

APR 25 1990

ARTICLES OF INCORPORATION
OF
SOUTH BAY ASSOCIATION

FILED

MAY 10 9 00 AM '90

JOSE LUIS DEL PAPA SECRETARY OF STATE
Jose Luis Del Papa
3693-90

We, the persons hereinafter named as incorporators, for the purpose of associating to establish a corporation, under the provisions and subject to the requirements of Title 7, Chapters 81.410 through 81.540 of Nevada Revised Statutes, and the acts amendatory thereof, and hereinafter sometimes referred to as the General Corporation Law of the State of Nevada, do hereby adopt and make the following Articles of Incorporation:

ARTICLE I

The name of the corporation is South Bay Association.

ARTICLE II

OFFICE AND AGENT

The principal office for the transaction of the business of the corporation shall be located at 3650 South Pointe Circle, Suite 201, Laughlin, Nevada 89029. Timothy R. Bassett, whose address is 3650 South Pointe Circle, Suite 201, Laughlin, Nevada 89029, is hereby appointed the initial resident agent of his corporation.

ARTICLE III

PURPOSES

The purpose for which the corporation is organized is to acquire, construct, manage, maintain and care for property, (i) held by the corporation, (ii) commonly held by members of the corporation, (iii) within the corporation and privately held by members of the corporation, or (iv) owned by a governmental unit and used for the benefit of residents of such unit; all as more fully set forth in that Declaration of Covenants, Conditions and Restrictions for the South Bay Condominiums and all amendments thereto (hereinafter the "Covenants"). The initial property to be administered by the corporation is within the limits of the unincorporated township of Laughlin, Nevada, Clark County, as shown by map thereof recorded April 4, 1990 in Book 045, Page 0067 of Plats, Official Records Book 900404, Clark County, Nevada Records. The corporation is not organized for profit and shall not be operated for profit. No part of the net earnings of the corporation shall inure to the benefit of any private member or individual except by the acquisition, construction, management, maintenance and care of property described in the first sentence of this Article and except for rebates of excess membership dues, fees, or assessments.

ARTICLE IV

POWERS

The corporation shall have all the powers available to a non-stock, non-profit corporation under the General Corporation Law of the State of Nevada or any act amendatory thereof, supplemental thereto, or substituted therefor. More specifically, this corporation will provide for the management, administration, maintenance, preservation, operation and architectural control of a condominium project located in the unincorporated township of Laughlin, Nevada, County of Clark, State of Nevada, and for the promotion of the health, safety and welfare of its members, including, but not limited to, those powers provided for in the Covenants.

ARTICLE V

CONFLICT

This corporation has been organized pursuant to, and is subject to, the Covenants.

ARTICLE VI

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided interest in any condominium, as the terms "Owner" and "Condominium" are defined in the Covenants, which is subjected by the Covenants to assessment by the corporation, including contract sellers, shall be a Member of the corporation. The foregoing is not intended to include persons or entities who hold an interest merely as a security for an obligation. Membership shall be appurtenant to and may not be separated from ownership of any condominium which is subject to assessment by the corporation.

ARTICLE VII

VOTING RIGHTS

The corporation shall have two classes of voting memberships:

Class A. Class A Member(s) shall be all Owners, with the exception of the Declarant, as the term "Declarant" is defined in the Covenants, and shall be entitled to one (1) vote for each condominium owned. When more than one person holds any interest in any condominium, all such persons shall be Members, and the vote for such condominium shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any such condominium.

Class B. Class B Member(s) shall be the Declarant and shall be entitled to three (3) votes for each condominium owned. The Class B membership shall cease and be converted to a Class A membership on the happening of the earliest of the following to occur:

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

(b) Four (4) years from the date of the issuance of the Clark County Certificate of Occupancy for the final phase of the overall development, or

(c) Six (6) years from the date of the issuance of the Clark County Certificate of Occupancy for the first phase of the development, or

(d) On December 31, 1996.

(e) When the Declarant waives in writing its right to Class B membership.

Notwithstanding the foregoing, if at any time or times subsequent to any such conversion additional land is added by the Declarant, such additional land shall automatically be and become Class B Condominiums. In addition, if following such addition of land the total votes allocated to all Condominiums then owned by Declarant (calculated as if all such Condominiums are Class B membership, whether or not they are) shall exceed the remaining total votes outstanding in the Class A membership (excluding Declarant), then any Class A Condominiums owned by the Declarant shall automatically be reconverted to Class B. Any such reconversions shall not occur, however, if either occurrences (d) or (e) above shall have taken place.

When more than one person holds an interest in any Condominium, the vote for such Condominium shall be exercised as they among themselves determine but in no event shall more than one (1) person vote with respect to any Condominium as defined herein.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this corporation shall be managed by a Board of three (3) directors, who need not be members of the corporation. The number of directors may be changed by amendment of the By-Laws of the corporation. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

Timothy R. Bassett	3650 South Pointe Circle, Suite 201 Laughlin, Nevada 89029
Shirley A. Cutler	3650 South Pointe Circle, Suite 201 Laughlin, Nevada 89029
Barry P. Bilbray	3650 South Pointe Circle, Suite 201 Laughlin, Nevada 89029

At the first annual meeting the members shall elect directors for a term of one (1) year.

ARTICLE IX

DISSOLUTION

The corporation may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the corporation, other than incident to a merger or consolidation, the assets of the corporation shall be dedicated to any appropriate public agency to be used for purposes similar to those for which this corporation 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 X

DURATION


The term of existence of this corporation shall be fifty (50) years.


ARTICLE XI

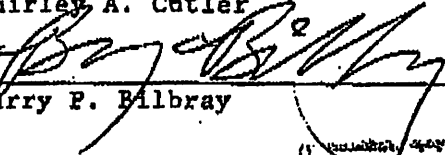
AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

IN WITNESS WHEREOF, for the purpose of forming the corporation under the laws of the State of Nevada, we, the undersigned, constituting the incorporators of this corporation, have executed these Articles of Incorporation this 9th day of April, 1990.



Timothy R. Bassett


Shirley A. Cutler



Barry P. Bilbray

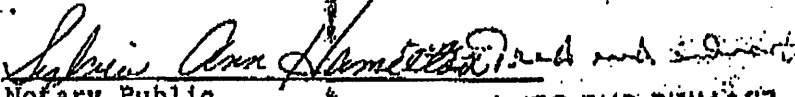
STATE OF NEVADA)
) SS.
COUNTY OF CLARK)

On April 9, 1990 before me, the undersigned, a Notary Public in and for said County and State, personally appeared TIMOTHY R. BASSETT, SHIRLEY A. CUTLER, BARRY P. BILBRAY, personally known to me to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same.

STATE OF NEVADA
DEPARTMENT OF
STATE
NOTARY PUBLIC
APR 25 1990
FRANKIE SUE DEL PAPA
Secretary of State

WITNESS my hand and official seal.


Sylvia Ann Hamilton
Notary Public - State of Nevada
CLARK COUNTY
My Appointment Expires Feb. 29, 1992



Notary Public
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