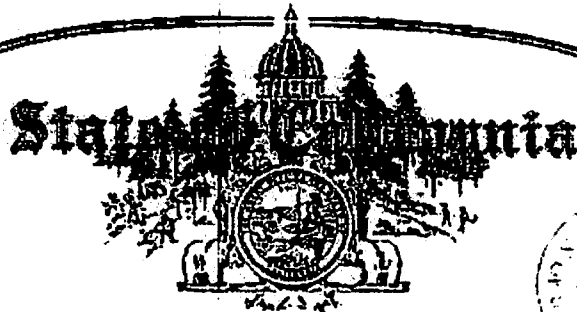


05/25/2001 10:58 619-280-6033

MAYFAIR HOMES, INC.

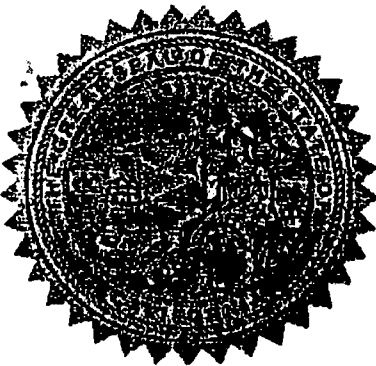
PAGE 02



SECRETARY OF STATE

I, **BILL JONES**, Secretary of State of the State of California, hereby certify:

That the attached transcript of 3 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

DEC 12 2000

Secretary of State

05/25/2001 10:58 619-280-6033

MAYFAIR HOMES, INC.

PAGE 02

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ENDORSED - FILED
In the Office of the Secretary of State
of the State of California

DEC 11 2000

BILL JONES, Secretary of State

ARTICLES OF INCORPORATION

OF

VILLA PORTOFINO

OWNERS ASSOCIATION

ARTICLE I

NAME

1.01 The name of this corporation (hereinafter also referred to as the "Association") is VILLA PORTOFINO OWNERS ASSOCIATION.

ARTICLE II

AGENT FOR SERVICE OF PROCESS

2.01 The corporation's initial agent for service of process is Mayfair Homes, Inc., a California corporation.

ARTICLE III

LOCATION OF OFFICE; MANAGING AGENT

3.01 At this time, the business and corporate office of the Association is 3443 Camino del Rio South, Suite 312, San Diego, California 92108, which is not on the site of the common interest development. The address (including name of front street and 9-digit ZIP code) of the physical location of the common interest development is 4068-4072 Front Street, San Diego, CA 92103-2014, and the nearest major cross street is Washington Street.

3.02 At this time, the Association has no managing agent.

ARTICLE IV

PURPOSES OF THE ASSOCIATION

4.01 This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law of the State of California. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

4.02 This corporation is an association formed to manage a common interest development under the Davis-Sterling Common Interest Development Act.

05/25/2001 10:50 619-280-6033

MAYFAIR HOMES, INC.

PAGE 04

4.03 This 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 the management, administration, maintenance, preservation and architectural control of the residence Units/Lots and Common Area within that certain Project more particularly described in that certain Declaration Of Covenants, Conditions And Restrictions for the VILLA PORTOFINO condominium development in San Diego County, hereinafter called the "Declaration," and to promote the health, safety and welfare of all the residents within said Project, and any additions thereto as may hereafter be brought within the jurisdiction of the Association for this purpose, all according to the provisions of said Declaration.

4.04 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.

4.05 The Association may also exercise the powers granted to a nonprofit mutual benefit corporation enumerated in Section 7140 of the California Corporation Code. In addition, the Association may exercise the powers granted to a corporation by Section 383 of the Code of Civil Procedure and the powers granted to a corporation by the Davis-Stirling Common Interest Development Act (Civil Code Section 1350 et seq.).

ARTICLE V

DISSOLUTION

5.01 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. No part of the net earnings of this organization shall inure to the benefit of any private individual, except as expressly provided in those sections of the Declaration applicable 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. So long as there is any Unit/Lot or parcel for which the Association is obligated to provide management, maintenance, preservation or control, the Association may not transfer all or substantially all of its assets or file a certificate of dissolution without the approval of one hundred percent (100%) of the Members. In the event of the dissolution, liquidation, or winding-up of the Association upon or after termination of the Project in accordance with provisions of the Declaration, its assets remaining after payment or provision for payment of all debts and liabilities of the Association shall be divided among, and be distributed to, the Members in accordance with their respective rights therein.

05/25/2001 10:58

619-280-6033

MAYFAIR HOMES, INC.

PAGE 05

ARTICLE VI

AMENDMENTS

6.01 These Articles may be amended only by the affirmative vote (in person or by proxy) or written consent of a majority of the Board of Directors and of Members representing at least seventy-five percent (75%) of the voting power of the Association, which shall include at least a majority of the votes of Members other than the Declarant, or where the two class voting structure is still in effect as provided in the Project Documents, at least seventy-five percent (75%) of each class of membership.

6.02 Notwithstanding the above requirements, the percentages of the voting power of the Association (or of Members other than the Declarant) necessary to amend a specific clause or provision of these Articles shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of California, the incorporator has executed these Articles of Incorporation on this 11 day of December, 2000.

The incorporator declare(s) that it is the entity that executed the within and foregoing Articles of Incorporation, and that this instrument is its act and deed. The undersigned hereby certify that they executed these Articles in their authorized capacities, and that by their signatures on this instrument the entities on behalf of which the persons acted, executed this instrument.

VILLA PORTOFINO, LLC,
A California Limited Liability Company,
Incorporator

By: MAYFAIR HOMES, INC.
A California Corporation,
Managing Member

By: Mehran Saberi
MEHRAN SABERI,
President

portofino.att

