



State of California
Secretary of State

I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 10 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

APR 19 2006

BRUCE McPHERSON
Secretary of State

**ARTICLES OF INCORPORATION OF THE
ALBERTOLA ESTATES MUTUAL WATER COMPANY**

APR 07 2006

ARTICLE I

The name of this corporation is Albertola Estates Mutual Water Company.

ARTICLE II

A. 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.

B. This corporation shall be a separate corporation formed for the purposes described in California Corporations Code Section 14311. The specific purpose of this corporation is to develop, distribute, supply, and deliver water for domestic and irrigation use and fire protection purposes to its members at actual cost plus necessary expenses, and to no one except its members. Water shall be sold, distributed, supplied or delivered to all members and only to members, except that water shall also be provided to the common areas of any subdivision within the corporation's service area having an owner's association which requests water service for such common areas. This corporation shall be authorized to do whatever may be deemed necessary, conducive, incidental or advisable to accomplish and promote the foregoing purpose. Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

C. Memberships in the corporation shall be appurtenant to the land within the corporation's service area described in the certificate issued for such membership. Only one membership shall be issued for each separate and distinct lot, parcel, townhouse, condominium or other separate and distinct unit of real property as shown on a duly recorded subdivision map, parcel map, record of survey, certificate of compliance or similar recorded document. If a member becomes delinquent in paying assessments or similar charges levied by the corporation, the right of such member to receive water or dividends may be denied or forfeited, but those rights shall not be sold or transferred without the real property to which such membership is appurtenant.

ARTICLE III

The initial service area of the corporation shall include all that certain real property situate in the County of Monterey, California, as shown and designated as Lots 1, 2, 3, 4, 5, 6, 7, 8, and 9 on that certain Subdivision Map filed for record on April 6, 2006, in Volume 23 of Cities and Towns at Page 24, Official Records of Monterey County, California (hereinafter,

“Subdivision”). The initial members of the corporation shall be the owner or owners of the lots or parcels in the Subdivision. All members of the corporation shall, on demand, convey to the corporation all water rights held by said member in the real property subject to the membership at the time of connection. Any amendment to this Article III shall require the written consent of all owners of parcels or lots within the Subdivision.

ARTICLE IV

The corporation and its service area shall be expanded without a vote of the members to allow one membership to be issued to the owner or owners of the real property described in Exhibit “A” attached hereto and incorporated herein by this reference, to allow one membership to be issued to the owner or owners of the real property described in Exhibit “B” attached hereto and incorporated herein by this reference, to allow one membership to be issued to the owner or owners of the real property described in Exhibit “C” attached hereto and incorporated herein by this reference, to allow one membership to be issued to the owner or owners of the real property described in Exhibit “D” attached hereto and incorporated herein by this reference, to allow one membership to be issued to the owner or owners of the real property described in Exhibit “E” attached hereto and incorporated herein by this reference, and to allow one membership to be issued to the owner or owners of the real property described in Exhibit “F” attached hereto and incorporated herein by this reference, at the request of such owner or owners, and the corporation shall issue said membership to said owner or owners, or to said owner or owners’ successor or successors in interest, provided that the board of directors of the corporation has first determined that adequate quality and quantity of water is available to the corporation to serve all existing uses and all reasonably anticipated future uses on all parcels within the corporation’s existing service area whether or not all such parcels are then connected to the corporation’s water system or are then being served by the corporation and, provided further, that said requesting owner or owners shall, on demand, agree to convey to the corporation all water rights in said real property held by said owner or owners at the time of connection, shall make and pay the cost of any and all additions and improvements to the water system necessary to serve the new parcel and/or required by any governmental agency having jurisdiction, shall convey such additions and improvements to the corporation after such additions are constructed, installed, tested, and accepted by the corporation, shall pay all connection costs and charges and any other costs of the corporation related to such connection or expansion of the corporation and governmental approval thereof, including, but not limited to, costs and attorneys’ fees to qualify shares of the corporation for issuance to said owner or owners, or to obtain an exemption from any applicable requirement for such qualification, and shall comply with any other reasonable requirements of membership as may be adopted from time to time by the board of directors of the corporation, and, provided further, that any necessary permits, licenses, and similar approvals required by federal, state and local law for such expansion of the corporation shall be first obtained. The owner or owners of real property annexed to the corporation under this Article IV may be required, as a condition of such annexation, to pay to the corporation a connection fee or charge, including but not limited to a proportionate share of the capital cost of the corporation’s existing or proposed water system improvements.

ARTICLE V

The number of directors of the corporation is three (3).

ARTICLE VI

The authorized number and qualification of members of the corporation, the different classes of membership, if any, and their liability to pay dues or assessments and the method of collection thereof, shall be set forth in the Bylaws. This corporation shall have, in addition to any other authorized remedies, remedy by action for the collection of assessments.

ARTICLE VII

The corporation's initial agent for service of process in the State of California is Philip H. Coelho, whose business address is 1550 12th Avenue, Sacramento, California, 95818.

ARTICLE VIII

This corporation is not one which contemplates pecuniary gain or profit, and this corporation is organized for the purpose of providing domestic water services and facilities to its members at cost.

THE UNDERSIGNED, who is the incorporator of this corporation, has executed these Articles of Incorporation on April 7, 2006.

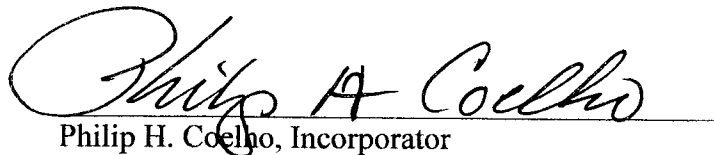

Philip H. Coelho, Incorporator

EXHIBIT "A"

All that certain real property situated in Monterey County, California, and more particularly described as follows:

A portion of the northwest quarter of Section 33 of Township 19 South Range 5 East, MDBM, particularly described as follows:

Beginning at a point in the southerly side line of the Arroyo Seco Road, a County road 60 feet wide, 30.0 feet left of Engineer's centerline station 115+80.62 BC of the county survey of the said road and running thence along the said side line, parallel to the centerline as surveyed,

1. South 81° 08' 10" East 121.77 feet, thence leaving the said road line,
2. South 09° 14' 00" West, at 150.5 feet an iron pipe standing in the north bank of the Arroyo Seco River, 200.5 feet to a point in the centerline of the said river, thence following the said river centerline,
3. South 81° 48' 20" West 90.0 feet to a point from which an iron pipe standing in the North bank of the said river bears N 18° 27' W., 44.9 feet distant, thence
4. South 59° 48' 20" West 183.50 feet, thence
5. South 77° 18' 20" West 139.10 feet to the west line of the said section 33, thence along said Section line
6. North 0° 17' 05" East, at 142.8 feet an iron pipe standing in the north bank of the said river, 302.80 feet to the aforesaid southerly road line, thence
7. North 63° 20' 50" East 11.77 feet, thence
8. Tangentially, on the arc of a circular curve to the right, with a radius of 470.0 feet, through a central angle of 35° 31', distance of 291.35 feet to the point of beginning.

Containing 2.508 acres.

(Current APN 419-381-001)

EXHIBIT "B"

All that certain real property situated in Monterey County, California, and more particularly described as follows:

Parcel 1 as shown and so designated on that certain Record of Survey recorded in Volume 21 of Surveys at Page 93, Official Records of Monterey County.

(Current APN 419-381-002 and APN 419-381-026)

EXHIBIT "C"

All that certain real property situated in Monterey County, California, and more particularly described as follows:

A portion of the northwest quarter of Section 33 of Township 19 South, Range 5 East, MDBM, particularly described as follows:

Beginning at a point in the southerly side line of the Arroyo Seco Road, a County road 60 feet wide, 30.00 feet left of Engineer's centerline station 114+58.85 of the county survey of the said road, and being also the northeast corner of that certain 2.508 acre parcel of land described in the deed from DeEtta Cline, a single woman, to Albert J. Coelho and Viola F. Coelho, his wife, in joint tenancy, as to an undivided one-half interest, and Robert E. Flores and Erline M. Flores, his wife, in joint tenancy, as to an undivided one-half interest, dated December 21, 1964, and recorded December 21, 1964, on Reel 381 of Official Records at page 586, Records of Monterey County, said deed was rerecorded February 9, 1965, on Reel 389 of Official Records at page 273 to correct an error in description, thence running along the said road southerly side line

1. South 81° 08' 10" East 283.24 feet, thence tangentially
2. Along the arc of a circular curve to the right with a radius of 470.00 feet through a central angle of 14° 46' 00" for a distance of 121.13 feet, thence tangentially
3. South 66° 22' 10" East 74.19 feet, thence leaving said road southerly side line
4. South 35° 49' 39" West 300.49 feet to an iron pipe monument standing at the top of the northerly bank of the Arroyo Seco River, thence
5. South 34° 51' 15" East 161.00 feet to a point, thence
6. North 71° 55' 30" West 109.20 feet to a 12d nail on a 6" sycamore root, thence
7. North 30° 11' 24" West 103.90 feet to a point from which a 12d nail on a 2" sycamore root bears South 35° 49' 33" West 15.08 feet distance, thence
8. North 06° 32' 21" West 38.86 feet to a point, thence
9. South 83° 27' 39" West 27.38 feet to a point in the centerline of the Arroyo Seco River, thence along said river centerline
10. North 09° 48' 09" East 42.01 feet to a point, thence
11. North 57° 55' 23" West 152.93 feet to a point, thence
12. North 88° 10' 40" West 102.02 feet to a point, thence leaving said river centerline
13. North 09° 14' 00" East 200.50 feet to the point of beginning.

Containing 2.500 acres of land.

(Current APN 419-381-003)

EXHIBIT "D"

All that certain real property situated in Monterey County, California, and more particularly described as follows:

Parcel "A" as shown and so designated on that certain map filed in Volume 12 of Parcel Maps at Page 245, Records of Monterey County.

(Current APN 419-381-004)

EXHIBIT "E"

All that certain real property situated in Monterey County, California, and more particularly described as follows:

Parcel "B", as said parcel is shown on Parcel Map recorded November 22, 1978, in Volume 12 of Parcel Maps, at Page 208, Monterey County Records.

Excepting therefrom an undivided one-half interest in "all of oil, gas and mineral rights in and under the subject property and each and every parcel thereof," as excepted in the Deed from Albert J. Coelho and Viola F. Coelho, his wife, dated October 11, 1978, and recorded October 13, 1978, on Reel 1282, Official Records, Page 793, Monterey County Records.

Reserving unto Grantor a 1/32 interest in and to all of the oil, gas and mineral rights in and under the subject property.

(Current APN 419-371-015)

EXHIBIT "F"

All that certain real property situated in Monterey County, California, and more particularly described as follows:

Parcel "A", as said parcel is shown on Parcel Map recorded November 22, 1978, in Volume 12 of Parcel Maps, at Page 208, Monterey County Records.

Excepting therefrom an undivided one-half interest in "all of the oil, gas and mineral rights in and under the subject property and each and every parcel thereof," as excepted in the Deed from Albert J. Coelho and Viola F. Coelho, his wife, dated October 11, 1978, and recorded October 13, 1978, on Reel 1282, Official Records, at Page 793, Monterey County Records.

Excepting therefrom, and reserving unto the grantors, their successors and assigns, an undivided 1/4 interest in and to all oil, gas and/or minerals in said land, together with the right at all times to enter on the above described land and to take all of the usual, necessary or convenient means to bore wells, make excavations and to remove the oil, gas and/or minerals herein reserved.

(Current APN 419-371-020)

STATE OF CALIFORNIA)
)) SS.
COUNTY OF SACRAMENTO)

On 4-7, 2006, before me, Barbara Angelini,
Notary Public, personally appeared Philip H. Coelho, personally
known to me to be the person whose name is subscribed to the within instrument and
acknowledged to me that he executed the same in his authorized capacity, and that by his
signature on the instrument the person, or the entity upon behalf of which the person acted,
executed the instrument.

Witness my hand and official seal.

Barbara Angelini
SIGNATURE OF NOTARY PUBLIC

