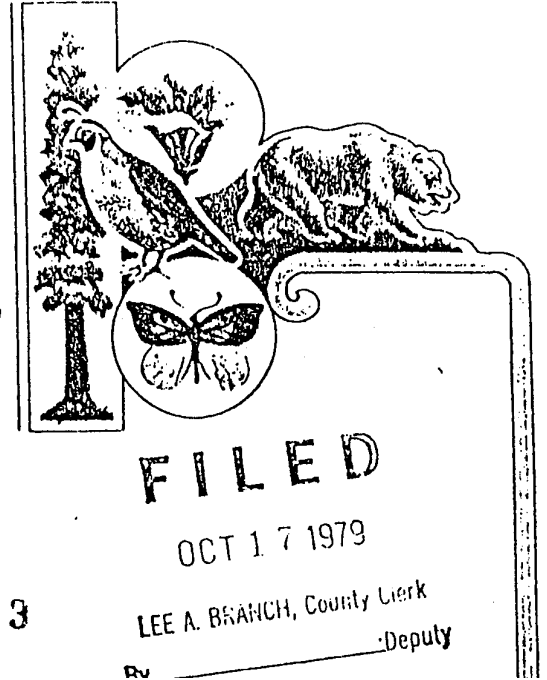


State of California

OFFICE OF THE SECRETARY OF STATE



I 45923

I, MARCH FONG EU, 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

OCT 12 1979



March Fong Eu

Secretary of State

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION

ENDORSED
FILED
In the office of the Secretary of State
of the State of California

OCT 15 1981

MARCH FONG EU, Secretary of State
By JAMES E. HARRIS
Deputy

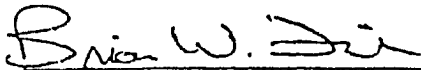
WE, Brian Fink and Chuck Allan, certify:

1. That we are the President and Secretary of Canyon Creek Homeowners Association, a California corporation.
2. The Articles authorize the Directors to amend said Articles upon the vote or written consent of members representing seventy-five (75%) percent or more of the voting power of the Association; heretofore, by seventy-five (75%) percent vote and/or written consent, the Directors have adopted the following amendment:

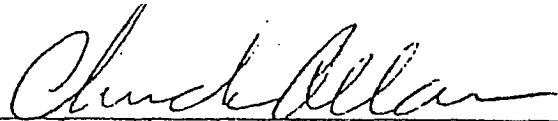
RESOLVED: That Subparagraph (f) be added to Article IV of the Articles of Incorporation to read as follows:

(f) Notwithstanding any of the above statements of purposes and powers, this corporation 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 corporation.

3. The foregoing amendment has been approved by the required vote of the membership.



Brian Fink
President




Chuck Allan
Secretary

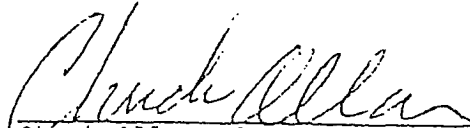
VERIFICATION

The undersigned declares, under penalty of perjury, that the matters set forth in the foregoing Articles are true and correct.

Executed at 16092 Hale Avenue Irvine CA 92714
on the 7 day of October, 1981.



Brian Fink, President



Chuck Allen, Secretary

ARTICLES OF INCORPORATION
OF
CANYON CREEK HOMEOWNERS ASSOCIATION

ARTICLE I

NAME OF CORPORATION

The name of the corporation (hereinafter referred to as the "Association") is CANYON CREEK HOMEOWNERS ASSOCIATION.

ARTICLE II

PRINCIPAL OFFICE

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

ARTICLE III

GENERAL NONPROFIT CORPORATION LAW

The Association is organized pursuant to the General Nonprofit Corporation Law of the State of California.

ARTICLE IV

PURPOSES AND POWERS OF THE ASSOCIATION

The Association does not contemplate pecuniary gain or profit to the members thereof, and the specific primary purposes for which it is formed are to provide for maintenance and preservation of the common area of the residential project intended to be developed upon that certain portion of the real property described as Tract No. 9355 as recorded August 31, 1977, in Book 415, pages 15 to 18, inclusive, in the Official Records of the Orange County Recorder, Orange County, California, and as is more particularly described in that certain Declaration of Restrictions ("Declaration") applicable to the residential project and recorded or to be recorded in the Office of the Orange County Recorder.

The Association shall also promote the health, safety and welfare of the residents within the above- referenced residential project and any additions thereto as may hereafter be brought within the jurisdiction of the Association for such purposes.

In furtherance of said purposes, the Association shall have power to:

- (a) perform all of the duties and obligations of the Association as set forth in the Declaration;
- (b) fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration; pay all expenses in connection therewith; and pay all office and other expenses incident to the conduct of the business of the Association, including without limitation all licenses, taxes, and 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, grant, 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; but only with the assent (by vote or written consent) of seventy-five percent (75%) of each class of members may the Association mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(e) have and exercise any and all powers, rights and privileges which a corporation organized under the General Nonprofit Corporation Law of the State of California by law may now or hereafter have or exercise.

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a fee simple interest in a lot in the residential project which is subject by the Declaration 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 VI

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 (as defined in the Declaration), and shall be entitled to one vote. When more than one person or entity holds an interest in any lot, all such persons and entities shall be members, and the vote for such lot shall be exercised as the majority of such persons and entities among themselves determine. In no event shall more than one vote be cast with respect to any lot, and in no event shall the vote for any lot be split. The owner (or valid proxy) exercising the vote for any lot at a meeting shall be conclusively held to be voting in the manner determined by the majority of the owners of that lot unless the Association is otherwise notified in writing prior to the meeting or an objection is made by another owner of that lot from the floor of the meeting.

Class B. The Class B member shall be the Declarant, who shall be entitled to vote as follows: voting shall be the same as for Class A memberships, except that the Class B member shall have three votes for each lot owned by it. The Class B membership shall be converted to Class A membership and shall forever cease to exist on the occurrence of whichever of the following is first in time:

(a) When the total outstanding votes held by Class A members equal the total outstanding votes held by the Class B member (tripled as stated above);

(b) The date of the second anniversary of the.. original issuance of the most-recently-issued subdivision public report for a phase of the residential project; or

(c) The date of the fourth anniversary of the original issuance of the final subdivision public report for the first phase of the residential project.

Upon conversion of Class B membership to Class A membership, the provisions of the governing' documents (as defined in the Declaration) which require action by both classes of the voting membership shall require the stated action by Class A members only.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of five (5) directors. Directors shall serve for terms of one year. The number of directors may be changed by amendment of the ByLaws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Howard W. Meister II	5100 Campus Drive Newport Beach, California 92660
Neal D. Graham	5100 Campus Drive Newport Beach, California 92660
Terry R. Teeple	5100 Campus Drive Newport Beach, California 92660
Thomas K. Callister	5100 Campus Drive Newport Beach, California 92660
Linda Keller	5100 Campus Drive Newport Beach, California 92660

ARTICLE VIII

DISSOLUTION

In the event of a dissolution, liquidation, or winding up of tile Association, after paying or adequately providing for the debts and obligations of the Association, the Directors and persons in charge of the liquidation shall divide the remaining assets among the members in accordance with their respective rights therein.

ARTICLE IX

DURATION

The Association shall exist perpetually.

ARTICLE X

AMENDMENTS


Amendment of these Articles of Incorporation shall require the assent (by vote or written consent) of members representing seventy-five percent (75%) or more of the voting power of the Association. Notwithstanding the above, the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation

this 10¹⁷ day of OCTOBER, 1979.



HOWARD W. MEISTER II



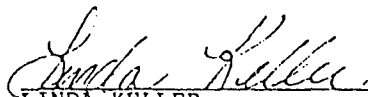
NEAL B. GRAHAM



TERRY R. TEEPLE



THOMAS K. CALLISTER

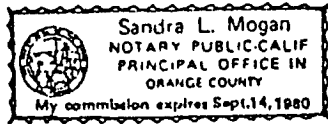


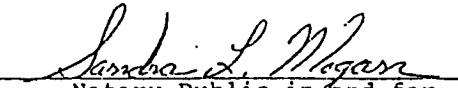
LINDA KELLER

STATE OF CALIFORNIA)
) SS:
COUNTY OF ORANGE)

On October 10, 1979, before me, a Notary Public, personally appeared HOWARD W. MEISTER II, NEAL D. GRAHAM, TERRY R. TEEPLE, THOMAS K. CALLISTER, and LINDA KELLER, known to me to be the persons whose names are subscribed to the foregoing Articles of Incorporation, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.





Notary Public in and for
said County and State.