

AZ CORR COMMISSION  
FILED

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OCT 31 2003

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DATE 10-31-03  
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**ARTICLES OF INCORPORATION  
OF  
COTTONWOOD ESTATES  
COMMUNITY ASSOCIATION**

In compliance with the requirements of the Arizona Revised Statutes, the undersigned, who is a resident of the State of Arizona, and who is of full age, has this date formed a nonprofit corporation and does hereby certify and adopt the following Articles of Incorporation.

**ARTICLE I**

**NAME**

The name of the corporation is Cottonwood Estates Community Association, an Arizona nonprofit corporation, hereinafter referred to as the "Association".

**ARTICLE II**

**PRINCIPAL OFFICE**

The principal office of the Association is located at 8129 North 87th Place, Scottsdale, in the County of Maricopa, State of Arizona.

**ARTICLE III**

**INCORPORATORS**

The name and post office address of WESTON PARTNERSHIP, L.L.C., the incorporator, is as follows:

WESTON PARTNERSHIP, L.L.C.  
P.O. Box 6410  
Scottsdale, AZ 85261-6410

**ARTICLE IV**

PAID  
#123  
[mark]

## **PURPOSES AND POWERS OF THE ASSOCIATION**

Section 1. 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, irrigation and architectural control of the resident's lots and common area on the following real property located in the County of Maricopa, State of Arizona, and all structures and improvements thereon, more particularly described as:

*Lots 1-50 Cottonwood Estates and Tract A, as per  
Maricopa County subdivision review case # 20030050  
Maricopa County Planning Development Department,  
Arizona.*

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

(a) Exercise all of the powers and privileges and to perform all the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions of Cottonwood Estates Subdivision, hereinafter called the "Declaration", applicable to the property and recorded in the office of the County Recorder of Maricopa County, State of Arizona, as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length.

(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 assent of two-thirds (2/3) of each class of members, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(e) Have and to exercise any and all powers, rights and privileges which a corporation organized as a nonprofit corporation of the State of Arizona by law may now or hereafter have or exercise, and to do and perform any and all acts and things to transact any business not inconsistent with law,

which may be necessary, incident to or convenient in carrying out any of the business purposes of the Association.

(f) Act in the capacity of principal, agent, joint venture, partner or otherwise.

(g) Make contracts of all kinds and descriptions with third parties, firms and corporations.

(h) Enter into, perform and carry out contracts of any kind necessary to, in connection with, or incidental to the accomplishment of the purposes of the corporation.

(i) 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 by two-thirds (2/3) of each class of members agreeing to such dedication, sale or transfer.

Section 2. The foregoing statement shall be construed as a statement both of purposes and of power in each clause and shall be in no way limited or restricted by reference to inference from the terms or provisions of any other clauses, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of powers and purposes, the 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 Association.

Section 3. This Association is organized pursuant to the laws of the State of Arizona which govern nonprofit corporations.

#### **ARTICLE V**

#### **MEMBERSHIP**

Section 1. The Association shall be a non-stock corporation and shall be owned by its members, who shall be collectively called the members of the Association, and no dividends or pecuniary profits shall be paid to its members. Membership in the Association, shall be limited to record owners of equitable title in fee simple (or legal title if the equitable title is merged) of the dwellings constructed or planned to be constructed and to record owners of fee title on the property described above and any addition thereto as may hereafter be brought with the jurisdiction of the Association by annexation. An owner of a dwelling or fee title to the property described above shall automatically, upon becoming the owner of the dwelling, be a member of the Association and shall remain as a member of the Association until such time as his ownership ceases

for any reason, at which time his membership in said Association shall automatically cease. No certificates of membership shall be issued and membership shall be evidenced by an official list of said members, which list shall be kept in the office of the Secretary of the Association. No membership shall be issued to any other person or persons except as they may be issued in substitution for outstanding membership assigned to the new record owners of equitable title (or legal title if equitable title has merged).

Section 2. In the event said dwelling or lot is owned by two (2) or more persons whether joint tenancy, tenancy in common, community property or otherwise, the membership as to each dwelling unit shall be joint and a single membership for such dwelling shall be issued in the names of all and they shall designate to the Association, in writing, at the time of issuance, 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 the Association shall make such designation.

## **ARTICLE VI**

### **VOTING RIGHTS**

The Association shall have two (2) classes of voting membership:

Class A. The Class A members shall be all owners as defined in Article V with the exception of the Declarant and Developer and shall be entitled to one (1) vote for each lot owned. When more than one (1) person owns an interest in any lot, the vote for such lot shall be exercised by the member as determined in Article V, Section 2, but in no event shall more than one (1) vote be cast with respect to any lot.

Class B. The Class B member shall be the Declarant and the Developer (as defined in the Declaration of Covenants, Conditions and Restrictions recorded for the property referred to in Article IV). The Class B member shall be entitled to three (3) votes for each lot in which it hold the interest required for membership by Article V, provided that 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:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) Seven (7) years from the date of recordation of the Declaration.

## **ARTICLE VII**

## **DURATION**

The time of commencement of this Association shall be the date upon which the Arizona Corporation Commission file the Articles of Incorporation, and it shall have perpetual life.

## **ARTICLE VIII**

### **BOARD OF DIRECTORS**

Section 1. The affairs of the Association shall be conducted by a Board of Directors consisting of an odd number of not less than three (3) nor more than nine (9) members, and such other officers as the Board of Directors may select from time to time, including a President, a Vice President, a Secretary, and a Treasurer. The same person may hold any two (2) offices, except that the President may not, at the same time hold the office of Vice President or Secretary.

Section 2. The Directors shall be elected by the members of the Association at the first and each ensuing annual meeting thereof, as provided for in the By-laws of this Association; Provided that until the Class B Membership shall terminate the Board of Directors shall be appointed by the Declarant. The directors need not be members of the Association. The Board of Directors will adopt By-laws for the Association and such By-laws may be amended, supplemented, repealed or suspended and new By-laws may be adopted as provided for therein.

Section 3. The initial Board of Directors shall consist of three (3) directors, who shall serve until the first annual meeting of the Association, or until their successors are elected and qualified, as provided for in the By-laws. The following persons were appointed and shall serve as directors of the Association:

Gregory A. Bennett  
8129 North 87th Place  
Scottsdale, AZ 85258

Paul E. Schramm, Jr.  
8129 North 87th Place  
Scottsdale, AZ 85258

Bruce Agenter  
8129 North 87th Place  
Scottsdale, AZ 85258

**ARTICLE IX**

**PRIVATE PROPERTY EXEMPTION**

The private property of each and every officer, director and member of the Association of this Association shall at all time be exempt from all debts and liabilities of the Association.

**ARTICLE X**

**STATUTORY AGENT**

The Association hereby appoints Stephen Manes, Esq., 7301 North 16th Street, Suite 103, Phoenix, AZ 85020-5297, who is now and has been for more than three (3) years past, a bona fide resident of the State of Arizona, as its lawful Statutory Agent upon whom all notices and processes, including service of summons, may be served and which when served, shall be lawful, personal service upon this Association. The Directors may, at any time, appoint another agent for such purpose and the filling of such appointment shall revoke this or any other previous appointment of such agent.

**ARTICLE XI**

**NON-DISCRIMINATION**

The Association shall not execute, file, or record any documents which impose a restriction upon the sale, lease or occupancy of property solely on the basis of race, color or creed.

**ARTICLE XII**

**DISSOLUTION**

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the total number of votes eligible to vote. Upon dissolution of the Association, the assets, both real and personal, of the Association shall be dedicated to an appropriate public agency to be devoted to purposes, as nearly as practicable, the same as those to which they were required to be devoted by the Association. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust and other organization to be devoted to purposes and uses that would nearly reflect the purposes and uses to which they were required to be devoted by the Association.

**ARTICLE XIII**

**MEETING OF MEMBERS**

The first annual meeting of the members of the Association shall be held as provided for in the By-laws of the Association. Any such amendment of the By-laws, thus duly adopted, changing the date of the annual meeting shall be valid and effective without the necessity of amending the Articles of Incorporation of the Association. The annual meeting of the Board shall be held at the office of the Association 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 be no less than two (2) meetings of the Board of Directors during each fiscal year.

**ARTICLE XIV**

**AMENDMENTS**

These Articles of Incorporation may be amended by the affirmative vote of seventy-five percent (75%) of the entire membership.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 27<sup>th</sup> day of OCTOBER, 2003.

WESTON PARTNERSHIP, L.L.C.

By: 50 Cottonwood L.L.C., Managing Member

By:   
Bruce A. Agenter

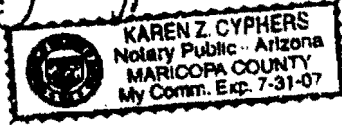
Its: Member

STATE OF ARIZONA     )  
  ) ss.  
County of Arizona     )

On this 27<sup>th</sup> day of OCT., 2003, before me, the under-signed Notary Public, personally appeared Bruce A. Agenter who acknowledged himself to be Member of 50 Cottonwood L.L.C., the Managing Member of WESTON PARTNERSHIP, L.L.C., an Arizona corporation, and that he, as such officer, being authorized so to do, executed the within instrument for the purposes therein contained by signing the name of said corporation, by himself as such officer.

WITNESS my hand and official seal.

*Karen Z. Cyphers*  
Notary Public



MY COMMISSION EXPIRES:

7-31-07

**Acceptance of Appointment By Statutory Agent**

The undersigned hereby acknowledges and accepts the appointment as statutory agent of the above-named Corporation effective this 27 day of July, 2003.

Signed:

*Stephen Manes*  
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Stephen Manes