

STATE OF NEW MEXICO



OFFICE OF

**THE STATE CORPORATION COMMISSION**

CERTIFICATE OF INCORPORATION

OF

HIGH DESERT RESIDENTIAL OWNERS ASSOCIATION, INC.

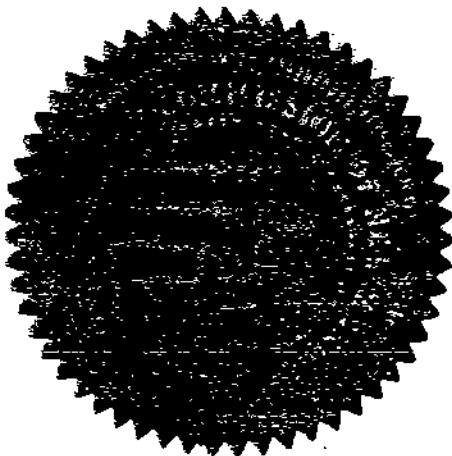
1634401

The State Corporation Commission certifies that duplicate originals of the Articles of Incorporation 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 State Corporation Commission issues this Certificate of Incorporation and attaches hereto a duplicate original of the Articles of Incorporation.

Dated: OCTOBER 13, 1993

In Testimony Whereof, the State Corporation Commission of the State of New Mexico has caused this certificate to be signed by its Chairman and the Seal of said Commission to be affixed at the City of Santa Fe



*Eric F. Serra*

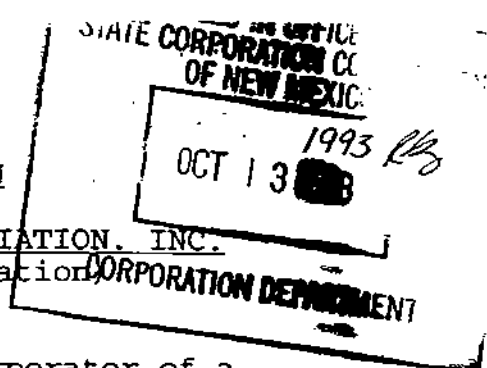
Chairman

*Michael L. ...*

Director

1634401

ARTICLES OF INCORPORATION  
OF  
HIGH DESERT RESIDENTIAL OWNERS ASSOCIATION, INC.  
(A New Mexico Nonprofit Corporation)



The undersigned, acting as an Incorporator of a corporation under the, New Mexico Nonprofit Corporation Act, adopts the following Articles of Incorporation for the corporation :

Article 1. Name. The name of the corporation shall be High Desert Residential Owners Association, Inc. For convenience, the corporation shall be referred to in this instrument as the "Association."

Article 2. Address. The address of the initial principal office of the Association and the initial mailing address of the Association are 1607 Calle del Ranchero, N.E., Albuquerque, New Mexico 87109.

Article 3. Definitions. All capitalized terms used herein which are not defined shall have the same meaning as set forth in 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 of Covenants, Conditions, and Restrictions for High Desert Residential Properties, recorded or to be recorded in the Office of the County Clerk of Bernalillo County, New Mexico relating to certain real property generally located east of the intersection of Tramway Boulevard and Academy Boulevard, Albuquerque, New Mexico (the "Declaration"), to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the By-Laws of the Association, 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 shall include and be governed by the following provisions:

(a) The Association shall have all of the common law and statutory powers conferred upon 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 out in these Articles, the By-Laws, or the Declaration, including, without limitation, the power:

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(i) to fix and to collect assessments and other charges to be levied against the Units;

(ii) to manage, control, operate, maintain, repair, and improve property subject to the Declaration or 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 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 therein for any purpose of the Association, subject to such limitations as may be set forth in the Declaration or 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 corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals;

(ix) to adopt, alter, and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the affairs of the Association; provided, however, such 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 shall 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 shall make no distributions of income to its members, directors, or officers.

Article 6. Members.

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

(b) Change of membership in the Association shall 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. Upon such recordation, the owner designated by such instrument shall become a member of the Association and the membership of the prior owner shall 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 its Unit.

Article 7. Term. The Association shall be of perpetual duration.

Article 8. Directors.

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

(b) The names and addresses of the members of the initial Board of Directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Pamela G. Scanlon  
1607 Calle del Ranchero, N.E.  
Albuquerque, New Mexico 87106

Laura Lee Moore  
7522 El Morro Road, N.E.  
Albuquerque, New Mexico 87109

Gary L. Gordon  
Box 35, Tierra Madre Road  
Placitas, New Mexico 87043

(c) The method of election, removal, and filling of vacancies on the Board of Directors and the term of office of directors shall be as set forth in the By-Laws.

(d) The Board may delegate its operating authority to such corporations, individuals, and committees as it, in its discretion, may determine.

Article 9. By-Laws. The By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided in the By-Laws.

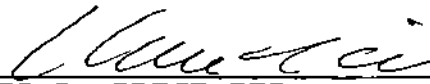
Article 10. Liability and Indemnification of Directors. To the fullest extent that the N.M.S.A. §53-8-25.3, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors, no director of the Association shall be personally liable to the Association or its members for monetary damages for breach of duty of care or other duty as a director. No amendment to or repeal of this Article shall 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 director occurring prior to such amendment or repeal. In accordance with N.M.S.A. §53-8-26 and general principals of law, the Association shall indemnify its officers and directors.

Article 11. Amendments. Amendments to these Articles of Incorporation 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 shall be effective to impair or dilute any rights of members that are governed by the By-laws of the Association or the Declaration. Any proposed amendment must be approved by Voting Members representing at least two-thirds (2/3) of the total Class "A" votes in the Association, and the consent of the Class "B" Member, if such exists.

Article 12. Incorporator. The name of the incorporator of the Association is Charles P. Price III and such incorporator's address is 6565 Americas Parkway, N.E., Suite 1000, Albuquerque, New Mexico 87110.

Article 13. Registered Agent and Office. The initial registered office of the Association is Sutin, Thayer & Browne, A Professional Corporation, 6565 Americas Parkway, N.E., Suite 1000, Albuquerque, New Mexico 87110, and the initial registered agent at such address is Graham Browne.

IN WITNESS WHEREOF, the undersigned has executed these  
Articles of Incorporation this 12<sup>th</sup> day of October, 1993.



CHARLES P. PRICE III  
Suite 1000  
6565 Americas Parkway, N.E.  
Albuquerque, New Mexico

70980

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FILED IN OFFICE OF  
STATE CORPORATION COMMISSION  
OF NEW MEXICO

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CORPORATION DEPARTMENT

ACCEPTANCE OF APPOINTMENT  
OF REGISTERED AGENT

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

Graham Browne  
GRAHAM BROWNE

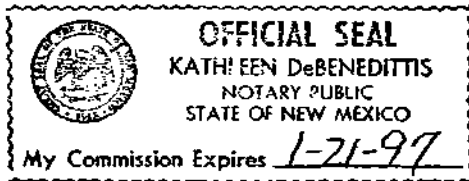
STATE OF NEW MEXICO        )  
  )   ss.  
COUNTY OF BERNALILLO    )

This instrument was acknowledged before me on  
October 12, 1993, by Graham Browne.

Kathleen DeBenedittis  
Notary Public

My commission expires:

1-21-97



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