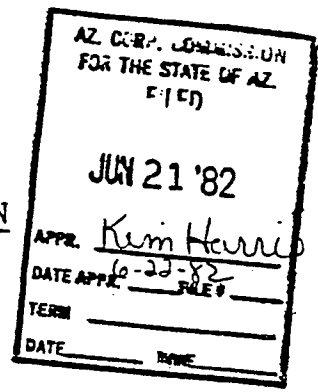


148053



ARTICLES OF INCORPORATION
OF
AHWATUKEE CUSTOM ESTATES MANAGEMENT ASSOCIATION

KNOW ALL MEN BY THESE PRESENTS:

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: AHWATUKEE CUSTOM ESTATES MANAGEMENT ASSOCIATION.

ARTICLE II

Incorporators

The incorporators are: Bruce W. Gillam, Lew Wilmot and Floyd Scott, 11218 Beaver Tail Drive, Phoenix, Arizona 85044.

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, to conduct any and all lawful business, and to have and exercise all powers necessary or convenient to carry out its purposes, including but not limited to the power to levy and collect assessments.

B. The corporation shall initially engage in the business of a homeowner's association, including but not limited

to reviewing and approving or disapproving building plans and specifications and enforcing the restrictive covenants.

ARTICLE IV

Duration

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

ARTICLE V

Membership

The association does not contemplate pecuniary gain or profit to its members and no shares of stock will be issued. Membership in the association, except for the incorporators and the initial Board of Directors, is limited to owners of lots in Ahwatukee Custom Estates.

AHWATUKEE CUSTOM ESTATES MANAGEMENT ASSOCIATION shall have two classes of voting membership:

Class A. Class A members shall be all owners, with the exception of Chicago Title Company, as Trustee (the "Declarant"), and shall be entitled to one 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 member(s) shall be the Declarant and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever first occurs:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) On March 1, 1985.

ARTICLE VI

Statutory Agent

The name and address of the initial Statutory Agent of the corporation is: J. G. Management Company, Inc., 5002 East Cheyenne Drive, Phoenix, Arizona 85044.

ARTICLE VII

Indemnification

The association 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 association, 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: Bruce W. Gillam, Lew Wilmot and Floyd Scott, 11218 Beaver Tail Drive, Phoenix, Arizona 85044. The Board of Directors shall have not less than three (3) nor more than nine (9) directors, as established in the association's Bylaws from time to time.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 25th day of May, 1982.



Bruce W. Gillam



Lew Wilmot



Floyd Scott