



OFFICE OF THE
PUBLIC REGULATION COMMISSION

CERTIFICATE OF INCORPORATION

OF

BOSQUE DEL RIO GRANDE HOMEOWNER ASSOCIATION, INC.

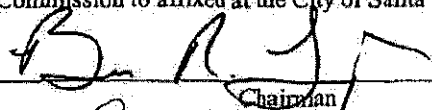

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The Public Regulation Commission certifies that the Articles of Incorporation, duly signed and verified pursuant to the provisions of the
NONPROFIT CORPORATION ACT
(53-8-1 to 53-8-99 NMSA 1978)
have been received by it & are found to conform to law.

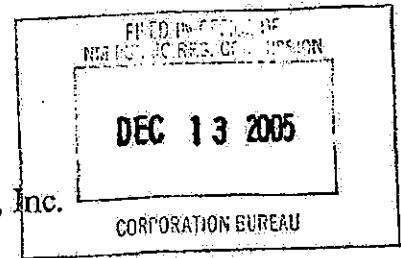
Accordingly, by virtue of the authority vested in it by law, the Public Regulation Commission issues this Certificate of Incorporation & attaches hereto, a duplicate of the Articles of Incorporation.

Dated: DECEMBER 13, 2005

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
Bosque Del Rio Grande Homeowner Association, Inc.
(A Nonprofit Corporation)



The undersigned, for the purpose of forming a nonprofit corporation under the New Mexico Nonprofit Corporation Act, does hereby certify:

1. **Name.** The name of this corporation shall be Bosque del Rio Grande Homeowner Association, Inc. (the "Corporation").

2. **Duration.** The term of existence of the Corporation is perpetual.

3. **Purposes.** The business, objects, and purposes for which the Corporation is formed are to:

3.1 be and constitute the "Association" ("Association") as defined in and to which reference is made in the Declaration of Covenants for Bosque Del Rio Grande, and any amendments or supplements thereto ("Declaration") to be filed for record in the records of Sandoval County, New Mexico, and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association;

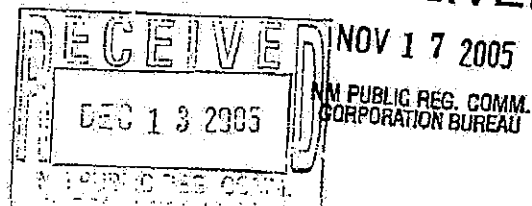
3.2 provide an entity for the furtherance of the interest of all of the owners of lots ("Lots") in Bosque del Rio Grande subdivision ("Subdivision"), with the objectives of maintaining the Subdivision at the highest possible quality and value and enhancing and protecting its value, desirability, and attractiveness;

3.3 fix, levy, and collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith, accrue reserves as indicated, and pay all office and other expenses incident to the conduct of the business of the Association including all licenses, taxes or governmental charges levies or imposed against the property of the Association;

3.4 acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association;

3.5 dedicate, sell, or transfer all or any part of the common elements to any public agency, authority, or utility for public purposes and subject to such conditions as may be agreed to by the Association; and

3.6 have and to exercise and all powers, rights and privileges which a corporation organized under the New Mexico Nonprofit Corporation Act, Sections 53-8-1 to 53-8-99, NMSA 1978, as amended, may now or hereafter have or exercise, except as otherwise provided herein.



4. **Powers.** In furtherance of its purposes, the Corporation shall have all of the powers conferred upon nonprofit corporations by the statutes and common law of the State of New Mexico in effect from time to time, except as limited by the Declaration, or these Articles, as each may later be amended, including all of the powers necessary or desirable to perform the obligations and duties and exercise the right and powers of the Association under the Declaration, including without limitation, the power to:

4.1 make and collect assessments against owners of Lots in the Subdivision for the purposes of payment of the common expenses of the Association, including the expenses incurred in exercising its powers or in performing its functions;

4.2 manage, control, operate, maintain, repair, and improve the "Common Areas", "Common Easements", and "Common Elements" as defined in the Declaration:

4.3 purchase insurance for the protection of the Association, the Board of Directors, the Subdivision, and the members of the Association;

4.4 employ personnel to perform the services required for proper operation of the Subdivision and for the benefit of the Association and its members;

4.5 enforce the terms, covenants, restrictions, conditions, uses, limitations, and obligations set forth under the Declaration and Bylaws of the Association, as amended (the "Bylaws"), and to make and enforce rules and regulations as provided therein;

4.6 engage in activities which will foster, promote and advance the interests of all of the owners of Lots in the Subdivision, including the interests of the "Declarant", as that term is defined in the Declaration; and

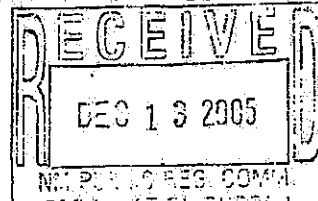
4.7 exercise all of the powers and to perform all of the duties of the Association.

5. **Membership.**

5.1 The Corporation shall be a membership corporation without certificates or shares of membership. The members of the Association shall consist of all record owners of Lots within the Subdivision. There shall be one class of membership in the Corporation and there shall be one membership in the Corporation for each Lot in the Subdivision. The membership shall be held by the owner or owners of a Lot in the same proportionate interest and by the same type of tenancy in which the title to the Lot is held, provided always that there shall be only one membership per Lot. No person or entity other than an owner of a Lot may be a member of the Corporation.

5.2 Each membership shall have one (1) vote on all matters in which members are entitled to vote.

5.3 A membership in the Corporation and the share of a member in the assets of the Corporation shall not be assigned, encumbered, or transferred in any manner except as appurtenant



to the transfer of title to the Lot to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust or other security instrument on a Lot as further security for a loan secured by a lien on such Lot.

5.4 A transfer of membership shall occur automatically upon the transfer of title to the Lot to which the membership pertains; provided, however, that the Bylaws of the Corporation may contain reasonable provisions and requirements and servicing charge or fee with respect to recording such transfers on the books and records of the Corporation.

5.5 Members shall have no preemptive rights to purchase other Lots or the memberships appurtenant thereto.

5.6 The corporation may suspend the voting rights of a member for failure to comply with the rules and regulations of the Corporation or with any other obligations of the owners of any Lot under the Declaration and/or Bylaws.

5.7 The Corporation is one which does not contemplate pecuniary gain or profit to the members thereof and is organized for nonprofit purposes. The Corporation does not afford pecuniary gain to its members incidentally or otherwise, but members may be paid for services actually rendered to the Corporation. The Corporation has no power to carry on propaganda, attempt to influence legislation or take part in a political campaign.

5.8 The Bylaws may contain provisions setting forth the rights, privileges, duties and responsibilities of the members of the Corporation.

6. Board of Directors.

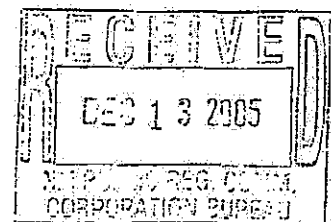
6.1 The business and affairs of the Corporation shall be conducted, managed, and controlled by a Board of Directors consisting of not less than three (3) members, the specific number to be determined by the procedure set forth in Bylaws of the Corporation. The initial Board of Directors shall consist of three members:

6.2 The names and addresses of the three persons who are to act in the capacity of directors until the selection of their successors are:

Bruce Burman
1924 Fourth Street
San Rafael, California 94901

John R. Coelho
Post Office Box 6786
Santa Fe, New Mexico 87504

Kim Feldman
1924 Fourth Street
San Rafael, California 94901

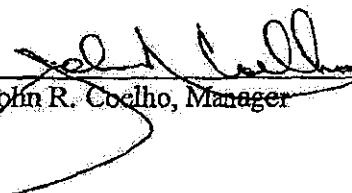


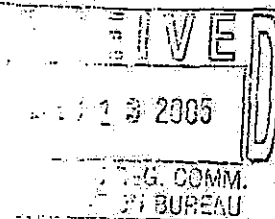
7. **Initial Registered Agent and Office.** The initial registered agent of the Corporation is John R. Coelho whose place of business in New Mexico is located at 21 Bisbee Court, Suite F, Santa Fe, New Mexico, 87508, which shall be the street address of the initial registered office of the Corporation.

8. **Incorporator.** The name of the incorporator is Bosque del Rio Grande, LLC, a New Mexico limited liability company, and the address of the incorporator is 21 Bisbee Court, Suite F, Santa Fe, New Mexico, 87508.

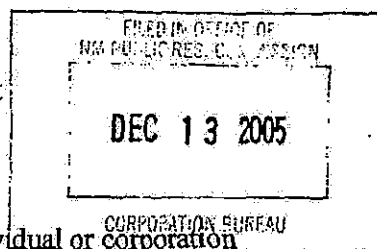
Bosque del Rio Grande, LLC
a New Mexico limited liability company

By: Del Rio Ventures, LLC
A New Mexico limited liability company

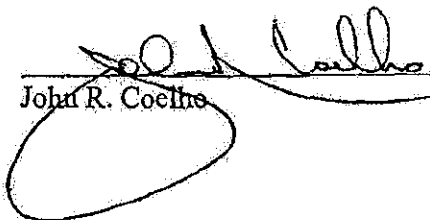
By: 
John R. Coelho, Manager



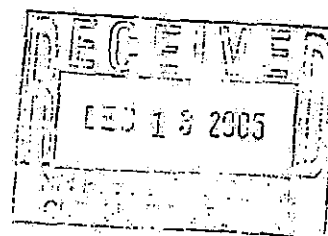
Statement of Acceptance of Appointment
By Designated Initial Registered Agent



I, John R. Coelho, hereby acknowledge that the undersigned individual or corporation accepts the appointment as Initial Registered Agent of Bosque Del Rio Grande Homeowner Association, Inc., the corporation which is named in the annexed Articles of Incorporation.



John R. Coelho





Attorney General of New Mexico

PATRICIA A. MADRID
Attorney General

STUART M. BLUESTONE
Deputy Attorney General

REGISTRATION WITH THE ATTORNEY GENERAL REGISTRY OF CHARITABLE ORGANIZATIONS

Most nonprofit corporations that have applied for or received tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code must register and file annual reports with the Attorney General's Office. (New Mexico Charitable Solicitations Act, section 57-22-1 *et seq.* NMSA 1978)

To obtain registration forms and additional information, contact the Registry of Charitable Organizations:

By mail: **Office of the Attorney General**
 ATTN: Registry of Charitable Organizations
 111 Lomas Blvd. NW, Suite 300
 Albuquerque, NM 87102

By telephone: **505.222.9090**

On the Internet: **<http://www.ago.state.nm.us/Charity/Charity.htm>**

It may be illegal for charitable organizations to solicit contributions within the state of New Mexico without first registering with the Attorney General's Office. Please contact the Registry of Charitable Organizations to find out what New Mexico law requires.

Bosque del Rio Grande Home Owners' Association

Budget Year 2007

	Budget 2007	Per Unit Per Year	Per Unit Per Qtr
Revenues:			
Assessments	63,000.00	787.50	196.88
Late Fees	150.00	1.88	0.16
Total Revenues	<u>63,150.00</u>	<u>789.38</u>	<u>197.03</u>
Expenses:			
Office Expenses	1,534.00	19.18	4.79
Grounds Maintenance	3,700.00	46.25	11.56
Landscaping Reserve	750.00	9.38	2.34
Gate Maintenance	2,100.00	26.25	6.56
Arbor & Monument Signs	500.00	6.25	1.56
Well Upkeep / Water	350.00	4.38	1.09
General Insurance	1,845.00	23.06	5.77
Directors & Officers Ins.	500.00	6.25	1.56
Management Fees	6,379.00	79.74	19.93
Property Taxes	1,250.00	15.63	3.91
Contingency	1,000.00	12.50	3.13
Total Expenses	<u>19,908.00</u>	<u>248.85</u>	<u>62.21</u>
Reserve for Replacements	<u>43,028.45</u>	<u>537.86</u>	<u>134.46</u>
Total Costs & Reserves	<u>62,936.45</u>	<u>786.71</u>	<u>196.68</u>
Net Surplus	213.55	2.67	0.22

Bosque del Rio Grande Home Owners' Association
Replacement Reserves
 Budget Year 2007

Category	Amount	Replacement Period	Replacement Amount In. Inflation	Annual Sinking Fund
Landscaping	30,000.00	20	\$36,605.70	1,830.29
Gates	32,000.00	20	\$39,046.08	1,952.30
Walls - 1	4,000.00	15	\$4,643.88	309.59
Walls - 2	6,000.00	30	\$8,087.09	269.57
Roadways	270,000.00	50	\$444,050.59	8,881.01
Curbs	60,000.00	50	\$98,677.91	1,973.56
Parking bumpers	7,000.00	50	\$11,512.42	230.25
Sidewalks	2,000.00	20	\$2,440.38	122.02
Well	14,000.00	20	\$17,082.66	854.13
Sewer	42,000.00	50	\$69,074.54	1,381.49
Reserve	120,000.00	5	\$126,121.21	25,224.24
Totals	587,000.00		857,342.46	43,028.45