

MU 1326585
FILED
DEC 17 1987
By Sharon K. Hastings
Deputy

ARTICLES OF INCORPORATION

OF

FAIRWAY OAKS AT STALLION SPRINGS HOMEOWNERS' ASSOCIATION

ARTICLE I

NAME

The name of the corporation is FAIRWAY OAKS AT STALLION SPRINGS HOMEOWNERS' ASSOCIATION (hereinafter referred to as the "Association").

ARTICLE II

AGENT

The name and address of the Association's initial agent for service of process is:

JARED R. B. HUTTON, ATTORNEY
2800 28th Street, 2nd Floor
Santa Monica, California 90405

ARTICLE III

PURPOSES AND POWERS

This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

This corporation does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for management, administration, maintenance, preservation, construction, reconstruction and repair of the Common area and residential units and other improvements thereon within that certain Planned Unit Development Project described as Fairway Oaks, Tract 4660, Kern County, California, and to promote the healthy safety and welfare of the residents within the Project, and for these purposes, to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the County Recorder of Kern County, California, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) 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;

(d) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been

signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the members other than the Declarant (as defined in the Declaration);

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Mutual Benefit Corporation Law of the State of California by law may now or hereafter have or exercise; Notwithstanding any of the above statements of purposes and powers, nothing contained herein shall be construed to authorize this corporation to carry on any activity for the profit of its members, and this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation.

ARTICLE IV

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold 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.

ARTICLE V

VOTING RIGHTS

The Association shall have two classes of voting membership:

CLASS A: Class A members shall be all Owners with the exception of the Declarant under the aforesaid Declaration, 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 its Owners collectively determine, but in no event shall more than one vote be cast with respect to any Lot.

CLASS B: The Class B member shall be the Declarant (as defined in the Declaration), 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 any of the following events, whichever occurs earlier:

(a) At such times as the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;

(b) Not later than the second (2nd) anniversary of the original issuance of the most recently issued subdivision public report for a phase of Fairway Oaks.

(c) Not later than the fourth (4th) Anniversary of the original issuance of the final subdivision, public report for the first phase of Fairway Oaks.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of three (3) Directors, who need not be members of the Associa-

tion. The number of directors may be changed by amendment of the Articles of the Association.

At the first annual meeting the members shall elect three (3) directors for a term of one (1) year; and at each annual meeting thereafter the; members shall elect three (3) directors for a term of one (1) year.

ARTICLE VII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, 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 and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE VIII

DURATION

The corporation shall exist perpetually.


ARTICLE IX

AMENDMENTS

Amendment of these Articles shall require the vote or written assent of seventy-five percent (75%) of each class of Members and of at least a majority of the Board of Directors. At such time as the Class B membership has converted to Class A membership, amendment of these Articles shall require the vote

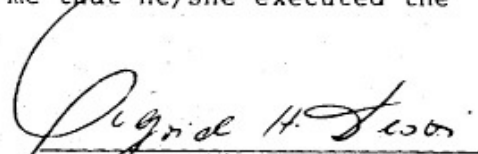
or written assent of seventy-five percent (75%) of the total voting power of the Association, and seventy-five percent (75%) of the votes of members other than the Declarant (as defined in the Declaration), and of at least a majority of the Board of Directors.

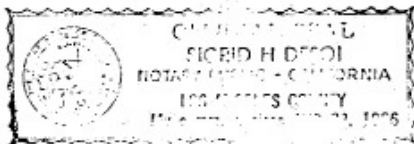
IN WITNESS WHEREOF, the sole incorporator of this corporation has hereunto set his/her name at Los Angeles, California.


SHARON L. TAMIYA, Incorporator

State of California)
County of Los Angeles) ss.

On November 30, _____, 1984, before me, the undersigned, a Notary Public in and for said County and State, personally appeared SHARON L. TAMIYA known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the foregoing Articles of Incorporation, and acknowledged to me that he/she executed the same.


Notary Public



STATE OF CALIFORNIA



OFFICE OF THE SECRETARY OF STATE

I, *EDMUND G. BROWN JR.*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the RECORD on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute
this certificate and affix the Great
Seal of the State of California this

SEP 1 1972



Edmund G. Brown Jr.
Secretary of State