

Articles
of
Incorporation

STATE OF ARIZONA

Corporation Commission



11661

20-ART

To all to whom these presents shall come, Greeting:

I, GEORGE M. DEMPSEY, SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT the annexed is a true and complete copy of the

ARTICLES OF INCORPORATION

of

WOODMAR IV ASSOCIATION, INC.

which were filed in the office of the Arizona Corporation Commission on the 15th day of January, 1973, as provided by law.



IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS

DAY OF January, A. D. 1973, 15th
[Signature]
BY _____ SECRETARY.

ARTICLES OF INCORPORATION
 OF
 WOODMAR IV ASSOCIATION, INC.

The undersigned as incorporators, have this date voluntarily associated themselves together for the purpose of forming a private nonprofit membership corporation under and by virtue of the laws of the State of Arizona, and do hereby adopt the following Articles of Incorporation:

ARTICLE I

NAME

The name of this corporation shall be WOODMAR IV ASSOCIATION, INC.

ARTICLE II

BUSINESS AND PURPOSES

This corporation is formed so as to constitute the Council of Co-Owners and to serve as the governing body for all of the Owners of Apartment and appurtenant easements upon and undivided interests in the General Common Elements (hereinafter collectively termed "Apartment Units") in WOODMAR IV, a horizontal property regime (hereinafter termed "Regime") formed pursuant to Sections 33-551 through 33-561, Arizona Revised Statutes, by WOOD BROS. HOMES, INC., and USLIFE TITLE COMPANY, as Trustee, (hereinafter collectively termed "Developer"), as sole owners of the following described real property, and the improvements thereon, situated in Maricopa County, Arizona:

The South 391.85 feet of the North 930.00 feet of the East 933.15 feet of the Northeast quarter of the Northeast quarter of Section

Thirty-three (33), Township Two (2) North, Range Two (2) East of the Gila and Salt River Base and Meridian, EXCEPT that portion thereof included in the alley and street shown on the Map of Dedication recorded in Book 152 of Maps, page 42.

As provided in and pursuant to, the Declaration of Horizontal Property Regime and the Declaration of Covenants, Conditions and Restrictions (hereinafter collectively termed "Declarations") recorded by Developer for the purpose of submitting the above-described property, and the improvements thereon, to a horizontal property regime, this corporation shall, to the extent permitted by applicable law, serve as the governing body for all of the Owners of the Apartments for the maintenance, repair, replacement, administration and operation of the General Common Elements of the Regime and the performance of such duties and functions, and the exercise of such rights, as are given and assigned to it by said Declarations, as the same may hereafter be amended.

This corporation shall not engage in any other business or activity.

This corporation does not contemplate securing gain or profit to the members thereof and the members shall have no individual interest in the profits of the corporation, if any.

In the conduct of its business, this corporation, to the extent authorized by its Board of Directors and in accordance with the provision of the Declarations, shall be empowered to do all things that a private person or individual might do under the laws of the State of Arizona, including but not limited to the following:

- (a) To accept such properties, improvements,

rights, and interests as may be conveyed, leased, assigned, or transferred to this corporation; to assume such obligations and duties as may be contained in any lease assigned or transferred to this corporation; to maintain, operate, and otherwise manage all buildings, structures, improvements, landscaping, parking areas, walks, common elements, recreational areas and facilities now or hereafter on said property; to pay all taxes and assessments, if any, which may properly be levied against properties of this corporation; to repair, rehabilitate, and restore all buildings, structures, and improvements on said property; to insure said property and all buildings and structures thereon against such risks as its Board of Directors shall determine; to make assessments for maintenance and operating charges as its Board of Directors shall determine in accordance with the Declarations and the "By-laws"; to impose liens against individual Apartment Units under the Regime to secure the payment of obligations due from the Owners thereof; to collect, sue, foreclose, or otherwise enforce, compromise, release, satisfy, and discharge such demands and liens in accordance with the Declarations; to do all things necessary to carry out and to enforce the terms and provisions of the Declarations; to pay all maintenance, operating, and other costs;

and to do all things and acts which in the sole discretion of its Board of Directors shall be deemed to be in the best interests of the members of this corporation or for the peace, comfort, safety, or general welfare of the members of this corporation, all in accordance with the Declarations.

(b) To purchase or otherwise acquire title to Apartment Units or to hold and exercise options to purchase the same; to lease Apartment Units in this corporation's name as lessee; to sell and lease, or to grant options to lease and purchase Apartment Units; and, if this corporation becomes the Owner or lessee of an Apartment Unit, to agree to perform, and to perform, all of the obligations of an Owner or lessee thereof, and to assume and agree to pay any mortgage or trust deed constituting a lien upon the Apartment Unit.

(c) To develop, construct, purchase, lease, own, improve, maintain, operate, and hold real and personal property of every kind and description; to sell, convey, and lease such property; and to mortgage, assign, and pledge or otherwise encumber such property.

(d) To borrow money, and to issue notes, bonds, and other evidences of indebtedness in furtherance of any or all of the objects and purposes of this corporation, and to secure the same by mortgage, trust deed, pledge, or other lien on or security interest in, property of this corporation.

(e) To enter into, perform, and carry out leases and contracts of any kind necessary to or in connection therewith or incidental to the accomplishment of any one or more of the objects and purposes of this corporation.

(f) To make refunds of excess payments or charges to members as provided for in the Declaration or the By-laws.

(g) To lend or invest its working capital and reserves with or without security.

(h) To act as surety or guarantor, agent, trustee, broker, or in any other capacity when appropriate to the fulfillment and the furtherance of its objects and purposes.

(i) To dedicate, sell or transfer all or any part of the General Common Elements to any public agency, authority or utility;

(j) To participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional property and General Common Elements;

(k) To have and to exercise any and all powers, rights and privileges which a corporation organized under the nonprofit corporation laws of the State of Arizona by law may now or hereafter have or exercise.

(l) In general to do and perform such acts and things and to transact such business in connection with the foregoing objects and purposes as may be necessary or appropriate.

ARTICLE III

PLACE OF BUSINESS

The principal place of business and office for the transaction of business of this corporation shall be located in the City of Phoenix, Arizona.

ARTICLE IV

MEMBERSHIP

This corporation shall be a non-stock corporation and shall be owned equally by its members, who shall also constitute and be collectively called the Council of Co-Owners; and no dividends or pecuniary profits shall be paid to its members. Membership shall be limited to Owners, as defined in the Declarations, of the Apartment Units (including, but without limitation, persons who acquire title by means of a sheriff's deed issued as the result of a mortgage foreclosure or who acquire title as a result of the foreclosure or other valid enforcement of a deed of trust, or who acquire title by means of a deed in lieu of the foreclosure of any mortgage or deed of trust, and purchasers under any valid and outstanding recorded agreement of sale with respect to an Apartment Unit). Membership is automatically and exclusively an appurtenance of Apartment ownership. The Owner, or purchaser under an outstanding recorded agreement of sale, of an Apartment Unit (including, but without limitation, those persons acquiring title by any of the means specified in the immediately preceding sentence of this Article IV), subject to the terms and provisions of the Declaration and the By-laws, shall automatically, upon becoming an Owner or purchaser,

be a member of this corporation and shall remain a member of this corporation until such member's death, or until such time as such owner or purchaser shall have conveyed his title to the Apartment Unit, or until such time as such member shall have executed, delivered and recorded a contract for the sale of the Apartment Unit or such member's right, title and interest therein, at which time such member's membership in this corporation shall cease automatically.

Certificates of membership shall be issued in accordance with the By-laws, and membership shall be evidenced by an official list of members, which list shall be kept by the Secretary of this corporation.

No membership shall exist in any other person or persons except as it may arise in substitution for an outstanding membership.

A member shall be entitled to the vote which represents the undivided percentage interest in the General Common Elements, as provided for in and established by the Declarations, appurtenant to each Apartment Unit owned or being so purchased by such member, with the result that the total number of votes entitled to be cast by all members shall be ONE HUNDRED FIFTY-TWO (152), except that in election of directors, members shall be entitled to cumulate their votes in accordance with Section 10, Article XIV of the Constitution of the State of Arizona.

In the event any Apartment Unit is owned by two or more persons, whether by joint tenancy, tenancy in common, community property, or otherwise, the membership as to such Apartment Unit shall be joint and a single membership for such Apartment Unit shall be issued in the names of all such persons, and they shall designate to this corporation, in writing, at the

time of issuance of the certificate of membership, one of their number who shall hold the membership and have the power to vote said membership, and, in the absence of such designation and until such designation is made, the Board of Directors of this corporation shall make such designation and such designation shall be binding for all purposes.

ARTICLE V

BOARD OF DIRECTORS AND OFFICERS

The business and affairs of this corporation shall be conducted by a Board of Directors. The number of directors shall be not less than three (3) nor more than nine (9), as shall be specified in the By-laws. The Board of Directors shall be elected annually by the members at the annual meeting of the members of this corporation, and such members shall be entitled to cumulate their votes in the manner provided by Section 10, Article XIV of the Constitution of the State of Arizona, provided, however, that notwithstanding anything else to the contrary provided in these Articles of Incorporation, WOOD BROS. HOMES, INC., or its successors and assigns of such right, shall have the sole and exclusive right to elect all directors and to fill all vacancies on or increase the membership of the Board of Directors until the first annual meeting of members. The first annual meeting of the members of this corporation shall be held within sixty (60) days after the last to occur of either the conveyance by Developer to Owners of more than one-half of the total number of the Apartments in the Regime or DECEMBER 1, 1973; or at such earlier time as the initial Board of Directors shall

designate. Thereafter, the annual meetings of the members shall be held on the second Monday in March in each year. The annual meetings of the Board of Directors and members of this corporation shall be held at the office of this corporation or at such other office or offices at such other places within the County of Maricopa, State of Arizona, as may be designated by the Board of Directors. There shall not be less than one meeting of the Board of Directors during each fiscal quarter. Until the first annual meeting of the members and until their successors are elected and qualified, the following three (3) persons who were elected at a meeting of the incorporators held at Phoenix, Arizona on the 29th day of December, 1972, shall constitute the Board of Directors of this corporation:

Gerald P. Marchal

Allan G. Rice, Jr.

Charles W. Olson

The officers of this corporation shall be a President, Vice President, Secretary and Treasurer, and such additional officers as the Board of Directors may deem necessary, who shall be elected annually by the Board of Directors after the annual meeting of members, which meeting shall be held as soon thereafter as practicable. The officers elected shall hold office for a period of one (1) year, or until their successors are elected and qualified, but shall be subject to removal by the Board of Directors at any time. The first officers of this corporation shall be elected by the Board of Directors at the first meeting of said Board of Directors following incorporation of this corporation.

No person shall be eligible for election as a director or officer who is not at the time of election a member of this corporation (except such persons as are designated by Developer as provided in the Declarations and the By-laws), and if any director or officer after election ceases to be a member, his office shall become vacant.

The directors shall have the power to adopt the By-laws, except that the By-laws shall be subject to ratification and approved by the members and, subject to the limitations provided in Article VII hereof, to amend or repeal the same, to fill vacancies occurring in the Board of Directors (except as hereinbefore provided), and to elect officers, agents and committees, with such members, powers and authority as they may confer.

ARTICLE VI

MAXIMUM INDEBTEDNESS

Any indebtedness or liability, direct or contingent, must be authorized by an affirmative vote of a majority of the votes cast by the members of the Board of Directors at a lawfully held meeting, and approved by the Arizona Corporation Commission to the extent required by the laws of the State of Arizona. The total amount of indebtedness or liability, direct or contingent, to which the corporation may subject itself at any one time shall not exceed the greater of \$100,000.00, or one hundred fifty percent (150%) of its gross income for the previous fiscal year, unless authorization to incur a greater amount is made by the affirmative vote of a majority of its members entitled to vote.

ARTICLE VII

RULES FOR CONDUCT OF AFFAIRS

This corporation shall not, without the affirmative vote of two-thirds (2/3) of its members entitled to vote (a) sell, assign, transfer, dispose of, dedicate or encumber any of its property or fixtures, except in the normal and ordinary course of business; or (b) carry into effect any changes whatsoever in its organization, or alter or amend these Articles of Incorporation.

ARTICLE VIII

DURATION

The time of commencement of this corporation shall be the date upon which a Certificate of Incorporation, is issued by the Corporation Commission of the State of Arizona, and it shall terminate twenty-five (25) years thereafter unless renewed in the manner provided by law. Six months prior to the expiration of the period described above, and each subsequent twenty-five (25) year period, this corporation shall take the necessary steps to renew the life of its charter in the manner provided by law.

ARTICLE IX

PRIVATE PROPERTY

The members, directors, and officers of this corporation shall not be liable for the debts of this corporation, and the private property of the members, directors, and officers of this corporation shall be forever exempt from its corporate debts.

ARTICLE X

AGENT

GARY G. KELTNER, of Phoenix, Arizona, who has been a bona fide resident of the State of Arizona for at least three (3) years, last past, and whose address is 111 West Monroe, Phoenix, Arizona, 85003, is hereby appointed the initial statutory agent of this corporation, to accept and acknowledge the service, and upon whom may be served all necessary process or processes, in any action, suit, or proceedings that may be brought against this corporation in any of the courts of the State of Arizona, and for all purposes required by law. The Board of Directors of this corporation may revoke this appointment of agent at any time and shall have the power to fill any vacancy in such position.

ARTICLE XI

INDEMNIFICATION

The Association shall indemnify all of its Directors and Officers, and its former Directors and Officers, to the maximum extent authorized by law, against expenses incurred by them, including without limitation legal fees, and judgments and penalties rendered or levied against them or any of them in any legal action brought against any such person for actions or omissions alleged to have been committed by any such person while acting within the scope of his employment as a Director or Officer of the Association, provided that the Board of Directors shall determine in good faith that such person did not act, fail to act, or refuse to act wilfully or with gross negligence, or with fraudulent or criminal intent in regard to the matter involved in the action, and provided further that

no such indemnification shall be available with respect to liabilities under the Securities Act of 1933, and provided further that the corporation shall have the right to refuse indemnification in any instance in which the person to whom indemnification would otherwise have been applicable shall have unreasonably refused to permit the corporation, at its own expense and through counsel of its own choosing, to defend him in any such legal action. Whenever any such present or former Director or Officer shall report to the President of the corporation or the Chairman of the Board of Directors that he has incurred or may incur any such expenses, the Board of Directors shall, at its next regular or at a special meeting held within a reasonable time thereafter, determine in good faith whether such person acted, failed to act, or refused to act willfully, with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action. If the Board of Directors determines in good faith that such person did not act, fail to act or refuse to act willfully or with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action, indemnification shall be mandatory and shall be automatically extended as specified herein, except as otherwise provided hereinbefore.

ARTICLE XII

DISSOLUTION

Upon the dissolution of this corporation, whether resulting from voluntary action on the part of the Board of Directors, court orders, lapse of time, or otherwise, no part of the remaining assets of the corporation, after the discharge of all corporate liabilities, shall inure to the private profit

of the members, but the whole of such remaining assets shall be distributed by the directors in cash or in kind absolutely and without possibility of reversion, as absolute gifts without return consideration, direct or indirect, in such amounts and proportions as the directors shall determine, to such corporations, clubs or associations as by reason of their recreational or social purposes are exempt from taxation under the provisions of Section 501 (c) (7) of the Internal Revenue Code of 1954 as now or hereafter amended. The determination of the directors with respect to all such distributions shall be final.

ARTICLE XIII

AMENDMENTS

Subject to the limitations provided in Article VII hereof, these Articles of Incorporation may be amended in the manner provided for amendment of Articles of Incorporation under the general corporation laws of the State of Arizona.

ARTICLE XIV

NAMES AND ADDRESSES OF INCORPORATORS

The names, post office addresses, and residences of the incorporators of this corporation are as follows:

<u>NAME</u>	<u>RESIDENCE ADDRESS</u>	<u>MAILING ADDRESS</u>
Gerald P. Marchal	742 W. Moon Valley Dr. Phoenix, Arizona 85023	Suite 130 301 W. Indian School Rd. Phoenix, Arizona 85013
Allan G. Rice, Jr.	5300 E. Villa Buena Vista Scottsdale, Arizona 85023	Suite 130 301 W. Indian School Rd. Phoenix, Arizona 85013

**ASSOCIATION'S
CONTACT
INFORMATION**

**(Recorded with Maricopa
County Recorder)**

When Recorded, Return to:

PRM Association Management
Post Office Box 2133
Sun City, Arizona 85372
Attn: Susan and Paul Rubin

NOTICE REGARDING COMMUNITY ASSOCIATION

Pursuant to Arizona Revised Statutes, Section 33-1256 (J) or 33-1807 (J), the undersigned Woodmar IV Association (hereinafter the "Association") hereby gives notice as follows:

1. THE NAME OF THE ASSOCIATION IS:

Woodmar IV Association Inc.

2. THE NAME ADDRESS, AND TELEPHONE NUMBER OF THE DESIGNATED AGENT OF THE ASSOCIATION IS:

PRM Association Management, P.O. Box 2133, Sun City, Arizona 85372-2133
623-974-8585 fax: 623-974-8458 email:prmgmt@version.net

3. THE NAME, ADDRESS AND TELEPHONE NUMBER OF THE MANAGEMENT COMPANY FOR THE ASSOCIATION IS:

PRM Association Management, P.O. Box 2133, Sun City, Arizona 85372-2133
623-974-8585 fax: 623-974-8458 email:prmgmt@version.net

4. THE ADDRESS AND TELEPHONE NUMBER OF THE ASSOCIATION IS:

P.O. Box 2133, Sun City, Arizona 85372-2133
623-974-8585 fax: 623-974-8458

