ARTICLES OF INCORPORATION OF THE HILL DISTRICT COMMUNITY OWNERS ASSOCIATIO

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The name of this corporation is The Hill District Community Owners Association (hereinafter referred to as the "Community Association").

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- A. 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, other than credit union business, for which a corporation may be organized under such law.
- B. This corporation does not contemplate pecuniary gain or profit to the members thereof. This corporation is an association formed to manage a master planned development (as defined in Section 2792.32 of Title 10 of the California Code of Regulations) and common interest development, under the Davis-Stirling Common Interest Development Act (California Civil Code Section 4000, et seq.), and the specific primary purposes for which it is formed are to provide for management, administration, maintenance, preservation and architectural control of the lots, units, association property, and common area within that certain tract of property situated in the City of San Marcos, County of San Diego, California, commonly known as "The Hill District at North City" ("Community"). Subject to the provisions of the recorded or to be recorded Community Declaration of Covenants, Conditions and Restrictions and Establishment of Easements of The Hill District at North City applicable to the development (hereinafter referred to as the "Community Declaration"), and the Bylaws of the Community Association ("Community Bylaws"), the general purposes and powers of the Community Association are:
 - (1) to promote the welfare of the residents within the development;
- (2) to exercise all of the powers and privileges and to perform all of the duties and obligations of the Community Association arising from the Community Declaration;
- (3) to fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Community Declaration and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Community Association, including all licenses, taxes and governmental charges levied or imposed against the property of the Community Association;
- (4) to 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 Community Association;
- (5) to borrow money, and to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (6) to 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; and
 - (7) to act in the capacity of principal, agent, joint venturer, or partner, or otherwise.

The foregoing statement of purposes shall be construed as a statement both of purposes and of powers, and purposes and powers in each clause shall in no way be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, the Community Association 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 the Community Association.

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The initial business and mailing address of the Community Association is: 9990 Mesa Rim Road, Suite 200, San Diego, CA 92121. The nearest front and side streets of the Community are North City Drive and Discovery Street. The postal ZIP Code of the Community is 92078-0000.

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This Community Association is intended to qualify and operate exclusively as a homeowners association within the meaning of California Revenue and Taxation Code Section 23701t and Internal Revenue Code Section 528. No part of the net earnings of this organization shall inure to the benefit of any private individual, except as expressly provided in those code sections with respect to the acquisition, construction, or provision for management, maintenance, and care of the association property, and other than by a rebate of excess membership dues, fees, or assessments. In the event of the dissolution, liquidation, or winding up of the Community Association, upon or after termination of the Community, in accordance with the Community Declaration, its assets remaining after payment, or provision for payment, of all debts and liabilities of the Community Association, shall be divided among and distributed to the members in accordance with their respective rights therein.

V

These Articles of Incorporation may be amended only by the affirmative vote or written consent of a majority of the board of directors of this Community Association and the affirmative vote, in person or by proxy, or written consent of members representing a majority of the voting power of the Community Association members which shall include a majority of the votes of members other than the Declarant under the Community Declaration, or where the Class B membership is still in effect, as provided in the Community Declaration and the Community Bylaws, a majority of voting power of Class A membership and of Class B membership. The vote on a proposed amendment to these Articles of Incorporation shall be held by secret written ballot in accordance with the procedures set forth in California Civil Code Section 5100, et seq. and the rules adopted by the board of directors of this Community Association pursuant thereto.

VI

The authorized number of members, qualifications of members, classes of membership, along with the voting and other rights and privileges of members shall be as set forth in the Community Bylaws.

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The name and address of the Community Association's initial agent for service of process are: Ross Kay, 655 Brea Canyon Road, Walnut, CA 91789.

VIII

The Community Association has no managing agent as of the date of filing of the Articles of Incorporation.

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of California, the undersigned has executed these Articles of Incorporation this 12th day of February, 2025.

nn B. Vance, Sole Incorporator