

EXPEDITED  
AZ CORP COMMISSION  
FILED

ARTICLES OF INCORPORATION  
OF  
WESTBANK, INC.

Sep 24 1 44 PM '96

APPR  
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*Elva J. Williams*

0787931-1

In compliance with the requirements of A.R.S. 10-1001 et. seq., the undersigned, all of whom are residents of the State of Arizona and all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a non-profit corporation and do hereby certify:

ARTICLE I  
NAME

The name of the corporation is WESTBANK, INC. hereafter called the "Association".

ARTICLE II  
PLACE OF BUSINESS

The principal place of business shall be in Gilbert, Maricopa County, Arizona.

ARTICLE III  
PURPOSE

The purpose for which the Association is organized is the transaction of any or all lawful business for which non-profit corporations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time; provided, however, that such business shall conform with the tax-exempt organization requirements of Section 528 of the Internal Revenue Code of 1954 as amended.

ARTICLE IV  
NATURE OF BUSINESS AND POWERS

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described as:

Lots 1 through 168, inclusive and Tracts A, B, C, D, E, F and G of WESTBANK, a residential development in the Town of Gilbert, Arizona, according to the plat recorded on December 15, 1995, at Book 407 of Maps, Page 45 thereof, Maricopa County Recorder.

and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto and subsequent phases as may hereafter be brought within the jurisdiction of this Association, and for the purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the property and recorded at Recorder's No. 96-0492742, in the Office of the Maricopa County Recorder and as the same may be amended from time to time as therein provided, said Declaration and amendments thereto being incorporated herein as if set forth in its entirety;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses incident to the conduct of the business of the Association, including all licenses, taxes or 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, 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, and with the proper assent as provided in the Declaration, mortgage, pledge, deed in trust, or hypothecate any or al of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed as provided in the Declaration;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall be approved as provided in the Declaration;

(g) have and to exercise any and all powers, rights and privileges which a corporation or organized under the Non-Profit Corporation Law of the State of Arizona by law may now or hereafter have or exercise.

**ARTICLE V  
MEMBERSHIP**

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record 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:

(a) **Class A.** Class A members shall be all Owners, with the exception of the Declarant identified in the afore-described Declaration (except Declarant shall be a Class A member upon the occurrence of either contingency in sub-section (b) below), and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) **Class B.** The Class B member shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (1) when the total votes outstanding in the Class A membership equal the total outstanding in the Class B membership; or
- (2) within two (2) years from the conveyance of the first lot in the project to a Class A member.

#### ARTICLE VII BOARD OF DIRECTORS

There shall be no less than three (3) nor more than nine (9) Directors, who may, but need not be members of the Association. The number of directors shall be designated in the By-Laws and may be changed by amendment thereto. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

Gary L. Nelson  
5727 N. 7th Street, Suite 406  
Phoenix, AZ. 85014

Brian Richards  
5080 N. 40th Street, Suite 460  
Phoenix, AZ. 85018

Brent Johnson  
5080 N. 40th Street, Suite 460  
Phoenix, AZ. 85018

Gary L. Nelson, listed above, is the INCORPORATOR of the corporation.

**ARTICLE VIII  
DISSOLUTION**

The Association may be dissolved with the assent given in writing and signed as provided in the Declaration. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

**ARTICLE IX  
DURATION**

The corporation shall exist perpetually.

**ARTICLE X  
AMENDMENTS**

Amendment of these Articles shall require the assent of sixty-six and two-thirds percent (66 2/3%) of each class of voting members identified in Article VI.

**ARTICLE XI  
INDEMNIFICATION**

The power of indemnification under the Arizona Revised Statutes shall not be denied or limited by the By-Laws; provided however, said power may be expanded.

**ARTICLE XII  
STATUTORY AGENT**

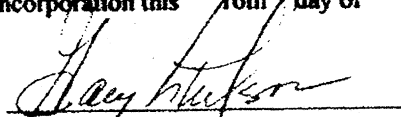
The name and addresses of the Association's initial statutory agent is:

Gary L. Nelson  
5727 N. 7th Street, Suite 406  
Phoenix, Arizona 85014

**ARTICLE XIII  
FHA / VA APPROVAL**

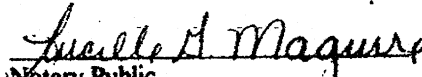
As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidation, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, I, the undersigned, constituting the incorporator of this Association, have executed these Article of Incorporation this 16th day of September, 1996.

  
\_\_\_\_\_  
Gary L. Nelson

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

On this 16th day of September, 1996, before me, a Notary Public, personally appeared Gary L. Nelson, KNOWN to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained.

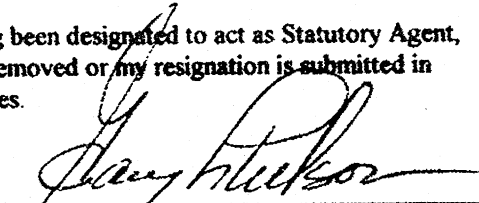
  
\_\_\_\_\_  
Notary Public

My Commission Expires:

April 14, 1998

I, Gary L. Nelson, having been designated to act as Statutory Agent, hereby consent to act in that capacity until removed or my resignation is submitted in accordance with the Arizona Revised Statutes.

9-16-96  
Date

  
\_\_\_\_\_  
Statutory Agent