

**\*\*\*\*The original Articles of Incorporation of Paseo Villas Improvement Association expired in 1998.**

**This copy is the amended version that was certified by Ernest G. Johnson, Executive Director of the Arizona Corporation Commission valid on 08/18/1998, for Paseo Villas Improvement Association ACC file number: 0090325-8. Copies of the signed copies authorizing the approval of this amendment are available for a nominal fee.**

ARTICLES OF INCORPORATION  
OF  
PASEO VILLAS IMPROVEMENT ASSOCIATION

In compliance with the requirements of A.R.S. 10-451, et seq., the undersigned, all of whom are residents of Maricopa County, Arizona, and all of whom are of full age, have this date voluntarily associated themselves together for the purpose of forming a corporation 'not for profit', and do hereby certify:

ARTICLE I

The name of the corporation is PASEO VILLAS IMPROVEMENT ASSOCIATION, hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located in Scottsdale, Arizona at 7222 N. Via De Paesia, 85258.

ARTICLE III

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 the management, maintenance and preservation of the common areas and architectural control of the residential lots, said common areas and residential lots being within that certain tract of property described as a planned development of a subdivision of Tract "A", of AMENDED PASEO VILLAGE consisting of Lots 1 through 90 inclusive, and Tracts A-A through A-Q, inclusive, per map recorded in Book 154, Page 13 of Maps in the office of the Maricopa County Recorder, and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter 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 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 or to be recorded in the office of the Recorder of Maricopa County, Arizona, and

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 in connection therewith and all office and other 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 and to use the proceeds of such charges and assessments in the exercise of its powers and duties;

**(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 consent of two-thirds of the membership entitled to vote), mortgage, pledge, deed in trust, hypothecate any or all of its real or personal property as security for money borrowed or debt incurred;

**(e)** dedicate, sell or transfer all or any part of the Common Area to any public agency authority, or utility for such purposes as subject to conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to cast two-thirds of the votes agreeing to such dedication, sale or transfer; and

**(f)** have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Law of the State of Arizona by law may now or hereafter have or exercise and to enforce by legal means all documents relating to the above described property, including these Articles, Bylaws, Declaration of Covenants, Conditions and Restrictions.

#### ARTICLE IV

This Corporation shall be a non-stock corporation and shall be owned equally by its members who are owners of residential lots. No dividends or pecuniary profits shall be paid to any member. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants, conditions or restrictions of record to assessment by the Association, shall be a member of the Association. No owner shall have more than one membership. Membership shall be appurtenant to and not be separated from the ownership of any residential lot which is subject to assessment by the Association. Ownership of such residential lots shall be the sole qualification for membership.

Membership shall be deemed to commence upon becoming the owner of a lot. Class A members shall be entitled to one vote for each lot.

ARTICLE V  
Board of Directors

The affairs of this Association shall be conducted by a Board of five (5) directors who shall be members of the Association. The number of directors may be changed by amendment of the Bylaws of the Association, but the number thereof shall not be less than five nor more than nine. The Board of Directors shall be elected at the regular annual meeting of the members which shall be held on the third Sunday in March of each year commencing with the year 1973, or at such other time as the bylaws of the corporation may provide. At the first annual meeting, the members shall select one director for a term of one (1) year, one director for a term of two (2) years; and one director for a term of three (3) years; and at each annual meeting thereafter the members shall elect a director to replace the director whose term has expired. A president, one or more vice presidents, who must be members of the Board of Directors, a secretary and a treasurer (any two offices except the president and vice president may be held by the same person) shall be elected by the Board of Directors. The officers shall be elected at the first meeting of the Board of Directors following each annual meeting of the members. All such officers shall hold office until their successors are elected.

ARTICLE VI  
(Article VI is amended to read as follows:)  
Directors of the Association

Names of the Board of Directors are as follows:

Dick Babb, President  
7112 Via De Paesia  
Scottsdale, AZ 85258

Avis Tempas, Vice President  
7219 Via De Paesia  
Scottsdale, AZ 85258

Ruth Slominski, Secretary  
7239 Via De Paesia  
Scottsdale, AZ 85258

Leland Hinkle, Treasurer  
7206 Via De Paesia  
Scottsdale, AZ 85258

ARTICLE VII  
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 as a lawfully held meeting and approved by the Arizona Corporation Commission to the extent required by the laws of the State of Arizona. The highest amount of indebtedness or liability, direct or contingent, to which this corporation may be subject at any one time shall not exceed one hundred fifty percent (150%) of the income for the previous fiscal year, except that additional

amounts may be authorized by an affirmative vote of three-fourths of the members of the Association and approved by the Arizona Corporation Commission.

#### ARTICLE VIII

##### Mergers and Consolidations

To the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes; provided that any such merger or consolidation shall have the assent of two-thirds of the members who are entitled to vote.

#### ARTICLE IX

##### Dissolution

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds of the members who are entitled 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 non-profit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association.

#### ARTICLE X

##### Duration

The time of the commencement of the corporation shall be from the date of the issuance of the certification of Incorporation to it by the Arizona Corporation Commission, and it shall endure for the term of twenty-five (25) years thereafter, with the privilege of renewal as provided by law.

#### ARTICLE XI

##### Amendments

Amendment of these Articles shall require the assent of 75% of the entire membership.

#### ARTICLE XII

##### Exemption of Private Property

The private property of the directors and officers of the corporation shall at all times be exempt from all corporate debts and liabilities whatsoever.

#### ARTICLE XIII

##### Agent

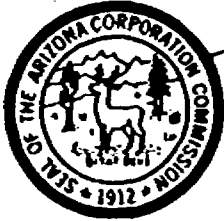
Angie Hisler agent for the Association, whose business address is 7222 Via De Paesia, Scottsdale, AZ 85258

ARTICLE XIV

The life of the corporation shall be perpetual.

STATE OF ARIZ

Corporation Commission



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QUART

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 PASEO VILLAS IMPROVEMENT ASSOCIATION

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 15th DAY OF January A. D. 1973



George M. Dempsey SECRETARY

ASSISTANT SECRETARY

ARTICLES OF INCORPORATION  
OF  
PASEO VILLAS IMPROVEMENT ASSOCIATION

In compliance with the requirements of A.R.S. 10-451, et seq., the undersigned, all of whom are residents of Maricopa County, Arizona, and all of whom are of full age, have this date voluntarily associated themselves together for the purpose of forming a corporation not for profit, and do hereby certify:

ARTICLE I

The name of the corporation is PASEO VILLAS IMPROVEMENT ASSOCIATION, hereinafter called the "Association".

ARTICLE II

The principal office of the Association is located in Tempe, Arizona, but other offices may be established from time to time by the Board of Directors of the Association.

ARTICLE III  
Unofficial Document

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 the management, maintenance and preservation of the common areas and architectural control of the residential lots, said common areas and residential lots being within that certain tract of property described as a planned area development of

A subdivision of Tract "A", of AMENDED PASEO VILLAGE consisting of Lots 1 through 90 inclusive, and TRACTS A-A through A-Q, inclusive, per map

recorded in Book 154, Page 13 of Maps in the office of the Maricopa County Recorder, and to promote the health,

safety and welfare of the residents within the above-described property and any additions thereto as may hereafter 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 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 or to be recorded in the office of the Recorder of Maricopa County, Arizona, and 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 in connection therewith and all office and other 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 and to use the proceeds of such charges and assessments in the exercise of its powers and duties;

(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 consent of two-thirds of the membership entitled to vote), mortgage, pledge, deed in trust, hypothecate any or all 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 by members entitled to cast two-thirds of the votes agreeing to such dedication, sale or transfer; and

(f) have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Law of the State of Arizona by law may now or hereafter have or exercise and to enforce by legal means all documents relating to the above-described property, including these Articles, Bylaws, Declaration of Covenants, Conditions and Restrictions.

#### ARTICLE IV

This corporation shall be a non-stock corporation and shall be owned equally by its members who are owners of residential lots. No dividends or pecuniary profits shall be paid to any member. Ellis Suggs Construction Co., Inc., together with every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants, conditions or restrictions of record to assessment by the Association, shall be a member of the Association, excluding,

however, TRANSAMERICA TITLE INSURANCE COMPANY OF ARIZONA, an Arizona corporation, in its capacity as Trustee for the benefit of Ellis Suggs Construction Co., Inc., an Arizona corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for performance of an obligation. No owner shall have more than one membership. Membership shall be appurtenant to and not be separated from the ownership of any residential lot which is subject to assessment by the Association, excepting, however, in the case of lots, fee simple title to which is vested in TRANSAMERICA TITLE INSURANCE COMPANY OF ARIZONA, as Trustee, or in Ellis Suggs Construction Co., Inc., an Arizona corporation. Ownership of such residential lots shall be the sole qualification for membership. Membership shall be deemed to commence upon becoming the owner of a lot. The association shall, in the first instance, have two classes of membership. Class A members shall be all owners excepting Ellis Suggs Construction Co., Inc. Ellis Suggs Construction Co., Inc. shall be deemed to be the holder of <sup>Unofficial Document</sup> Class B membership and shall be entitled to one vote for each lot in which it or TRANSAMERICA TITLE INSURANCE COMPANY OF ARIZONA, as Trustee, holds fee simple title. Class A members shall be entitled to one vote for each lot in which they hold the interest required for membership at such time as Ellis Suggs Construction Co., Inc. causes fee simple title to the common area to be conveyed to the Association or on July 1, 1976, whichever occurs first.

#### ARTICLE V

##### Board of Directors

The affairs of this Association shall be conducted by a Board of three (3) directors who need not be members of the Association. The number of directors may be changed by

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amendment to the Bylaws of the Association, but the number thereof shall not be less than three nor more than nine. The Board of Directors shall be elected at the regular annual meeting of the members which shall be held on the last Friday in November of each year commencing with the year 1973, or at such other time as the Bylaws of the corporation may provide. At the first annual meeting, the members shall select one director for a term of one (1) year, one director for a term of two (2) years, and one director for a term of three (3) years; and at each annual meeting thereafter the members shall elect a director to replace the director whose term has expired. A president, one or more vice presidents, who must be members of the Board of Directors, a secretary and a treasurer (any two offices except the president and vice president may be held by the same person) shall be elected by the Board of Directors. The officers shall be elected at the first meeting of the Board of Directors following each annual meeting of the members. All such officers shall hold office until their successors are elected.

## ARTICLE VI

Initial Directors

The names of the persons who are elected by the original incorporators to serve until the first annual meeting of the Association as the initial Board of Directors of this corporation are as follows:

<u>Name</u>	<u>Address</u>
Ellis Suggs	5729 East Orange Blossom Lane Phoenix, Arizona 85018
John T. Owens	2228 East Solano Drive Phoenix, Arizona 85016
Barton Hughes	11837 North 38th Place Phoenix, Arizona 85020

The initial Board of Directors was elected at a

meeting of incorporators held at 3910 South Rural Road, Tempe, Arizona, beginning at the hour of 9:00 o'clock A. M., on the 5th day of January, 1973. Following their election, the Board of Directors appointed the following officers to serve at the pleasure of the Board of Directors: Ellis Suggs, President, John T. Owens, Vice President and Secretary and Barton Hughes, Treasurer.

#### ARTICLE VII

##### 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 highest amount of indebtedness or liability, direct or contingent, to which this corporation may be subject at any one time shall not exceed one hundred fifty percent (150%) of the income for the previous fiscal year, except that additional amounts may be authorized by an affirmative vote of three-fourths of the members of the Association and approved by the Arizona Corporation Commission.

Unofficial Document

#### ARTICLE VIII

##### Mergers and Consolidations

To the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes; provided that any such merger or consolidation shall have the assent of two-thirds of the members who are entitled to vote.

#### ARTICLE IX

##### Dissolution

The Association may be dissolved with the assent

given in writing and signed by not less than two-thirds of the members who are entitled 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 non-profit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association.

#### ARTICLE X

##### Duration

The time of the commencement of the corporation shall be from the date of the issuance of the Certificate of Incorporation to it by the Arizona Corporation Commission, and it shall endure for the term of Unofficial Document five (25) years thereafter, with the privilege of renewal as provided by law.

#### ARTICLE XI

##### Amendments

Amendment of these Articles shall require the assent of 75% of the entire membership.

#### ARTICLE XII

##### Exemption of Private Property

The private property of the stockholders, directors and officers of the corporation shall at all times be exempt from all corporate debts and liabilities whatsoever.

#### ARTICLE XIII

##### Agent

SHIMMEL, HILL & BISHOP, P.C., whose business address is 10th Floor, 111 West Monroe Street, Phoenix, Arizona 85003,

DKT 9941 430

and which is a corporation empowered by its Articles to so act, is hereby appointed the agent of the corporation upon whom all notices of process, including service of summons, may be served, and the service upon such agent shall be lawful personal service on the corporation. This appointment may be revoked at any time by the filing of the appointment of another agent as provided by law.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Arizona, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation on this 8th day of January, 1973.

*Ellis Suggs*  
\_\_\_\_\_  
ELLIS SUGGS

*John S. Owens*  
\_\_\_\_\_  
JOHN S. OWENS

*Barton M. Hughes*  
\_\_\_\_\_  
Unofficial Document JN HUGHES

STATE OF ARIZONA )  
                          ) ss  
County of Maricopa)

On this, the 8th day of January, 1973, before me, the undersigned notary public, personally appeared ELLIS SUGGS, 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.

In Witness Whereof, I hereunto set my hand and official seal.

*Quincy Hughes*  
\_\_\_\_\_  
Notary Public

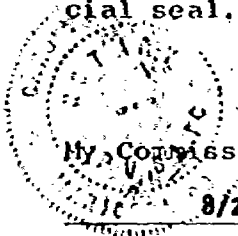


My Commission Expires: \_\_\_\_\_

STATE OF ARIZONA )  
County of Maricopa ) ss

On this, the 8th day of January, 1973, before me, the undersigned notary public, personally appeared JOHN T. OWENS, 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.

In Witness Whereof, I hereunto set my hand and official seal.



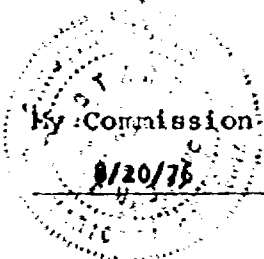
Gregory Hughes  
Notary Public

My Commission Expires:  
8/20/76

STATE OF ARIZONA )  
County of Maricopa ) ss

On this, the 8th day of January, 1973, before me, the undersigned notary public, personally appeared BARTON HUGHES, 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.

In Witness Whereof, I hereunto set my hand and official seal.



Gregory Hughes  
Notary Public

My Commission Expires:  
8/20/76

DKT 9941 - 432

Unofficial Document  
90325

ARIZONA CORPORATION COMMISSION  
INCORPORATING DIVISION

FILED

JAN 15 1973

At 9:40 A. M. of request of  
Shimmel, Hill & Bisop, P.C.

Address 111 W. Monroe, Suite 1000  
Phoenix, Arizona 85003

By T. Selonke  
George M. Dempsey

STATE OF ARIZONA }  
County of Maricopa } ss

I hereby certify that the with-  
in instrument was filed and re-  
corded at request of

SHIMMEL, HILL & BISHOP

JAN 15 1973-140

in District 9941

on page 422-432

Witness my hand and official  
seal the day and year aforesaid.

Paul M. Mouton

County Recorder

By Jean John  
Deputy Recorder

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