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Utah Div. Of Corp. & Comm. Code

ARTICLES OF INCORPORATION OF

SANDALWOOD COVE HOMEOWNERS ASSOCIATION, INC.

We, the undersigned natural persons of the age of twenty-one (21) years or more, have this day voluntarily associated ourselves together for the purpose of forming a homeowners association as a non-profit corporation under the Utah Revised Nonprofit Corporation Act, and to that end, do hereby adopt the following Articles of Incorporation as follows:

ARTICLE I

Name

The name of the non-profit corporation is SANDALWOOD COVE HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association."

ARTICLE II

Duration

The Association shall exist perpetually or until dissolved pursuant to law.

ARTICLE III

Purposes

The Association is organized as a non-profit corporation and shall be operated exclusively for the purpose of maintaining, operating, and governing Sandalwood Cove a Planned Unit Development, hereinafter referred to as the "Project," located upon the following-described real property in Davis County, State of Utah:

All of Lots 1-68, Sandalwood Cove, a Planned Unit Development.

The Association is organized and shall be operated to perform the functions and provide the services contemplated in the Declaration of Covenants, Conditions and Restrictions for Sandalwood Cove, a Planned Unit Development, hereinafter referred to as the "Declaration," which Declaration has been or will be recorded in the office of the County Recorder of Davis County, State of Utah. No dividends shall be paid, and no part of the net income of the Association, if any, shall be distributed to the Directors, officers, or members of the Association, except as otherwise provided in these Articles of Incorporation, in the Declaration, or by Utah law.

ARTICLES OF INCORPORATION OF
SANDALWOOD COVE HOMEOWNERS ASSOCIATION, INC.

Date: 10/24/2002.
Receipt Number: 69950i?
Amount Paid: \$60.00



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ARTICLE IV
Powers

Subject to the purposes declared in Article III above, and any limitations herein expressed, the Association shall have and may exercise each and all of the following powers and privileges:

(a) The power to do any and all things that the Association is authorized or required to do under the Declaration, as the same may, from time to time, be amended, including, without limiting the generality of the foregoing, the specific power to fix, levy, and collect the charges and assessments provided for in said Declaration;

(b) The power to purchase, acquire, own, hold, lease, mortgage, sell, and dispose of any and all kinds and character of real, personal, and mixed property (the foregoing particular enumeration in no sense being used by way of exclusion or limitation), and while the owner of the foregoing, to exercise all rights, powers, and privileges pertaining thereto; and

(c) The power to do any and all things that a non-profit corporation may now or hereafter do in accordance with the laws of the State of Utah presently existing or as they may be amended from time to time.

ARTICLE V
Membership in Association and Voting Rights

Membership in the Association and voting rights shall be as provided in the Declaration and are as follows:

(a) Membership. Every Owner of a Lot, as "Lot" is defined in the Declaration, shall be a member of the Association. An Owner's membership in the Association shall not be assignable, except to the Member's successor-in-interest in the Lot, and every membership in the Association shall be appurtenant to such Lot.

(b) Transfer of Membership. The Association membership held by any Owner of a Lot shall not be transferred, pledged, or alienated in any way, except upon the sale, transfer, or encumbrance of such Lot, and then only to the purchaser, transferee, or mortgagee of such Lot. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. A Member who has sold his Lot to a contract purchaser under an agreement to purchase shall be entitled to delegate to such contract purchaser his membership rights in the Association. Such delegation shall be in writing and shall be delivered to the Board of Directors before such contract purchaser may vote. However, the contract seller shall remain liable for all charges and assessments attributable to his Lot until fee

title to the Lot sold is transferred. In the event the Owner of any Lot shall fail or refuse to transfer the membership registered in his name to the transferee of such Lot upon transfer of fee title thereto, the Board of Directors shall have the right to record the transfer upon the books of the Association. The Board of Directors shall have the right to charge a reasonable Special Assessment against any Owner and his Lot equal to the cost of the Association of effectuating any such transfer of the membership upon the books of the Association.

(c) Classes of Voting Membership. The Association shall have two (2) class of voting memberships as set forth in the Declaration. No shares of stock shall be issued evidencing membership.

(i) Class A. Class A members are all members with the exception of the Declarant. Class A members are entitled to one vote for each lot owned. When more than one person holds an interest in any lot, the group of such persons shall be a member. The vote for such lots shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot. A vote cast at any association meeting by any of such co-owners, whether in person or by proxy, is conclusively presumed to be the vote attributable to the lot concerned unless written objection is made prior to that meeting, or verbal objection is made at that meeting, by another co-owner of the same lot. In the event an objection is made, the vote involved shall not be counted for any purpose except to determine whether a quorum exists.

(ii) Class B. Class B member is the Declarant. The Class B member is entitled to three (3) votes for each lot owned. The Class B membership will cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

(a) Upon conveyance of 80% of the lots subject to this Declaration to purchasers; or

(b) The expiration of four (4) years from the first lot conveyance to a purchaser.

ARTICLE VI Board of Directors

The number of the governing Directors of the Association shall be three (3) and said number may be changed by a duly-adopted amendment to the Bylaws of the Association, except that in no event may the number of Directors be less than three (3). For purposes of these Articles of Incorporation and the Declaration, the Board of Directors shall serve as and satisfy the meaning and intent of the "Board" or "Board of Directors" as defined in the Declaration and will be considered as such.

The names and addresses of the persons who are appointed to act as the first Directors of this Association and to continue to act as such Directors until the election and qualification of their successors are as follows:

Ron Martinez, 887 North McCormick Way, Suite 1, Layton, UT 84041

Kay Martinez, 887 North McCormick Way, Suite 1, Layton, UT 84041

Ryan Martinez, 887 North McCormick Way, Suite 1, Layton, UT 84041

ARTICLE VII
Registered Office and Registered Agent

Unless and until changed by the Board of Directors of the Association, the registered office and principal place of business of the Association shall be 887 North McCormick Way, Suite 1, Layton, Utah 84041.

The initial registered agent of the Association at such address is Ron Martinez, who shall serve as such unless and until changed by the Board of Directors of the Association. The registered agent shall be the agent of the Association upon whom any process, notice, or demand required or permitted by law to be served upon the Association may be served. If, for any reason, the registered agent dies or is unable or unwilling to act, and if the Association fails to appoint or maintain a registered agent, or if its registered agent cannot, with reasonable diligence, be found at the registered office, the Director of the Division of Corporations and Commercial Code shall be the agent of the Association upon whom any process, notice, or demand required or permitted by law to be served upon the Association may be served.

ARTICLE VII
Incorporators

The names and address of the incorporator of Association is:

Ron Martinez, 887 North McCormick Way, Suite 1, Layton, UT 84041

ARTICLE IX
Definitions

Except as otherwise provided herein, or required by the context hereof, all terms defined in the Declaration and/or the Bylaws shall have such defined meanings when used in these Articles of Incorporation.

ARTICLE X
Amendments

Amendments to these Articles of Incorporation shall require the unanimous vote or written consent of the Owners of the Association and shall be subject to the requirements of the Declaration.

ARTICLE XI
Dissolution

The Association may be dissolved with the unanimous vote or written consent of the Owners of the Association subject to the requirements of the Declaration.

ARTICLE XII
Non-Profit Purposes

The Association is one which does not contemplate pecuniary gain or profit to the Members thereof, and it is organized solely for non-profit purposes. Upon the winding up and dissolution of the Association, after paying or adequately providing for the debts and obligations of the Association, the remaining assets shall be distributed to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event such dedication is refused acceptance, such assets shall be disposed of in such manner as may be directed by decree of the District Court of Davis County, State of Utah, upon petition thereof by any person concerned in the liquidation.

IN WITNESS WHEREOF, the undersigned have executed these Articles of Incorporation this 21st day of Oct., 2002.

INCORPORATOR:




RON MARTINEZ

ARTICLES OF INCORPORATION OF
SANDALWOOD COVE HOMEOWNERS ASSOCIATION, INC.

State of Utah
Department of Commerce
Division of Corporations and Commercial Code

I hereby certified that the foregoing has been filed
And approved on this 21 day of Oct 2002
In this office of this Division and hereby issued
this Certificate thereof.

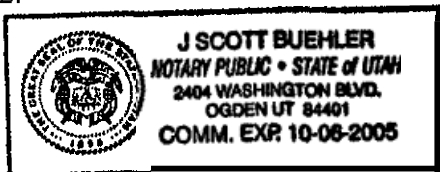
Examiner KA Date 10/24/02

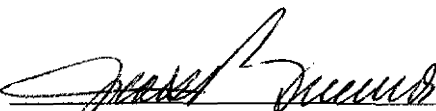

Kathy Berg
Kathy Berg
Division Director

STATE OF UTAH)
 : ss.
COUNTY OF WEBER)

On the 21 day of October, 2002, personally appeared before me, a Notary Public in and for said County and State, Ron Martinez, who, being by me duly sworn, declared that he is the Incorporator of Sandalwood Cove Homeowners Association, Inc., that he signed the foregoing Articles of Incorporation of such non-profit corporation, and that the statements therein contained are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand this 21 day of October 2002.





NOTARY PUBLIC


The appointment of the undersigned as the initial registered agent of the corporation is hereby accepted.



RON MARTINEZ

STATE OF UTAH)
 : ss.
COUNTY OF WEBER)

On this 21 day of October, personally appeared before me Ron Martinez, the signer of the foregoing Articles of Incorporation of Sandalwood Cove Homeowners Association, Inc., who duly acknowledged to me that he executed the same.



NOTARY PUBLIC

