

Articles of Incorporation

Anderson Hills
Homeowners' Association, Inc.



OFFICE OF THE
PUBLIC REGULATION COMMISSION

CERTIFICATE OF INCORPORATION

OF

ANDERSON HILLS NORTH HOMEOWNERS' ASSOCIATION, INC.

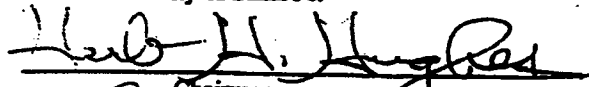

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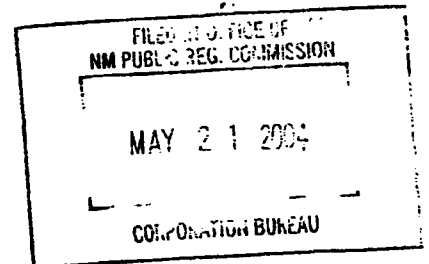
The Public Regulation Commission certifies that the Articles of Incorporation, duly signed and verified pursuant to the provisions of the
NONPROFIT CORPORATION ACT
(53-8-1 to 53-8-99 NMSA 1978)
have been received by it & are found to conform to law.

Accordingly, by virtue of the authority vested in it by law, the Public Regulation Commission issues this Certificate of Incorporation & attaches hereto, a duplicate of the Articles of Incorporation.

Dated: MAY 21, 2004

In testimony whereof, the Public Regulation of the State of New Mexico has caused this certificate to be signed by its Chairman and the seal of said Commission to affixed at the City of Santa Fe.


Chairman

Bureau Chief



ARTICLES OF INCORPORATION
OF
ANDERSON HILLS NORTH HOMEOWNERS' ASSOCIATION, INC.
(A New Mexico Nonprofit Corporation)

The undersigned, by these Articles of Incorporation (these "Articles"), associate themselves for the purpose of forming a nonprofit corporation under the provisions of the New Mexico Nonprofit Corporation Act, Article 8 of Chapter 53, NMSA 1978, as amended, and certify as follows:

ARTICLE 1
Name

The name of the corporation will be ANDERSON HILLS NORTH HOMEOWNERS' ASSOCIATION, INC. (the "Association").

ARTICLE 2
Address

The street address of the initial principal office of the Association is 8910 Adams Street NE, Albuquerque, New Mexico 87113. The initial mailing address of the Association is, 8910 Adams Street NE, Albuquerque, Albuquerque, New Mexico 87113.

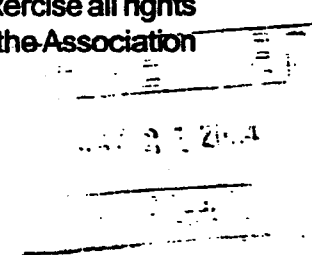
ARTICLE 3
Definitions

All capitalized terms used in these Articles which are not defined will have the same meaning as set forth in the Declaration of Covenants, Conditions, and Restrictions for Anderson Hills Master Plan North Subdivision, recorded in the Office of the County Clerk of Bernalillo County, New Mexico (the "Declaration").

ARTICLE 4
Purposes

The purposes for which the Association is organized are:

A. to be and constitute the Association to which reference is made in the Declaration, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified in these Articles, the By-Laws of the Association (the "By-Laws") and the Declaration and as provided by law; and



B. to provide an entity for the furtherance of the interests of the owners of real property subject to the Declaration.

ARTICLE 5
Powers

The powers of the Association will include and be governed by the following provisions:

A. The Association will have all of the common law and statutory powers conferred on a nonprofit corporation under New Mexico law and all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set forth in these Articles, the By-Laws and the Declaration, including, without limitation, the power:

(i) To fix and to collect assessments and ether charges to be levied against the Lots;

(ii) To manage, control, operate, maintain, repair, and improve property subject to the Declaration and any other property for which the Association by rule, regulation, covenant or contract has a right or duty to provide such services;

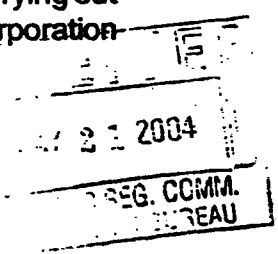
(iii) To enforce covenants, conditions or restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration or the By-Laws;

(iv) To engage in activities which will actively foster, promote, and advance the common interests of all owners of real property subject to the Declaration;

(v) To buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate and otherwise deal in and with real, personal and mixed property of all kinds and any right or interest in such property for any purpose of the Association, subject to such limitations as may be set forth in the Declaration or the By-Laws;

(vi) To borrow money for any purpose, subject to such limitations as may be contained in the By-Laws;

(vii) To enter into, make, perform or enforce contracts of every kind and description, and to do all other acts necessary, appropriate or advisable in carrying out any purpose of the Association, with or in association with any other association, corporation or other entity or agency, public or private;



(viii) To act as agent, trustee or other representative of other associations, corporations, entities or individuals and, as such, to advance the business or ownership interests in such associations, corporations, entities or individuals;

(ix) To adopt, alter and amend or repeal the By-Laws as may be necessary or desirable for the proper management of the affairs of the Association; provided, however, the By-Laws may not be inconsistent with or contrary to any provisions of the Declaration; and

(x) To provide any and all supplemental municipal services to the real property subject to the Declaration as may be necessary or proper.

The foregoing enumeration of powers will not limit or restrict in any manner the exercise of other rights and powers which may now or hereafter be permitted by law. The powers specified in each of the paragraphs of this Article 5 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph of this Article.

B. The Association will make no distributions of income to its members, directors or officers.

ARTICLE 6

Members

A. The Owner of each Lot, as those terms are defined in the Declaration, will be a member of the Association and will be entitled to vote in accordance with the terms of the Declaration, except there will be no vote for any Lot owned by the Association. The manner of exercising voting rights will be as set forth in the Declaration and in the By-Laws of the Association.

B. Change of membership in the Association will be established by recording in the Office of the County Clerk of Bernalillo County, New Mexico, a deed or other instrument establishing record title to real property subject to the Declaration. On such recordation, the Owner designated by such instrument will become a member of the Association and the membership of the prior owner will be terminated.

C. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance of the member's Lot.

ARTICLE 7

Term

The Association will be of perpetual duration.

2004

ARTICLE 8
Directors

A. The affairs of the Association will be conducted, managed and controlled by a Board of Directors. The initial Board of Directors will consist of three directors. The number of directors may be increased in accordance with the By-Laws.

B. The names and addresses of the members of the initial Board of Directors, who will hold office until their successors are elected and have qualified, or until removed, are as follows:

Rex P. Wilson
8910 Adams Street, NE
Albuquerque, NM 87113

Richard P. Cook
8910 Adams Street, NE
Albuquerque, NM 87113

Robert Lupton
8910 Adams Street, NE
Albuquerque, NM 87113

C. The method of election, removal and filling of vacancies on the Board of Directors and the term of office of directors will be set forth in the By-Laws.

D. The Board of Directors may delegate its operation authority to such corporations, individuals and committees as the Board, in its discretion, may determine.

ARTICLE 9
By-Laws

The By-Laws of the Association will be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the By-Laws.

ARTICLE 10
Liability and Indemnification of Directors

To the fullest extent that Section 53-8-25.3 NMSA 1978, as it exists on the date of these Articles or as it may be amended hereafter, permits the limitation or elimination of the liability of directors, no director of the Association will be personally liable to the Association or its members for monetary damages for breach of duty of care or other duty as a director. No amendment of or repeal of this Article will apply to or have any effect on the liability or

alleged liability of any director of the Association for or with respect to any acts or omissions of such directors occurring prior to such amendment or repeal. The Association will indemnify its officers and directors in accordance with (i) Section 53-8-26 NMSA 1978, as it exists on the date of these Articles or as it may be amended hereafter, and (ii) general principals of law.

ARTICLE 11
VA/HUD Approval

As long as the Declarant has the right to appoint and remove a majority of the directors and officers of the Association as provided in the By-Laws, the following actions will require the prior approval of the U.S. Department of Veterans Affairs (the "VA") so long as the Properties are approved by the VA for the guaranteeing of mortgages, and the U.S. Department of Housing and Urban Development ("HUD"), so long as the Properties are approved by HUD for the insuring of mortgages in the Development: annexation of additional property to the Properties, except for annexation by declaring in accordance with the Declaration pursuant to a plan of annexation previously approved by the VA and/or HUD, as applicable; mergers and consolidations; mortgaging of Common Area; dedication of Common Area to any public entity; dissolution; and amendment of these Articles.

ARTICLE 12
Amendments

Amendments to these Articles may be proposed and adopted as provided in the New Mexico Nonprofit Corporation Act; provided, no amendment may be in conflict with the Declaration, and provided, further, no amendment will be effective to impair or dilute any rights of members that are governed by such Declaration. Any proposed amendment must be approved by Voting Members representing more than 67% of the total Class "A" votes in the Association, and the consent of the Class "B" Member, if such exists; provided, however, no Members will be entitled to vote on any amendment to these Articles for the sole purpose of complying with the requirements of any governmental (including, without limitation, HUD or VA) or quasi-governmental entity or institutional lender authorized to fund, insure or guarantee mortgages on individual Lots, as such requirements may exist from time to time, which amendments may be adopted by the Board of Directors.

ARTICLE 13
Dissolution

The Association may be dissolved only on a resolution duly adopted by the Board of Directors and the affirmative vote of Voting Members representing more than 67% of the Class "A" Members of the Association (other than the Declarant), and the consent of the Declarant so long as the Declarant owns any property subject to the Declaration or which may be subjected unilaterally to the Declaration by the Declarant. On dissolution of the



OFFICE OF THE
PUBLIC REGULATION COMMISSION

CERTIFICATE OF AMENDMENT

OF

ANDERSON HILLS HOMEOWNERS' ASSOCIATION, INC.



3280195

The Public Regulation Commission certifies that duplicate originals of the Articles of Amendment attached hereto, duly signed and verified pursuant to the provisions of the
NONPROFIT CORPORATION ACT
(53-8-1 to 53-8-99 NMSA 1978)
have been received by it and are found to conform to law.

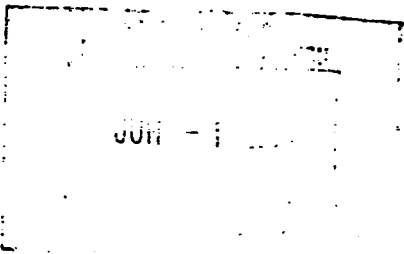
Accordingly, by virtue of the authority vested in it by law, the Public Regulation Commission issues this Certificate of Amendment and attaches hereto a duplicate original of the Articles of Amendment.

Dated: JUNE 1, 2004

In testimony whereof, the Public Regulation of the State of New Mexico has caused this certificate to be signed by its Chairman and the seal of said Commission to affixed at the City of Santa Fe.


Chairman


ARTICLES OF AMENDMENT



Anderson Hills North Homeowners' Association adopts the following Articles of Amendment under the New Mexico Nonprofit Corporation Act:

Article One

The following articles are amended as set forth here:

"ARTICLE 1

Name

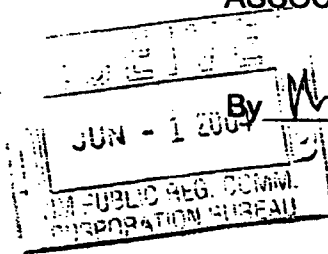
The name of the corporation will be ANDERSON HILLS HOMEOWNERS' ASSOCIATION, INC."

Article Two

The date of the meeting of the board of directors at which the amendment was adopted was May 24, 2004. The Corporation has no members, or no members entitled to vote thereon, therefore the amendment was adopted by a majority of the board of directors in office.

DATED: May 24, 2004.

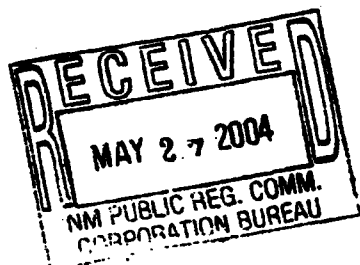
ANDERSON HILLS NORTH HOMEOWNERS' ASSOCIATION, INC.



By *Rex P. Wilson*
Rex P. Wilson
President

-and-

By *Robert Lupton*
Robert Lupton
Secretary



Association, so long as the VA is guaranteeing and/or HUD is insuring any mortgage in the Properties, and unless otherwise agreed in writing by HUD or VA, as applicable, any remaining real property of the Association will be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that acceptance of such dedication is refused, such assets will be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. No such restriction will exist if VA is not guaranteeing or HUD is not insuring any mortgage in the Properties; provided, however, HUD and/or VA will be notified of such dissolution.

ARTICLE 14
Merger and Consolidation

The Association may merge or consolidate only on a resolution duly adopted by the Board of Directors and the affirmative vote of Voting Members representing more than 67% of the Class "A" Members of the Association (other than the Declarant) and the consent of the Declarant so long as the Declarant owns any property subject to the Declaration or which may be unilaterally subjected to the Declaration by the Declarant.

ARTICLE 15
Incorporator

The name of the incorporator of the Association is Michael G. Sutin, Sutin Thayer & Browne A Professional Corporation, Post Office Box 1945, Albuquerque, New Mexico 87103

ARTICLE 16
Registered Agent and Office

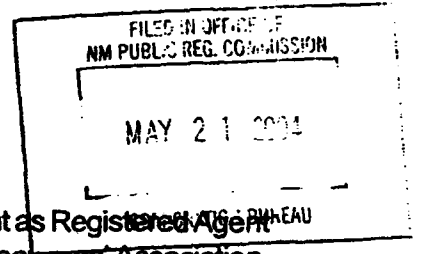
The initial registered office of the Association is 6565 Americas Parkway, Suite 1000, Albuquerque, New Mexico, 87110, and the initial registered agent is Sutin, Thayer & Browne A Professional Corporation.

Dated: May 21, 2004.



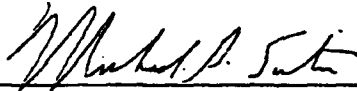
Michael G. Sutin

ACCEPTANCE OF APPOINTMENT
AS REGISTERED AGENT



The undersigned, being duly sworn, accepts appointment as Registered Agent pursuant to the Nonprofit Corporation Act for Anderson Hills North Homeowners' Association, Inc., a New Mexico nonprofit corporation.

SUTIN, THAYER & BROWNE
A Professional Corporation

By 
Michael G. Sutin