

ARTICLES OF INCORPORATION

A. R. S. FORM 10-1001
FOR THE STATE OF AZ.
FILED

OF

OCT 19 4 47 PM '88

MILLSITE VILLAGE PROPERTY OWNERS ASSOCIATION

DATE 10-14-88
TIME 4:47 PM
DATE 10-14-88

KNOW ALL MEN BY THESE PRESENTS;

209172/

That we, the undersigned, have this day associated ourselves together for the purpose of forming a nonprofit corporation under and pursuant to the laws of the State of Arizona, and for that purpose hereby adopt the following Articles of Incorporation:

ARTICLE I

Name

Name. The name of the corporation is: MILLSITE VILLAGE PROPERTY OWNERS ASSOCIATION. OK

ARTICLE II

Incorporators

The incorporators are: James Watt Perry, Jean H. Perry and John Erickson, P.O. Box 1784 Prescott, Arizona 86302.

ARTICLE III

Business and Powers

A. This corporation is organized for any and all lawful purposes not specifically prohibited to nonprofit corporations under the laws of the State of Arizona and to conduct any and all lawful business. It shall have and exercise all powers necessary or convenient to effect its purposes, including those set forth in A.R.S. Section 10-1001 et seq. and the corporation's Bylaws.

B. The corporation shall initially engage in the business of a property owners association, including but not limited to managing the Common Areas and enforcing the Declaration of Covenants, Conditions and Restrictions of Millsite Village recorded on 10-14-88, at Yavapai County Recorder's No. 2088 pg219-235 (the "Declaration"), and any amendments thereto. The Declaration and the definitions therein are expressly incorporated herein by this reference.

ARTICLE IV

Duration

The corporation shall be perpetual unless terminated in accordance with law.

ARTICLE V

Membership

The corporation does not contemplate pecuniary gain or profit to its members and no shares of stock will be issued. Membership in the corporation, except for membership of the incorporators, the Declarant and the first Board of Directors, is limited to owners of Units in Millsite Village.

The association shall have two classes of voting membership as follows:

Class A. Class A members shall be all Owners, excluding the Declarant, and they shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. In the event more than one vote is cast with respect to any one Lot, all such Votes shall be disregarded.

Class B. Class B members shall be the Declarant and it shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership upon the first to occur of the following:

- (a) When the Class A votes equal the Class B votes, or
- (b) December 31, 1993.

ARTICLE VI

Statutory Agent

The name and address of the initial Statutory Agent of the corporation is: John A. Frickson 13174 N 82nd Dr.
Peoria, Arizona 85345.

ARTICLE VII

Indemnification

The corporation shall indemnify any person who incurs any loss, cost or expense by reason of the fact such person is or

was an officer, director, employee or agent of the corporation, and, except as may be otherwise provided by the Bylaws, such indemnification for an officer or director shall be mandatory in all circumstances in which indemnification is permitted by law.

ARTICLE VIII

Board of Directors

The initial Board of Directors shall consist of three Directors. The persons who are to serve as Directors until the first annual meeting of the members, or until their successors are elected and have qualified, are: James Watt Perry, Jean H. Perry and John Erickson, P.O. Box 1784 Prescott, Arizona 86302. The Board of Directors shall consist of not fewer than three (3) nor more than nine (9) persons, as established in the association's Bylaws from time to time.

ARTICLE IX

Dissolution

The corporation may be dissolved with the assent given in writing and signed by not less than eighty percent (80%) of each class of members. Upon dissolution of the corporation, other than incident to a merger or consolidation, the assets of the corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X

Amendments

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

ARTICLE XI

FHA/VA Approval

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

IN WITNESS WHEREOF the undersigned have hereunto set
their hands this 18 day of October, 1988.

James Watt Perry
James Watt Perry

Jean H. Perry
Jean H. Perry

John Erickson
John Erickson

ARIZONA CORPORATION COMMISSION
INCORPORATING DIVISION

Phoenix Address: 1200 West Washington
Phoenix, Arizona 85007

Tucson Address: 402 West Congress
Tucson, Arizona 85701

CERTIFICATE OF DISCLOSURE

A.R.S. Sections 10-128 & 10-1084

PLEASE SEE REVERSE SIDE

Millsite Village
Property Owners Association
EXACT CORPORATE NAME

CHECK APPROPRIATE BOX(ES) A or B

ANSWER "C"

THE UNDERSIGNED CERTIFY THAT:

A. No persons serving either by election or appointment as officers, directors, incorporators and persons controlling, or holding more than 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation:
1. Have 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. Have been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraining the trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate.
3. Have 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 where 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.

B. For any person or persons who have been or are subject to one or more of the statements in Items A.1 through A.3 above, the following information MUST be attached:

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

STATEMENT OF BANKRUPTCY, RECEIVERSHIP OR REVOCATION

A.R.S. Sections 10-128.01 and 10-1083

C. Has any person serving (a) either by election or appointment as an officer, director, trustee or incorporator of the corporation or, (b) major stockholder possessing or controlling any proprietary, beneficial or membership interest in the corporation, served in any such capacity or held such interest in any corporation which has been placed in bankruptcy or receivership or had its charter revoked? 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.
2. Full name, including alias and address of each person involved
3. State(s) in which the corporation:
(a) Was incorporated
(b) Has transacted business.
4. Dates of corporate operation.
5. A description of the bankruptcy, receivership or charter revocation, including the date, court or agency involved and the file or cause number of the case.

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.

State of ARIZONA ss
County of MARICOPA

Subscribed, sworn to and acknowledged before me this
18th DAY of OCTOBER, 1988.

NOTARY PUBLIC

My Commission Expires April 13, 1969

My Commission expires.

BY James L. Perry DATE 10-18-88
TITLE James Perry President

BY Jean L. Perry DATE 10-18-88
TITLE Jean Perry Vice President

BY John A. Erickson DATE 10-18-88
TITLE John A. Erickson, Secretary

FISCAL DATE: January 1 - December 31

4 1 5 0 4 1 - 0 6

October 18, 1988

Director- Incorporating Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, Az. 85007

re: Fiscal Date
Check
Certificate of Disclosure
Corporate Address
Address - return copy

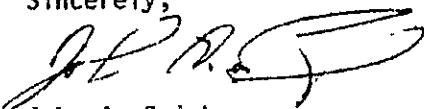
Sir or Madam,

Enclosed please find our Certificate of Disclosure, a check in the amount of \$30.00, and an original and two copies of our Articles of Incorporation.

Please be advised that we of Millsite Village Property Owners have selected December 31 to be our Fiscal Date. The corporate address shall be P.O. Box 1784 Prescott, Az. 86302

Please return copy to the attention of John A. Erickson.

Sincerely,



John A. Erickson
Secretary, Millsite Village P.O.