

FLORENCE GARDENS

MOBILE HOME ASSOCIATION

ARTICLES OF INCORPORATION
(AS AMENDED)

PRESIDENT

SECRETARY

February 14, 1997

DATE

**ARTICLES OF AMENDMENT TO ARTICLES OF INCORPORATION OF FLORENCE
GARDENS MOBILE HOME ASSOCIATION**

Pursuant to A.R.S. # 10-2362 through # 10-2363, Florence Gardens Mobile Home Association, an Arizona non-profit corporation, hereby adopts the following Articles of Amendment to its Amended Articles of incorporation of February, 1985, as follows:

ARTICLE I

The name of the non-profit corporation is: FLORENCE GARDENS MOBILE HOME ASSOCIATION.

ARTICLE II

(unchanged)

The names and Post Office addresses of the incorporators are:

JAMES H. HUGHES 5001 East Washington Phoenix, Arizona 85034

NORMAN B. CONKLE 3920 East Washington Phoenix, Arizona 85034

ARTICLE III

The corporation is organized exclusively and shall be operated exclusively as a non-profit homeowners association within the meaning of and in accordance with Section 528 of the Internal Revenue Code and within the purposes contemplated by Section 528 of the Internal Revenue Code, as amended, and as such, it is to be operated to provide for the acquisition, construction, management, maintenance and care of the Corporation's property and property placed under its jurisdiction and perform such duties as are imposed upon the corporation under the Bylaws and Declaration for Florence Gardens Mobile Home Association, as amended. In furtherance of and in order to accomplish the foregoing object and purpose, the Corporation may transact any and all lawful business for which non-profit corporation may be incorporated under the laws of the State of Arizona, as they may be amended from time to time.

ARTICLE IV

(unchanged)

The principal place of business of the Corporation shall be a Florence, Pinal County, Arizona, but the Corporation may establish other offices within and without the State of Arizona and hold its meetings at such places as the By-Laws may provide

ARTICLE V

GENERAL NATURE OF BUSINESS AND POWERS

The Corporation shall manage and maintain the Association known as Florence Gardens Mobile Home Association. The Corporation shall act as the "Association" as that term is defined in the Bylaws, and shall perform all duties of the Association as established in the Community Documents, and any amendments thereto, A.R.S. # 333-1801, et. sec ., and A.R.S. # 10-2301, et. seq.

The Corporation shall have the powers as set forth in the Community Documents, A.R.S. #33-1801, et. seq., and A.R.S. # 10-2301, et. seq.. To the extent of any conflict in the foregoing, the order of priority will be pursuant to the order set forth in this paragraph.

Without limiting the foregoing, and by way of illustration, the following is provided:

A. The character of the business which the Corporation intends to conduct in Arizona is to promote the common good and general welfare of the people of the community encompassed within the Association, which are the Owners of Lots within FLORENCE GARDENS UNIT A through F, and any other subdivision added/annexed thereto or which may be subsequently added/annexed, and includes 52 condominiums known as Casita Hermosa located in Tract B of Unit D of the Florence Gardens Development and as more fully identified in Book 16 of Maps, Page 2, and Book 18 of Maps, Page 37, Records of the Pinal County Recorder, Arizona.

B. To accept such property and improvements as may be conveyed to the Corporation and to maintain and otherwise manage landscaping, parking areas, walk areas, common areas, private roads, streets and recreational areas and facilities such as swimming pools, clubhouses, etc., upon such property. To pay all taxes and assessments, if any, which may properly be levied against such property or other property acquired by or owned by the Corporation. To repair, maintain, rehabilitate and restore the real property and any improvements located thereon. To impress liens against the individual Lots and their fractional or percentage ownership interest in the Corporation. To secure the payment of obligations due from the Owners thereof to the Corporation and to collect, foreclose or otherwise enforce, compromise, release, satisfy and discharge such demands, and to do all other acts necessary to the filing, maintenance and discharge of said liens. To take any action necessary to enforce the Community Documents by any remedy available at law or in equity. In addition thereto, to do any and all lawful things and acts which the Corporation, at any time, and from time to time, shall, in its discretion, deem to be in the best interests of the Members of the Corporation, and to pay all costs and expenses in connection therewith and in connection with any and all purposes of the Corporation, and further, to do any and all lawful things which may be advisable, proper, authorized or permitted to be done by the Corporation under and by virtue of the Community Documents or Arizona law, and to do and perform any and all acts which may be either necessary or incidental to the exercise of any of the foregoing powers, or for the peace, help, comfort, safety or general welfare of the Members of the Corporation, and further, to do any and all things and exercise all rights and powers permitted to non-profit corporations under the laws of the State of Arizona, as amended from time to time, including the power to mortgage or encumber any property owned by it.

C. To enter into, perform, and carry out contracts of any kind necessary to, or in connection with, or incidental to, the accomplishment of the purposes of the Corporation. To make contracts of all kinds and descriptions with third parties, firms and corporations. To make contracts with any of the Officers, Directors, Members of the Corporation or employees of the Corporation, individually or otherwise and without limitation, restriction or prejudice, and to the extent permissible under Arizona law, which contracts shall be considered and construed on the same basis as contracts with third persons, all in furtherance of the organization, management, operation, object or purpose of the Corporation.

D. To borrow and loan money, and give, take and hold security and collateral. To execute, and make an issue and take and receive bonds, notes, debentures, mortgages, pledges and other

evidence of indebtedness and security of any and all kind whatsoever, in the furtherance of any or all of the objects of the Corporation's business.

E. To approve any and all changes or alterations in the exterior of the mobile homes, buildings or improvements situated on Lots located within the Properties, and any and all changes in landscape design on any Lot, the erection of any and all new structures of any character, including residences, swimming pools or their appurtenances. To make repairs and to maintain improvements on Lots on behalf of the Owners thereof, where such improvements are not properly maintained by the Owner. To make codes, rules and regulations for the health, safety and welfare of the Lot Owners and residents and to enforce such codes, rules and regulations.

F. To levy assessments and enforce payment thereof against the Owners of each Lot within the Association to cover expenses incurred by the Corporation in maintaining, landscaping, protecting, operating, and improving any of the Property of the Association or any improvements located on any of the Lots in the Association, or any other expenses incurred by the Corporation.

G. To do and perform any and all acts and things and to transact any business, not inconsistent with the law, which may be necessary, incidental to or convenient in carrying out any of the business or purposes of the Corporation.

ARTICLE VI

DURATION

The time of commencement of this Corporation shall be the date upon which the Arizona Corporation Commission issued its Certificate of Incorporation and the life of the Corporation shall be perpetual, with the privilege of termination as provided by law.

ARTICLE VII

MEMBERSHIP

Section 1: The Members of the Corporation shall be those persons or entities entitled to membership pursuant to the Declaration or Bylaws. Voting rights of Members are as set forth in the Declaration or Bylaws. By way of clarification only, and to the extent not inconsistent with Declaration or Bylaws, every person or entity who is a record Owner of a Lot which is required to pay assessments or other amounts to the Corporation and which is subject to the Declaration, shall be a Member of the Association. The foregoing is not intended to include any person or entity who holds an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

Section 2: The association shall be a not-stock Corporation and no dividends or pecuniary profits shall be paid to its Members. Membership in the Corporation shall be limited to record Owners of Lots. An Owner of a Lot shall automatically upon becoming and Owner of the Lot be a Member of the Corporation and shall remain a Member of the Corporation until such time as his/her ownership ceases for any reason, at which time his/her membership in the Corporation shall automatically cease. In the event any Lot is owned by two or more persons, said Owners shall designate to the Corporation, in writing, one of the Owners who shall have the power to vote at any and all meetings of the members and, in the absence of such designation, and until such designation is made, it will be presumed that the Owner voting is authorized to do so by the remaining Owners of the Lot.

ARTICLE VIII

BOARD OF DIRECTORS

Section 1: (unchanged) The control and management of the business and affairs of this Corporation shall be vested in a Board of Directors. During the period between the date of incorporating of this Corporation and the first meeting of the members of the Corporation or until their successors are elected, the following individuals who were selected at a meeting held in Florence, Arizona, on April 15, 1971, shall serve as Directors of the Corporation: JAMES H. HUGHES, NORMAN B. CONKLE, J.F. O'BETKA.

Section 2: The Board of Directors shall be composed of not less than seven (7) members. The exact number to be determined from time to time by the Board of Directors, who shall be elected as set forth in the Bylaws of this Corporation. All Members of the Board shall be Owners of Lots. Each Director shall have one vote with respect to any matter to be determined by the Board. The President may vote only to break a tie, create a tie, on any ballot vote, or on any other matter for which a Member of the Corporation is entitled to vote.

Section 3: (unchanged) The Board of Directors shall elect a President, one or more Vice Presidents, a Secretary, and a Treasurer, and such other officers and agents as may, from time to time, be chosen by the Board of Directors. The Board may create the office of Assistant Secretary or Assistant Treasurer who need not be members of the Board. The President, Vice President(s), Secretary, and Treasurer shall be members of the Board of Directors. The time and method of electing said officers and the length of their term shall be fixed in the By-Laws. The Board of Directors may appoint an Executive Committee composed of three members of the Board to determine such matter as may be authorized by the Board and to function until a Board meeting may be held. Any vacancies on the board of Directors or in any office, may be filled by appointment by a majority vote of the remaining Directors and the person so chosen to fill such vacancy shall serve during the unexpired term of his predecessor and until his successor is duly elected and qualified.

ARTICLE IX

(unchanged)

The Board of Directors shall have the responsibility to constantly evaluate the applicability of existing By-Laws and to recommend any amendments or additions for approval of the members of the Association at an annual or special meeting. The By-Laws shall prescribe, among other things, the date of the annual meeting, the method of electing officers, and liability of the members for dues or assessments, and such other regulations, codes and rules as may be required, provided the same are not contrary to law or inconsistent with the objectives or purposes of the Corporation.

ARTICLE X

AMENDMENT

The Amended and Restated Articles of Incorporation may be further amended by the membership at any Regular or special Meeting of the Members by a majority vote of a quorum of the Members present at any such meeting, in person or by proxy. Unless otherwise indicated in the Community Documents, a quorum for any meeting of the Corporation shall consist of not less than twenty-five (25%) percent of those Members of the Association entitled to vote, in person or by proxy, unless Arizona statutes provide for a lesser quorum requirement.

ARTICLE XI

(unchanged)

Any capital expenditure, indebtedness, or liability exceeding the sum of Twenty-five Thousand Dollars (\$25,000.00) must be authorized by an affirmative vote of the majority of the votes cast by the members of the Association at an annual or special meeting.

ARTICLE XII

INDEMNIFICATION

The Corporation shall indemnify any person against expenses, including without limitation, attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by reason of the fact that he or she is or was a Director, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employer or agent of another corporation, partnership, joint venture, trust or other enterprise, in all circumstances in which, and to the extent that, such indemnification is specifically permitted and to the fullest extent provided for by the laws of the State of Arizona as then in effect. Whenever any current or former Director, Officer, employee or agent of the Corporation shall report to the President or the Board of Directors that he/she has incurred or may incur expenses, regardless of whether legal action has been filed, on account of any action or omission alleged to have been committed by him/her while acting within the scope of his/her capacity as a Director, Officer, employee or agent of the Corporation, the Board shall, at its next Regular or at a Special Meeting held within a reasonable time thereafter, determine whether, in regard to the matter involved in the action or contemplated action, such person acted, failed to act or refused to act willfully or with gross negligence or with fraudulent or criminal intent with regard to the matter involved in the action or contemplated action and, if so, the Corporation shall have the right to refuse indemnification.

The members, officers, directors, employees, and agents of the Corporation, shall not be individual or personally liable for the Corporation's debts or other liabilities, and the private property of such individuals shall be exempt from any Corporation debts or liabilities.

ARTICLE XIII

This Corporation does hereby appoint DAVID ALEXANDER of Mesa, Arizona, who has been a bona fide resident of the state of Arizona for at least three (3) years, its lawful agent in and for the State of Arizona for and on behalf of said Corporation, to accept and acknowledge service of,

and upon whom may be served all necessary process and processes in any action, suit or proceeding that may be had or brought against said Corporation, in any or the courts in said State of Arizona, such service of process or notice, or the acceptance thereof, by said agent endorsed thereon to have the same force and effect as if served upon the President and Secretary of said Corporation. (Statutory Agents are designated on the Annual Reports and Certificates of Disclosure.)

ARTICLE XIV

FISCAL YEAR

The fiscal year of the Corporation shall be the calendar year and begin on the first day of January of every year. The commencement date of the fiscal year herein established shall be subject to change by the Board should corporate practice subsequently dictate.

ARTICLE XV

DISSOLUTION

The Association may be dissolved only by the affirmative vote of two-thirds (2/3) of all the Members of the Corporation, voting in person or by proxy at a meeting duly held for such purpose. Upon dissolution of the Corporation, the assets of the Corporation shall be distributed and/or dedicated as dictated by two-thirds (2/3) of all the Members voting at said meeting, in person or by proxy and, in the absence of any such instructions, the assets shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Corporation was created.

ARTICLE XVI

DEFINITIONS

The terms used herein shall have the same meaning given in the Third Amended and Restated Bylaws of Florence Gardens Mobile Home Association.

ARTICLE XVII

CERTIFICATION

Pursuant to Article X of the Amended Articles of Incorporation, these Articles of Amendment to the Articles of Incorporation of Florence Gardens Mobile Home Association were adopted by the affirmative vote of a majority of the number of Members present in person or by proxy at a Regular or Special meeting of the Members, wherein appropriate advance written notice was provided of the proposed Articles of Amendment and at which a quorum was established.

IN WITNESS WHEREOF the President and the Secretary of the Corporation, acting for and on behalf of the Corporation, have hereunto set their hands this 14th day of February, 1997.

(Signed by Charles J. Greco, President and Margaret Ridenour, Secretary.)

(Witnessed by Marlene Johnson, Notary Public)