

State  
of  
California

OFFICE OF THE SECRETARY OF STATE

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

JAN 24 1984



*March Fong Eu*

Secretary of State



ARTICLES OF INCORPORATION

FOR

CARLSBAD CREST HOMEOWNERS ASSOCIATION**ENDORSED  
FILED**In the office of the Secretary of State  
of the State of California

JAN 24 1984

MARCH FONG EU, Secretary of State  
Carmelle M. Guy  
DeputyARTICLE I

The name of this corporation is CARLSBAD CREST HOMEOWNERS ASSOCIATION.

ARTICLE II

This corporation is a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act for which a corporation may be organized under this Law. Specifically, this corporation will provide for maintenance of certain offsite improvements and for management, administration, maintenance, preservation and architectural control of the living units, garages, exclusive use areas and common area within that certain real property situated in the City of Carlsbad, County of San Diego, State of California, described as:

Carlsbad Tract No. 81-30, Unit No. 1,

together with such additional property as may be annexed pursuant to the Declaration (hereafter defined)

and will fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to said Declaration, and will promote the health, safety and welfare of all of its members who shall be owners of condominiums (as defined in the Declaration) within the above-described property and any additions thereto which may be brought within the jurisdiction of this corporation for these purposes. "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions, Carlsbad Crest Homeowners Association, together with additions and amendments thereto which shall be recorded from time to time by

Pacesetter Homes, Inc., as Declarant, or its successors in interest for the benefit of the above-described real property and the owners of condominiums located thereon.

### ARTICLE III

Notwithstanding any of the above statements of purposes and powers to the contrary, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of this corporation.

### ARTICLE IV

The name and address in this State of the corporation's initial agent for service of process is Elsiena Wilson, 4540 Campus Drive, Newport Beach, California 92660.

### ARTICLE V

Every person or entity who is a record owner of a fee or undivided fee interest in any Condominium which is subject by covenants of record to assessment by this corporation shall be a member of this corporation. 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 Condominium which is subject to assessment by this corporation.

### ARTICLE VI

The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all owners, with the exception of Declarant, and shall be entitled to one (1) vote for each Condominium owned. When more than one (1) person holds an interest in any Condominium, all such persons shall be members. The vote for such Condominium shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Condominium.

Class B. Class B member(s) shall be Declarant and shall be entitled to three (3) votes for each Condominium owned. The Class B membership shall cease and be converted to Class A membership on the happening of the earliest of the following to occur:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

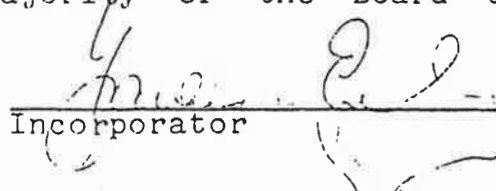
(b) Two (2) years from the date of original issuance by the California Department of Real Estate of the most recently issued Final Subdivision Public Report for a phase of development of the Project; or

(c) Four (4) years from the date of original issuance by the California Department of Real Estate of the Final Subdivision Public Report for the first phase of development of the project.

#### ARTICLE VII

Amendment to these Articles of Incorporation shall require (a) the assent (by vote or written consent) of members representing seventy-five percent (75%) or more of the voting power of each class of members of this corporation, together with (b) a resolution to amend adopted by at least a bare majority of the Board of Directors; provided, however, that after conversion of the Class B membership to Class A membership, amendment to these Articles of Incorporation shall require (i) the assent (by vote or written consent) of (1) seventy-five percent (75%) or more of the total voting power of members of this corporation, and (2) seventy-five percent (75%) or more of the voting power of members of this corporation other than Declarant (as defined in the Declaration), and (ii) a resolution to amend adopted by at least a bare majority of the Board of Directors.

DATED: January 24, 1984

  
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Incorporator

I declare that I am the person who executed the above Articles of Incorporation and that this instrument is my act and deed.

