

ARTICLES OF INCORPORATION

OF

NORTHFORK RANCH PROPERTY OWNERS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned persons whose residences are set forth hereinbelow, do hereby adopt these Articles of Incorporation of and for Northfork Ranch Property Owners Association, Inc., a non-profit corporation.

ARTICLE I

The name of this corporation is Northfork Ranch Property Owners Association, Inc.

ARTICLE II

The period of duration of the corporation shall be perpetual.

ARTICLE III

The purpose for which this corporation is organized is the transaction of any and all lawful business for which corporations may be incorporated under the laws of the State of Arizona as they may be amended from time to time, and specifically, but not in limitation thereof, for those purposes as set forth in the Articles of Association and Declaration of Restrictions of Northfork Ranch, as recorded in Docket 455, at pages 147-153, Apache County, Arizona Recorder's office, together with any amendments thereto, and do all other things necessary, appropriate, or convenient in furtherance of its operation as an owners association, and in accordance with these Articles, the Bylaws, and any adopted rules and regulations.

ARTICLE IV

The corporation initially intends to conduct the business of an owners association.

ARTICLE V

The name and address of the initial statutory agent of the corporation shall be Patrick J. Kelly, 301 East Virginia, Suite #3500, Phoenix, AZ 85004.

ARTICLE VI

The number of Directors constituting the initial Board of Directors is 3 and their names and addresses are set forth below; said initial Directors shall serve as Directors until the first annual election of Directors or until their successors are elected and qualified. Excepting for the initial Board of Directors, the affairs of the corporation shall be managed by a Board of not less than 3 or more than 5 Directors as set by the Bylaws.

R. Austin Daily
2902 Briar Creek Court
Bryan, TX 77802

Ann P. Daily
2902 Briar Creek Court
Bryan, TX 77802

Patrick J. Kelly
301 East Virginia
Phoenix, AZ 85004

ARTICLE VII

The names and addresses of the initial incorporators are those as set forth in Article VI above, being also the initial directors.

ARTICLE VIII

Membership in this corporation shall be limited solely to those individuals owning or purchasing under contract, one or more parcels within Northfork Ranch. The corporation may issue one certificate evidencing membership to such owner or owners of record or contract purchasers of each parcel within the above-described property. In the event any parcel within the above-described property is owned or is being purchased by two or more persons, a single certificate shall be issued in the names of the multiple owners, who shall all be members. Each certificate shall have the rights, privileges, limitations, prohibitions, restrictions, and other attributes and shall be issued on such terms and at such times as provided by the Amendment to Articles of Association and Declaration of Restrictions, Bylaws and Rules and Regulation of this corporation. Failure to issue the certificate shall not abridge the provisions of this Article.

The corporation shall have two classes of voting, each lot owner shall be entitled to one vote for each lot owned, except Declarant (as defined in the Declaration of Restrictions), who shall be entitled to 4 votes for each lot owned. When there is more than one owner of a lot, all such persons shall be members, but the vote for such lot shall be exercised as they among themselves unanimously determine. In the event of non-agreement among the owners, the vote for the lot shall not be accepted. Unless otherwise provided for herein, all action shall be by a majority vote.

ARTICLE IX

These Articles of Incorporation may be amended by the vote or written assent of members representing sixty-six and two-thirds percent (66 2/3%) of the total voting power of the Association, provided, however, that as to particular matters as set forth in the Articles of Association and Declaration of Restrictions of Northfork Ranch, the percentage of the voting 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.

ARTICLE X

The liability of Directors for their acts is limited as set forth in the Bylaws. However, the Bylaws shall not be inconsistent with the provisions prescribed by law.

IN WITNESS WHEREOF, we have hereunto set our hands on the 2nd day of August, 1994.

R. Austin Daul
Incorporator

A. C. Daul
Incorporator