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ENDORSED  
FILED

In the Office of the Secretary of State  
State of California

SEP 27 1984

MARCH 1984: EOL Secretary of State  
Carmelo M. Guy  
Deputy

ARTICLES OF INCORPORATION

OF

CANOGA COUNTRYHILLS HOMEOWNERS' ASSOCIATION

ARTICLE I

NAME

The name of this corporation is CANOGA COUNTRYHILLS HOMEOWNERS' ASSOCIATION (hereinafter referred to as the "Association").

ARTICLE II

NONPROFIT MUTUAL BENEFIT CORPORATION

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.

ARTICLE III

SPECIFIC PURPOSES OF THE ASSOCIATION

The specific purpose for which this Association is formed is to provide for the maintenance, the preservation and architectural control of the real property within the standard subdivision project commonly known as Countryhills (hereinafter referred to as the "Project"), located within that certain real property described as follows:

- A. Lots 1 to 60, inclusive, of Tract No. 37198 in the City and County of Los Angeles, State of California, as per Map recorded on June 9, 1981, in Book 782, Pages 74 to 80, inclusive, of Maps, in the Office of the County Recorder of said County; and
- B. Such other real property as may be annexed into the Project through the procedure set forth in the Declaration, hereinafter more particularly described.

ARTICLE IV  
SERVICE OF PROCESS

The name and address in the State of California of this Association's initial agent for service of process is: Robert O. Smylie, Esq., Law Offices of Smylie & Selman, 1875 Century Park East, Suite 1610, Los Angeles, California 90067.

ARTICLE V  
PRINCIPAL OFFICE

The principal office for the transaction of business of the Association is located in the County of Los Angeles, State of California.

ARTICLE VI  
DIRECTORS

The number of directors of the Association shall be five (5).

ARTICLE VII  
DECLARATION OF ESTABLISHMENT OF CONDITIONS,  
COVENANTS AND RESTRICTIONS

The Association shall be bound by the terms and conditions of the Declaration of Establishment of Conditions, Covenants and Restrictions for Countryhills recorded in the Office of the Los Angeles County Recorder, and any amendments thereto.

ARTICLE VIII  
LIABILITY

No directors, officers, or members of the Association shall be personally liable for the debts, liabilities or obligations of the Association.

ARTICLE IX  
MISCELLANEOUS

The authorized number, if any, and qualifications of members of the Association, the different classes of membership, if any, the property, voting and other rights and privileges of membership, their liability to pay dues and assessments and the method of collection thereof, shall be set forth in the Bylaws of the Association, which incorporate by reference thereto said Declaration and any amendments thereto.

ARTICLE X  
AMENDMENT

So long as the two-class voting structure provided for in the Bylaws shall remain in effect, these Articles may be amended only by the vote or written assent of fifty-one percent (51%) of the voting power of each class of members. At such time as the Class B membership shall cease and be converted to Class A membership as set forth in the Bylaws, amendments to these Articles shall be enacted by requiring the vote or written assent of:

- (1) Two-thirds (2/3) of the members of the Association; and
- (2) Fifty-one percent (51%) of the votes of members of the Association other than Declarant.

In either event, any and all amendments to the Articles of Incorporation shall require the approval of a majority of the Board of Directors.

Notwithstanding the foregoing, the percentage of a quorum of the members or the members other than the Declarant necessary to amend a specific provision in these Articles shall not be less than the prescribed percentage of affirmative votes required for action to be taken under said provision.



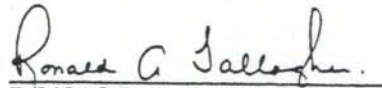
## ARTICLE XI

### ASSOCIATION QUALIFICATION

This Association is intended to qualify as a Homeowners' Association under the applicable provisions of the Internal Revenue Code, and of the Revenue and Taxation Code of California. Notwithstanding any of the above statements of purposes and powers, this Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purpose of this Association. Furthermore, this Association is one which does not contemplate pecuniary gain or profit to the members thereof, and is organized solely for nonprofit purposes. In no event shall the net earnings, income or assets of this Association be distributed to, or inure to the benefit of, any member, director or officer of this Association or other private individual, either directly or indirectly, except upon winding up and dissolution. Upon winding up and dissolution of this Association, after paying or adequately providing for the debts and obligations of the Association, the remaining assets may be distributed to the members as provided in the Bylaws. Notwithstanding the foregoing, without the approval of one hundred percent (100%) of the members, so long as there is any Common Area for which this Association is obligated to provide management, maintenance, preservation or control:

- (a) The Association, or any person or entity acting on its behalf, shall not:
  - (1) Transfer all or substantially all of its assets; or
  - (2) File a Certificate of Dissolution; and
- (b) No court shall enter an order declaring the Association duly wound up and dissolved.

IN WITNESS WHEREOF, for the purposes of forming the Association under the laws of the State of California, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 24th day of September, 1984.

  
RONALD A. GALLAGHER

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

  
RONALD A. GALLAGHER