

MAR 19 1990

ARTICLES OF INCORPORATION

OF

CORPORATION DEPT.

THE HIGH RESORT VILLAGE COMMUNITY ASSOCIATION, INC.

THE UNDERSIGNED, being desirous of forming a non-profit, corporation under the laws of the State of New Mexico, has prepared and hereby adopts the following Articles of Incorporation:

ARTICLE I.

Name

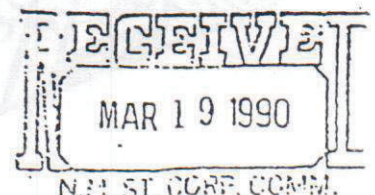
The name of the corporation shall be THE HIGH RESORT VILLAGE COMMUNITY ASSOCIATION, INC.

ARTICLE II.

Purposes and Powers

The corporation is organized for the benefit of The High Resort Village and is not for profit. Its activities shall be conducted exclusively for the purposes and objectives hereinafter stated, in such a manner that no part of its earnings shall inure to the benefit of any director, officer or individual.

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in



furtherance of the purposes set forth below. No part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

The purposes for which the corporation is formed are:

A. To provide for the acquisition, construction, management, maintenance and care of certain property for the common benefit of all members; such property to be of a nature tending to enhance the beneficial enjoyment of the private residences of the members, located in the community and subdivision situate within that addition to the City of Rio Rancho, Sandoval County, New Mexico, which is subject to the High Resort Village Master Restrictions (as defined below), as they may be amended from time to time, hereafter referred to as "Community";

B. To lessen the burdens of the Governments of the City of Rio Rancho and County of Sandoval, New Mexico, by providing and supplementing City and County services with respect to the Community;

C. To erect and maintain streets, footways, structures, landscaping, parking areas and walks within the Community;

D. To manage all portions of the Community (except for the lots, projects and living units therein), hereinafter called the "Common Areas", for the benefit of the owners and residents of

the Community; for the purpose of these Articles, the term "Project" means any condominium project, any planned unit development and any other multiple unit residential development consisting of Project Units, plus Common Areas jointly owned or controlled by the Owners of Project Units.

E. To perform any and all acts incident to the acquisition, construction, management, maintenance and care of Association property which may be necessary and proper to promote the health, safety and welfare of the owners and residents of the Community and to lessen the burdens of Government with respect thereto, including without limitation, any of the following acts:

1. To provide or supplement municipal or utility services, including garbage and trash collection, fire protection and security or police protection;

2. To establish and collect annual and special assessments or charges to be levied against the lots and living units located within the Community for the purposes of providing such services and maintaining the Common Areas;

3. To enforce the provisions of and perform the duties set forth in the High Resort Village Master Restrictions, including any amendments thereto, filed for record in the office of the County Clerk of Sandoval County, New Mexico, on March 15, 1990 at Volume Misc. 243 , Folio 262-341 . (the "Restrictions");

4. To own, acquire, build, operate and maintain streets, footways, parks, landscaping, parking areas, and

utilities located within the Common Areas;

5. To pay taxes, if any, assessed against the Common Areas and to discharge any liens or claims of lien against the Common Areas;

6. To construct and maintain structures or other capital improvements on the Common Areas and to adequately insure the same; and

7. To receive, administer and apply funds generated by annual and special assessments or otherwise for the common benefit of the owners and residents of the Community;

F. To perform all acts and exercise all powers authorized by the Non-Profit Corporation Act, Sections 53-8-1 through 53-8-99, N.M.S.A., 1978 Comp., as now or hereafter amended, and to perform all acts and exercise all powers which a non-profit corporation is authorized to do under all applicable statutes of New Mexico, as now or hereafter amended; and

G. To exercise all powers which the corporation is authorized to exercise pursuant to these Articles of Incorporation exclusively for such benevolent, charitable, civic, community welfare, educational, health, and social purposes as are consistent with and are permitted by the provisions of Section 528 of the Internal Revenue Code of 1986, as now or hereafter amended. The corporation shall neither have nor exercise any power, nor shall it directly or indirectly engage in any activity not permitted to be exercised or carried on (i) by a corporation exempt from taxation under Section 528 of the

Internal Revenue Code of 1986, as now or hereafter amended, or (ii) by a corporation, contributions to which are deductible under Section 528 of the Internal Revenue Code of 1986, as now or hereafter amended. The Corporation shall not engage in any "prohibited transaction" as that term is defined in Section 503 of the Internal Revenue Code of 1954, as now or hereafter amended.

ARTICLE III.

Duration

The existence of the corporation shall be perpetual.

ARTICLE IV.

Registered Office and Agent

The address of the initial registered office of the corporation is 6201 Uptown Blvd. N.E., Suite 204, Albuquerque, New Mexico 87110, and the name of its initial registered agent at such address is Scott C. Bollinger.

ARTICLE V.

Board of Directors

The management of the affairs of the corporation shall be vested in a Board of Directors consisting of not less than three (3) persons each to be elected for one (1) year terms at each Annual Meeting of the Members of the corporation. Directors may be non-members of the corporation. Until the First Annual Meeting of Members, the initial Board of Directors shall consist of the three (3) persons whose names and addresses appear below:

D.E. Boyle
6201 Uptown Blvd. N.E., Suite 204
Albuquerque, NM 87110

Almira Whiteside
6201 Uptown Blvd. N.E., Suite 204
Albuquerque, NM 87110

Scott Bollinger
532 Superstition Dr. S.E.
Rio Rancho, NM 87124

ARTICLE VI.

Name and Address of Incorporator

The name and address of the incorporator is as follows:

HIGH RESORT I JOINT VENTURE

6201 UPTOWN BLVD. N.E.

SUITE 204

ALBUQUERQUE, NEW MEXICO 87110

- A. Classes of Membership. The corporation shall have two
(2) classes of membership, Class I and Class II.

ARTICLE VII.

Membership and Voting Rights

1. Class I. Every person or entity except the developer of the High Resort Village, who is the beneficial owner of a fee simple or undivided fee interest (including the Purchaser under a Real Estate Contract) in any Lot or Living Unit or Project Unit subject to the Restrictions filed for record with respect to the Community, shall be a member of the corporation; provided that any person or entity holding such interest as security for the payment of a debt or performance of an obligation (including the

Seller under a Real Estate Contract) shall not be a member. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Living Unit or Project Unit which is subject to the Restrictions.

2. Class II. The developer of the High Resort Village, High Resort I Joint Venture, or its successors in interest as developer of the subdivision shall be the only Class II member. The Class II membership shall terminate upon sale of the last lot owned by it which has been or is subject to annexation into the High Resort Village under the Restrictions.

B. Voting Rights

1. Class I. Class I members shall be entitled to votes as follows:

- a. Ownership of a lot zoned or designated for a single family or townhouse use, whether unimproved or improved - one (1) vote.
- b. Ownership of a lot zoned or designated as a project, but not yet improved, or resubdivided as a project (whether such resubdivision or divisions are accompanied by a subdivision map or by a recorded declaration) — one (1) vote.
- c. Ownership of a residential project unit whether or not improved, but subdivided either by map or recorded declaration — one (1) vote.

2. Class II. The Class II member shall be entitled to three (3) votes for each lot or project unit owned by the Class II member prior to the initial conveyance of such lot or unit by the Class II member.

C. Suspension of Membership and Voting Rights. The rights of membership, including the right to vote, the right to participate in corporate affairs, and the right to use the Common Areas, are subject to suspension by the Board for: (1) Failure or refusal to pay any assessment levied by the corporation for a period of thirty (30) days after the due date of such assessment; or (2) an infraction of, default in or breach of any provisions of the Declaration, the Articles, the By-Laws or any Subdivision Rules and Regulations enacted by the corporation.

ARTICLE VIII.

Amendment

These Articles of Incorporation may be amended, changed, modified or repealed in the manner now or hereafter provided by law and consistent with the provisions of Section 528 of the Internal Revenue Code of 1986, as now or hereafter amended, upon the affirmative vote of two-thirds (2/3) of the members in each class of membership entitled to vote in person or by proxy at a meeting duly called for that purpose, written notice of which shall have been sent to all members not less than thirty (30) nor more than fifty (50) days prior to such meeting. Such written notice must set forth the purpose of the meeting.

ARTICLE IX.

Dissolution

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provisions for the payment of all known liabilities of the corporation, dispose of

all the assets of the corporation exclusively for the furtherance of the purposes for which the corporation was organized by dedicating the assets of the corporation to appropriate public agency(ies) or utility(ies) or governmental units, or to such other organization or organizations organized and operated exclusively for charitable, educational, religious, literary or scientific purposes similar to the corporation's purposes as shall at the time qualify as an exempt organization or organizations under Section 528 of the Internal Revenue Code of 1986, as now or hereafter amended.

IN WITNESS WHEREOF, the undersigned incorporator of this corporation has made and signed these Articles of Incorporation this 15th day of March, 1990.

HIGH RESORT I JOINT VENTURE
a New Mexico general partnership

By Boyle Development Company
By Scott C. Bollinger
Scott C. Bollinger,
Assistant Secretary

STATE OF NEW MEXICO)

SS

COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me on this 15th day of March, 1990, by Scott C. Bollinger of Boyle Development Company on behalf of said corporation.

Prunella Elliott
Notary Public

3/28/93
My Commission Expires

FILE DUPLICATE ORIGINALS

**AFFIDAVIT OF ACCEPTANCE OF APPOINTMENT
BY DESIGNATED INITIAL REGISTERED AGENT**

To the State Corporation Commission
State of New Mexico

STATE OF New Mexico

COUNTY OF Bernalillo) SS.:

On this 15th day of March, 19 90, before me a Notary Public in and for the State and County aforesaid,
personally appeared Scott C. Bollinger, who is to me known to be the person and who, being duly
sworn, acknowledged to me that he does hereby accept his appointment as the Initial Registered Agent of
THE HIGH RESORT VILLAGE COMMUNITY ASSOCIATION, INC.

the Corporation which is named in annexed Articles of Incorporation, and which is applying for a Certificate of Incorporation pursuant to
the provisions of the Nonprofit Corporation Act of the State of New Mexico.

Scott C. Bollinger
REGISTERED AGENT'S SIGNATURE

BY (I) _____

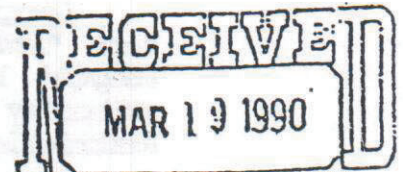
PRESIDENT

Subscribed and sworn to before me on the day, month, and year
first above set forth

Frank Elliott
NOTARY PUBLIC

Commission Expires: 3/28/93

(Notarial seal)



N.M. ST. CORP. COMM.
CORPORATION DEP..

NOTE: (1) If the Agent is a Corporation then the affidavit must be executed by the President or Vice-President of the Corporation.