

ARTICLES OF INCORPORATION
OF
LA MESA HOMEOWNERS ASSOCIATION, INC.

In compliance with the provisions of the State of New Mexico Nonprofit Corporation Act, N.M.S.A., the undersigned, KGA Development Corporation, a New Mexico corporation, does hereby certify and adopt in duplicate the following Articles of Incorporation for the La Mesa Homeowners Association, Inc.

ARTICLE I: NAME

The name of the corporation is LA MESA HOMEOWNERS ASSOCIATION, INC., (hereinafter called the "Association").

ARTICLE II: OBJECTS AND PURPOSES

The objects and purposes for which the Association is formed are as follows:

Section 1. This Association does not contemplate pecuniary gain or profit to the members thereof, and is organized solely for non-profit purposes.

Section 2. The Association shall not have the power to issue stock or to declare dividends.

Section 3. The specific purposes for which the Association is formed are to maintain, preserve and improve the residential lots, improvements and common areas within that certain tract of property (hereinafter the "Property") situate in Sandoval County, and more particularly described in the Comprehensive Declaration of Covenants, Conditions and Restrictions filed or to be filed

with the real property records of said county (hereinafter the "Declaration"), including any additions thereto, as may hereafter be brought within the jurisdiction of this Association; to promote the health, safety and welfare of the residents within the above-described Property; to sponsor for the benefit of its members, social, cultural and/or artistic events; and to do any and all other things necessary and convenient for the accomplishment or furtherance of any of the purposes stated herein, and to do all things necessary or convenient for the protection and benefit of the Association, and for these purposes to:

(a) Exercise all of the powers and privileges to perform all of the duties and obligations of the Association as set forth in the Declaration;

(b) Fix, levy, collect and enforce payment by any lawful means, including commencement of legal proceedings or litigation, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, conserve, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property and any interest therein in connection with the affairs of the Association; including but not

limited to, the common areas, recreational facilities, parks, roads, bridges, and drainage structures and a system for acquisition, distribution and delivery of water to property owned by existing and future members of the Association;

(d) Borrow money, and by a vote of two-thirds (2/3) of its members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes, and otherwise extend its jurisdiction and responsibilities to additional tracts of land, provided that any such merger, consolidation or annexation shall be approved by the affirmative vote of two-thirds (2/3) of its members and;

(f) To bring suit or participate or commence any proceeding, whether judicial or administrative as necessary to protect the interests of the Association.

ARTICLE III: INITIAL REGISTERED OFFICE AND
INITIAL REGISTERED AGENT

Thomas J. Ashe is hereby appointed the initial registered agent and Star Route 315, Placitas, New Mexico, 87043, is hereby appointed the initial registered office of this Association.

ARTICLE IV: DURATION

The Association shall have perpetual existence.

ARTICLE V: MEMBERSHIP

The eligibility for membership shall be as stated in the Declaration. The By-laws shall set forth any additional qualifications for membership.

ARTICLE VI: BOARD OF DIRECTORS

The business and affairs of this Association shall be conducted and managed by a Board of five (5) Directors, who shall be members of the Association, or the authorized agent of a member corporation or partnership. The number of directors may be changed by amendment of the By-laws of the Association. The names and addresses of the persons who shall comprise the initial board of directors are:

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|----|------------------|---|
| 1. | Thomas J. Ashe | Star Route Box 315
Placitas, New Mexico 87043 |
| 2. | John J. Kelly | 3510 Wolters Place, N.E.
Albuquerque, New Mexico 87106 |
| 3. | Steven M. Gudelj | Sky Ranch, New Mexico 87043 |
| 4. | Wendy Gudelj | Sky Ranch, New Mexico 87043 |
| 5. | Joanne S. Ashe | Star Route Box 315
Placitas, New Mexico 87043 |

The Directors shall be elected at the annual meeting and shall serve a two year term. The terms of the directors shall be staggered. Directors seats numbers 1, 2 and 3 shall be subject to an election of the Association at the first annual meeting. Directors seats numbers 4 and 5 shall be subject to an election at the next following annual meeting.

ARTICLE VII: DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall 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 such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

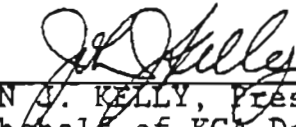
ARTICLE VIII: AMENDMENTS

Amendment to these Articles shall require the assent of two-thirds (2/3) of all members entitled to vote.

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of New Mexico, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 21st day of July, 1988.

KGA DEVELOPMENT CORPORATION
500 Marquette, N.W., Suite 740
Albuquerque NM 87102

By



JOHN J. KELLY, President
On behalf of KGA Development
Corporation