AZ CORP COMM

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AUG 2,6 2002

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ARTICLES OF INCORPORATION

OF

ARTISAN PARKVIEW CONDOMINIUM ASSOCIATION, INC.,

an Arizona nonprofit corporation

In compliance with the requirements of A.R.S. § 10-3201, et seq., Arizona Revised Statutes, as may from time to time be amended, the undersigned, all of whom are of full legal age, have voluntarily associated themselves on the date set forth below for the purpose of forming an Arizona nonprofit corporation. All of the undersigned incorporators certify and adopt the following Articles of Incorporation ("Articles"):

## ARTICLE I

# NAME AND TERM

The name of the corporation is Artisan Parkview Condominium Association, Inc. ("Association"). The Association will exist perpetually.

# **ARTICLE II**

# **DEFINED TERMS**

The following terms, while not defined in these Articles, will be given the meanings specified in the Declaration of Homeowner Benefits and Covenants, Conditions, and Restrictions for Artisan Parkview that is to be recorded in the Official Records of Maricopa County, Arizona ("Declaration"): Common Area, Property, Owner, Owner's Permittees, Units, Members, Declarant, Declarant Control, and Architectural Committee. If there is any conflict between the Articles and the Declaration, the Declaration will control. As used in these Articles, the term "Association Property" means the Common Area, all property and improvements within the Property that are used in common by and for the benefit of the Owners of Units, and all other real and personal property, if any, that may be owned by the Association or placed under its jurisdiction pursuant to the Declaration.

# ARTICLE III

# PRINCIPAL OFFICE

The principal office of the Association is located at 1410 North Central Avenue, Phoenix, Arizona 85004.

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## STATUTORY AGENT

John A. Hink, Esq., whose address is 101 North First Avenue, Suite 2700, Phoenix, Arizona 85003-1973, and who has been a bona fide resident of the State of Arizona for more than the last three (3) years, is appointed and designated as the Statutory Agent for the corporation for the State of Arizona, upon whom service of process may be made. This appointment may be revoked at any time by the Board of Directors of the Association by the filing of the appointment of another Statutory Agent.

#### ARTICLE V

## PURPOSE OF THE ASSOCIATION

The object and purpose for which this Association is organized are to provide for the ownership, management, maintenance, and care of the Association Property and for the administration of the affairs of the Association. In furtherance of, and in order to accomplish these objectives and purposes, the Association may transact any or all lawful business for which nonprofit corporations may be incorporated under the laws of the State of Arizona, as these laws may be amended from time to time, including the power to indemnify the Directors, Officers, Members, employees or agents of the Association in the manner specified by the Bylaws (as defined below). All business transacted by the Association will be transacted in a way so as to further its tax-exempt status as an association under the Internal Revenue Code, if the Association will commence on the date of the filing of these Articles with the Arizona Corporation Commission.

## ARTICLE VI

#### **MEMBERSHIP**

- 1. <u>Identity of Members</u>. The Association is a non-stock corporation. No dividends or pecuniary profits will be paid at any time to its Members. Membership in the Association is limited to Owners of Units. Upon becoming the Owner of a Unit, the Owner becomes a Member of the Association and will remain a Member of the Association until the ownership ceases, for any reason, at which time the Owner's membership in the Association will cease automatically.
- 2. <u>Transfer of Membership</u>. Membership in the Association is appurtenant to each Lot and a membership in the Association will not be transferred, pledged, or alienated in any way, except: (i) upon the sale of a Lot, and then only to the purchasers; (ii) by intestate succession or testamentary disposition; (iii) foreclosure of mortgage (or similar security instrument) of record; or (iv) other legal process. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association.

#### ARTICLE VII

## **VOTING RIGHTS**

- 1. <u>Classes of Members</u>. The Association will have two classes of voting membership, Class A and Class B.
- 2. <u>Class A.</u> Class A members are all Owners of Units with the exception of the Declarant. Each Class A member is entitled to one (1) vote for each Lot owned.
- 3. <u>Class B.</u> The 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 upon the expiration of the period of Declarant Control.
- 4. <u>Cumulative Voting</u>. There is no cumulative voting on any matter related to the administration or organization of the Association or its matters.

#### ARTICLE VIII

## **BOARD OF DIRECTORS**

Board of Directors of the Association (sometimes individually or collectively called "Board," "Directors," "Director," or "Board of Directors") and any officers and committees that the Board may elect and appoint. The Board of Directors will be elected by the Members, and Board of Directors elections may be conducted by mail or any other method permitted in the Bylaws or under Arizona law. So long as there is a Class B membership in the Association, the Directors need not be Members of the Association. After the termination of the Class B membership, all Directors must be Members of the Association. The Board may increase the number of Directors on the Board; however, the number of Directors must always be an odd number and may not exceed seven (7) Directors. The number of Directors constituting the initial Board will be three (3), one of which will serve a three (3) year term, one of which will serve a two (2) year term, and one of which will serve a one (1) year term. All additional Directors that may be added from time to time to the Board (i.e., in addition to the initial three (3) and up to seven (7) members) will serve three (3) year terms. The names and addresses of the initial Board of Directors of the Association are as follows:

<u>Name</u>	Mailing Address
Eric C. Brown (3 year term)	1410 North Central Avenue Phoenix, Arizona 85014
Deborah Granado	1410 North Central Avenue
(2 year term)	Phoenix, Arizona 85014
Sheryl Wirken	1410 North Central Avenue
(1 year term)	Phoenix, Arizona 85014

The initial Directors will serve for the terms specified below their names and until their successors have been elected and qualified. Successor Directors to the initial Directors also will serve the one, two, or three year terms specified above.

2. <u>Bylaws</u>. The Board is expressly authorized to adopt bylaws for the Association ("Bylaws"), by unanimous written consent or by a majority vote of the Board at a regular or special meeting of the Board.

## ARTICLE IX

### **GENERAL PROVISIONS**

- 1. <u>Dissolution</u>. The Association may be dissolved with the affirmative written approval of two-thirds (2/3) or more of the total number of eligible votes of each class of Members in the Association. Upon dissolution of the Association, other than incidental to a merger or consolidation, the assets of the Association will be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. If a dedication is refused, the assets will be granted, conveyed, or assigned to any nonprofit corporation, association, trust, or other organization to be devoted to a similar purpose or purposes.
- 2. <u>Amendments</u>. Any amendment of these Articles will require the affirmative approval of seventy-five percent (75%) or more of the total number of eligible votes of each class of Members in the Association.
- 3. <u>Incorporators</u>. The name and address of the incorporator of the Association are:

<u>Name</u>

## Mailing Address

John A. Hink

6301 North 75<sup>th</sup> Street Scottsdale, Arizona 85250

- 4. <u>FHA/VA Approval</u>. As long as there is a Class B membership in the Association and if either FHA or VA financing is applicable to all or any portion of the Property, the following will require the prior approval of the Federal Housing Administration or the Veterans Administration, if applicable: (i) annexation of additional properties; (ii) mergers and consolidations; (iii) mortgaging of Common Area; (iv) dedication of Common Area; and (v) dissolution and amendment of these Articles.
- 5. <u>Indemnification</u>. To the fullest extent permitted under A.R.S. § 10-3850, et seq., or any successor statute, the Association, on demand, will indemnify, defend, and hold harmless all of its incorporators and any and all of its past, present, and future Directors, officers, Members, employees, and agents for, from, and against all losses, damages, liabilities, claims, expenses, legal fees, judgments, penalties, and settlements arising out of any and all acts or omissions done or omitted while employed by or acting on behalf of the Association. No right, power, or responsibility conferred on the Board, Architectural Committee, or any officer, employee, or agent of the Association will be construed as imposing any duty or obligation on that person for the purposes of establishing personal liability.

- 6. <u>Limited Liability</u>. Without limitation of the right of the Association to indemnify, neither the Declarant, the Association, any Director, officer of the Association, Member, member of the Architectural Committee, nor any employees or agents of the Declarant or the Association will have any liability to any Owner or to any of Owner's Permittees for any act or failure to act with respect to any matter if the action taken or the failure to act was in good faith.
- 7. <u>Limitation on Actions</u>. The ability of the Association to initiate legal proceedings or join as a plaintiff in certain legal proceedings may be limited by the Declaration or the Bylaws. In addition, certain claims, grievances, controversies, disagreements, or disputes involving the Association or its Members may be subject to the alternative dispute resolution procedures established in the Declaration and Bylaws.

For the purpose of forming this nonprofit corporation under the laws of the State of Arizona, the undersigned, constituting all of the incorporators of the Association, has executed these Articles of Incorporation as of August 16, 2002.

John A. Hink, Incorporator

## CONSENT TO ACT AS STATUTORY AGENT

I, John A. Hink, Esq., 101 North First Avenue, Suite 2700, Phoenix, Arizona 85003, having been designated to act as Statutory Agent for Artisan Parkview Condominium Association, Inc., hereby consent to act in that capacity until removed, or my resignation is submitted in accordance with the Arizona Revised Statutes.

DATED: August 16 2002.

John A. Hink, Esq