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FILED
in the office of the Secretary of State
of the State of California
OCT 12 2005 *gch*

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**CERTIFICATE OF AMENDMENT AND VERIFICATION OF
ARTICLES OF INCORPORATION OF
FIRST WALNUT CREEK MUTUAL**

We, the undersigned, Gerald Priebat and Mel Fredlund

1. hereby certify that:
 - a. we are the President and Secretary, respectively, of First Walnut Creek Mutual, a California nonprofit mutual benefit corporation, and are duly authorized to execute this Certificate;
 - b. the Articles of Incorporation of the Corporation, which were filed on January 17, 1967, shall be amended to read as set forth in full in Exhibit "A" attached to this Certificate and incorporated herein by reference as if fully set forth herein; and
 - c. the foregoing amendment has been approved by the Board of Directors and by the required vote of Members; and
2. each hereby declares under penalty of perjury pursuant to the laws of the State of California, that the matters set forth above are true of his or her own knowledge.

EXECUTED at Walnut Creek, California, this 2 day of August, 2005.

Gerald Priebat

Gerald Priebat, President

Mel Fredlund

Mel Fredlund, Secretary

EXHIBIT "A"

**AMENDED ARTICLES OF INCORPORATION OF
FIRST WALNUT CREEK MUTUAL**

ARTICLE 1 NAME

The name of the corporation is First Walnut Creek Mutual (hereinafter called the "Corporation").

**ARTICLE 2 ORGANIZATION, PURPOSE AND POWERS
 OF THE CORPORATION**

This Corporation elects to be governed by all of the provisions of the Nonprofit Corporation Law of 1980 not otherwise applicable to it under Part 5 thereof. This Corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this Corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law. This Corporation does not contemplate pecuniary gain or profit to the Members thereof, and the limited and primary purposes for which it is formed are:

(i) to provide housing on a cooperative basis to the Members of this Corporation in the manner and for the purposes provided in Section 213 of Title I of the National Housing Act, as amended, through the acquisition, ownership and operation of that certain tract of property located in the City of Walnut Creek, County of Contra Costa, State of California and commonly known as the First Walnut Creek Mutual cooperative housing project; and

(ii) to construct, operate, maintain and improve, and to buy, sell, own, convey, assign, mortgage or lease any real property and any personal property necessary or incidental to the provision of such cooperative housing; and

(iii) to serve as an association for the management, administration, operation, maintenance, protection, preservation, and architectural control of the

cooperative housing project and the business and affairs of the Corporation;
and

(iv) to promote the health, safety, welfare, and interests of the residents of the cooperative housing project; and

(v) to take such action as in the judgment of the Board of Directors shall be necessary or proper or incidental to the foregoing purposes of the Corporation;
and

(vi) to apply for and obtain or cause to be obtained from the Federal Housing Commissioner (the "Commissioner") a contract or contracts of mortgage insurance pursuant to Section 213 of Title II of the National Housing Act, as amended.

ARTICLE 3 REGULATORY AGREEMENT

Notwithstanding any other provision contained herein, the Corporation is authorized to enter into a contract (or "Regulatory Agreement") with the Commissioner and shall be bound by the terms thereof to enable the Commissioner to carry out the provisions of the National Housing Act, as amended. Upon execution, the contract (or "Regulatory Agreement") shall be binding upon the Corporation, its successors and assigns, so long as a mortgage or deed of trust is outstanding, unpaid and insured or held by the Commissioner.

ARTICLE 4 STATEMENT REQUIRED BY CIVIL CODE SECTION 1363.5

The Corporation is an association formed to manage a common interest development under the *Davis-Stirling Common Interest Development Act* (*Civil Code* sections 1350 *et seq.*).

The business or corporate office of the Corporation is as follows:

First Walnut Creek Mutual
c/o Golden Rain Foundation of Walnut Creek
Attn: Mutual Operations Division
800 Rockview Drive
Walnut Creek, CA 94595

The physical location of the common interest development is:

Front Street: Golden Rain Road
Nearest Cross Street: Tice Creek Drive
Walnut Creek, California 94595-2417

The name and address of the Corporation's managing agent, as defined in *Civil Code* section 1363.1, is:

Golden Rain Foundation of Walnut Creek
Mutual Operations Division
800 Rockview Drive
Walnut Creek, CA 94595

ARTICLE 5 MEMBERSHIP

The qualifications for membership in the Corporation, the classes of membership, the property, voting and other rights and privileges of members and their liability for assessments and other charges and the methods of collection thereof, shall be as set forth in the Bylaws of the Corporation.

ARTICLE 6 BOARD OF DIRECTORS

The affairs of this Corporation shall be managed by a Board of Directors. The number of Directors, their qualifications, and the manner of their selection shall be as set forth in the Bylaws of the Corporation.

ARTICLE 7 LIMIT ON POWERS; TAXATION

Notwithstanding any of the statements of purpose or powers contained herein, the Corporation shall not, except to an insubstantial degree, engage in any activity or exercise that is not in furtherance of its specific and primary purposes. This Corporation is intended to qualify under the applicable provisions of Subchapter T of the United States *Internal Revenue Code* ("IRC") and as a "homeowners association" under the applicable provisions of Section 23701t of the *Revenue and Taxation Code* of the State of California ("R&TC"), as each may be amended from time to time. No part of the net earnings of this Corporation shall inure to the benefit of any private individual, except as expressly provided in Subchapter T and R&TC Section 23701t with respect to the acquisition, construction, or provision for management,

maintenance, and care of the Corporation property, and other than by rebate of excess membership dues, fees, or assessments.

ARTICLE 8 DISSOLUTION

So long as there is any dwelling unit, lot or parcel for which the Corporation is obligated to provide management, maintenance, preservation, or control, the Corporation shall not transfer all or substantially all of its assets or file a certificate of dissolution without the approval of one hundred percent (100%) of the Members. In the event of the dissolution, liquidation, or winding-up of the Corporation, upon or after termination of the First Walnut Creek Mutual cooperative housing project, in accordance with provisions of the Bylaws, the Corporation's assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be divided among and distributed to its Members in accordance with their respective rights therein.

ARTICLE 9 AMENDMENTS

Any amendments to these Amended Articles of Incorporation shall require the approval of the Board of Directors and the approval by the affirmative vote or written consent of Members representing at least a majority of the Members voting on such amendment provided the number of Members voting hereon shall be sufficient to constitute a quorum, and provided further that a quorum for this purpose shall consist of Members entitled to cast at least one-third (1/3) of the total voting power of the Membership.

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