

David D. Everson
2320 E. Baseline Rd., Ste. 148-605
Phoenix, Arizona 85042

Danielle Cook
2320 E. Baseline Rd., Ste. 148-605
Phoenix, Arizona 85042

9. Elimination of Director Liability; Indemnification. The personal liability of a director of the Association to the Association or its members for money damages for any action taken or any failure to take any action as a director is hereby eliminated to the fullest extent permitted by the Arizona Nonprofit Corporation Act, as it may be amended from time to time. Without limiting the foregoing, it is the intention of this paragraph to provide for the Directors the full benefits and immunities created by or available under the provisions of A.R.S. §§10-3202(B) and 10-3830(D), as the same may be expanded or modified in the future. To the fullest extent permitted by Applicable Laws, as the same may be expanded or modified in the future, the Association shall indemnify and advance expenses to any Person who incurs expenses or liabilities in any civil suit or criminal, administrative or investigative action, by reason of the fact that he was an officer, Director, or managing agent of the Association. The foregoing indemnification and advancement of expenses is mandatory in all circumstances that the indemnification and advancement of expenses to a Director or officer of a non-profit corporation are permitted by Applicable Laws. This Section 9 may only be amended by the vote or written assent of the Owners representing at least eleven of the Lots in the Project. Any repeal or modification of this Section 9 shall be prospective only and shall not adversely affect the personal liability of a director or prior director for any act or omission occurring prior to the effective date of such repeal or modification.

10. Dissolution. The Association may be dissolved with the assent given in writing and signed by Members representing not less than eighty percent (80%) of the authorized votes of the Lot Owners other than Declarant and with the consent of Declarant during the Declarant Control Period. Upon the dissolution, liquidation or winding up of the Association (other than incident to a merger or consolidation), the Association shall pay or adequately provide for the debts and obligations of the Association and otherwise comply with the Arizona Nonprofit Corporation Act, including, without limitation, §10-11405 thereof. Upon such dissolution, liquidation or winding up, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that 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, or if such action, is not feasible, then any assets remaining after providing for the debts and obligations of the Association, shall be distributed to the Members in accordance with their respective share of the Common Expenses.

11. Assessments and Fees. Each Member shall be obligated to pay Assessments and other fees and charges to the Association in accordance with the Community Documents.

power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause or provision or be inconsistent with the provisions of the Declaration.

13. Incorporator. The name and address of the incorporator of the Association are:

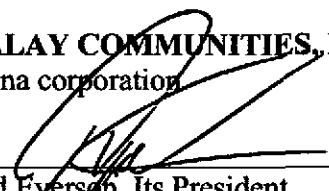
Mandalay Communities, Inc.
2320 E. Baseline Rd., Ste. 148-605
Phoenix, Arizona 85042.

14. Definitions. All initially capitalized terms used herein without definition shall have the meanings set forth for such terms in the Declaration. The term "**Applicable Laws,**" as used herein, means the Arizona Planned Communities statutes, A.R.S. §§33-1801 et seq. and all other laws, statutes, ordinances, rules and regulations of all federal, state, county, city and other governmental agencies having jurisdiction over the Project."

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation as the Incorporator this 13th day of May, 2016.

INCORPORATOR:

MANDALAY COMMUNITIES, INC.,
an Arizona corporation

By  _____
David Everson, Its President

STATUTORY AGENT ACCEPTANCE

Please read Instructions M002i

1. **ENTITY NAME** – give the **exact** name in Arizona of the corporation or LLC that has appointed the Statutory Agent (this must match exactly the name as listed on the document appointing the statutory agent, e.g., Articles of Organization or Article of Incorporation):

Latera Homeowners Association

2. **STATUTORY AGENT NAME** – give the exact name of the Statutory Agent appointed by the entity listed in number 1 above (this will be *either* an individual or an entity). **NOTE** – the name must match **exactly** the statutory agent name as listed in the document that appoints the statutory agent (e.g. Articles of Incorporation or Articles of Organization), including any middle initial or suffix:

Danielle Cook

3. STATUTORY AGENT SIGNATURE:

By the signature appearing below, the individual or entity named in number 2 above accepts the appointment as statutory agent for the entity named in number 1 above, and acknowledges that the appointment is effective until the appointing entity replaces the statutory agent or the statutory agent resigns, whichever occurs first.

The person signing below declares and certifies *under penalty of perjury* that the information contained within this document together with any attachments is true and correct, and is submitted in compliance with Arizona law.



Danielle Cook

05/13/2016

Signature

Printed Name

Date

REQUIRED – check only one:

☒ **Individual as statutory agent:** I am signing on behalf of myself as the individual (natural person) named as statutory agent.

☐ **Entity as statutory agent:** I am signing on behalf of the entity named as statutory agent, and I am authorized to act for that entity.

Filing Fee: none (regular processing)
Expedited processing – not applicable.
All fees are nonrefundable – see Instructions.

Mail: Arizona Corporation Commission – Corporate Filings Section
1300 W. Washington St., Phoenix, Arizona 85007
Fax: 602-542-4100

Please be advised that A.C.C. forms reflect only the **minimum** provisions required by statute. You should seek private legal counsel for those matters that may pertain to the individual needs of your business.

All documents filed with the Arizona Corporation Commission are public record and are open for public inspection.

If you have questions after reading the Instructions, please call 602-542-3026 or (within Arizona only) 800-345-5819.

CERTIFICATE OF DISCLOSURE*Read the Instructions C003i***1. ENTITY NAME** – give the exact name of the corporation in Arizona:

Latera Homeowners Association

2. A.C.C. FILE NUMBER (if already incorporated or registered in AZ):Find the A.C.C. file number on the upper corner of filed documents OR on our website at: <http://www.azcc.gov/Divisions/Corporations>**3. Check only one of the following to indicate the type of Certificate:**

- ☒ Initial (accompanies formation or registration documents)
- ☐ Annual (credit unions and loan companies only)
- ☐ Supplemental to COD filed _____ (supplements a previously-filed Certificate of Disclosure)

4. FELONY/JUDGMENT 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 per cent of any other proprietary, beneficial or membership interest in the corporation been:

4.1	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?	☐ Yes	☒ No
4.2	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?	☐ Yes	☒ No
4.3	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, involving any of the following: a. The violation of fraud or registration provisions of the securities laws of that jurisdiction; b. The violation of the consumer fraud laws of that jurisdiction; c. The violation of the antitrust or restraint of trade laws of that jurisdiction?	☐ Yes	☒ No
4.4	If any of the answers to numbers 4.1, 4.2, or 4.3 are YES , you MUST complete and attach a Certificate of Disclosure Felony/Judgment Attachment form C004.		

5. BANKRUPTCY QUESTION:

5.1 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?

☐ Yes☒ No

5.2 If the answer to number 5.1 is **YES**, you **MUST** complete and attach a Certificate of Disclosure Bankruptcy Attachment form C005.

IMPORTANT: If within 60 days of the delivery of this Certificate to the A.C.C. any person not included in this Certificate becomes an officer, director, trustee or person controlling or holding over ten per cent of the issued and outstanding shares or ten per cent of any other proprietary, beneficial or membership interest in the corporation, the corporation must submit a **SUPPLEMENTAL** Certificate providing information about that person, signed by all incorporators or by a duly elected and authorized officer.

SIGNATURE REQUIREMENTS:

Initial Certificate of Disclosure:	This Certificate must be signed by all incorporators. If more space is needed, complete and attach an Incorporator Attachment form C084.
Foreign corporations:	This Certificate may be signed by a duly authorized officer or by the Chairman of the Board of Directors.
Credit Unions and Loan Companies:	This Certificate must be signed by any 2 officers or directors.

Mandalay Communities, Inc.

Name

2320 E. Baseline Rd., Ste. 148-605

Address 1

Address 2

Phoenix

AZ

City
Country

UNITED STATES

State

Zip

SIGNATURE - see Instructions C003i:

By typing or entering my name and checking the box marked "I accept" below, I acknowledge *under penalty of perjury* that this document together with any attachments is submitted in compliance with Arizona law.

☒ I ACCEPT

Signature

David Everson

05/13/2016

Printed Name

Date

REQUIRED - check only one:

- ☒ **Incorporator** - I am an incorporator of the corporation submitting this Certificate.
- ☒ **Officer** - I am an officer of the corporation submitting this Certificate.
- ☐ **Chairman of the Board of Directors** - I am the Chairman of the Board of Directors of the corporation submitting this Certificate.
- ☐ **Director** - I am a Director of the credit union or loan company submitting this Certificate.

Name

Address 1

Address 2

City
Country

State

Zip

SIGNATURE - see Instructions C003i:

By typing or entering my name and checking the box marked "I accept" below, I acknowledge *under penalty of perjury* that this document together with any attachments is submitted in compliance with Arizona law.

☐ I ACCEPT

Signature

Printed Name

Date

REQUIRED - check only one:

- ☐ **Incorporator** - I am an incorporator of the corporation submitting this Certificate.
- ☐ **Officer** - I am an officer of the corporation submitting this Certificate.
- ☐ **Chairman of the Board of Directors** - I am the Chairman of the Board of Directors of the corporation submitting this Certificate.
- ☐ **Director** - I am a Director of the credit union or loan company submitting this Certificate.

Filing Fee: None

All fees are nonrefundable - see Instructions.

Mail: Arizona Corporation Commission - Corporate Filings Section
1300 W. Washington St., Phoenix, Arizona 85007
Fax: 602-542-4100

Please be advised that A.C.C. forms reflect only the minimum provisions required by statute. You should seek private legal counsel for those matters that may pertain to the individual needs of your business.

All documents filed with the Arizona Corporation Commission are public record and are open for public inspection.

If you have questions after reading the Instructions, please call 602-542-3025 or (within Arizona only) 800-345-5819.