

ARTICLES OF INCORPORATION
SUPERSTITION HIGHLANDS ASSOCIATION, INC.
(Non-Profit Corporation)

The undersigned, acting as the incorporators of a nonprofit corporation under applicable provisions of Arizona Revised Statutes, voluntarily adopt the following Articles of Incorporation for such nonprofit corporation:

ARTICLE I NAME

The name of the corporation shall be SUPERSTITION HIGHLANDS ASSOCIATION, INC. *ALM/eq*

ARTICLE II TIME OF COMMENCEMENT AND PERIOD OF DURATION

The time of commencement of this corporation shall be the date these Articles of Incorporation are filed with the Arizona Corporation Commission. This corporation's existence shall be perpetual.

ARTICLE III KNOWN PLACE OF BUSINESS

The principal office of the Corporation shall be at 212 W. Superstition Blvd., #103, Apache Junction, AZ 85220. The Corporation may also have offices at such other places within and without the State of Arizona as the Board of Directors may from time to time determine or the business of the Association may require.

ARTICLE IV FISCAL YEAR

The Corporation's operating or accounting year shall be the calendar year.

ARTICLE V DEFINITIONS

The words and terms used herein shall be deemed to have the same definitions and meanings as in the Declaration of Covenants, Conditions and Restrictions for SUPERSTITION HIGHLANDS HOMEOWNERS ASSOCIATION, which was recorded on February 13, 1997, at Pinal County Recorder's office, recording number # 97-004578. Such Declaration, as so amended or as hereafter amended from time to time, is hereinafter referred to as the "Declaration," and which applies to the property referred to herein as the "Premises."

ARTICLE VI PURPOSE

This corporation is organized and to be operated as a nonprofit corporation exclusively for a "residential real estate management association" within the meaning of the Internal Code of 1986, as amended, for SUPERSTITION HIGHLANDS HOMEOWNER'S ASSOCIATION, as contemplated by and provided in the aforementioned Declaration.

ARTICLE VII INITIAL BUSINESS

This corporation shall be empowered to perform all of the duties and obligations and exercise all of the powers and privileges of the Association as set forth in the Declaration, these Articles, the Bylaws, the Rules, as each may be amended, and to do all other things and exercise all powers and rights of a corporation which are lawful and consistent with the foregoing purposes and the nonprofit character of this corporation, including, but not limited to conducting business affairs, assessing and collecting assessments, penalties, interest; enforcing the Declaration; providing for the maintenance of the Common Areas, obtaining insurance coverage, and otherwise carrying out the normal rights and duties of an Association on behalf of the Owners of the Premises.

The business affairs of the Association shall be conducted by a Board of Directors, its officers and such other committees or agents as the Board or Members may establish, elect, appoint or retain, in accordance with the Articles, Bylaws or Rules, as amended.

ARTICLE VIII PROHIBITED ACTIVITIES

No part of the net earnings or assets of this corporation shall inure to the benefit of, or be distributable to, any Member, Owner, director, other person or organization organized and operated for a profit, except that the corporation shall be authorized and empowered to acquire, construct and provide management, maintenance and care of the Association, its Common Areas, business operations or property; pay reasonable compensation for services rendered and refund or rebate all or a portion of any deemed excess Assessments. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income taxation under the Internal Revenue Code of 1986, and Arizona Revised Statutes, as amended.

ARTICLE IX DISSOLUTION AND LIQUIDATION

In the event of the dissolution or liquidation of this corporation, the board of directors shall, after paying or making provision for the payment of all the liabilities of the corporation, distribute all of the remaining corporate assets to another non-profit corporation or appropriate public agency to be devoted to purposes, as nearly practicable, the same as those to which they were required to be devoted by the Association.

ARTICLE X MEMBERS AND VOTING RIGHTS

Membership in the Association shall be limited to Owners. Each Owner shall automatically become a Member of the Association upon becoming an Owner of a Lot. Such Membership shall continue until such time as his ownership ceases for any reason, at which time Membership in the Association shall automatically cease. Ownership of a Lot shall be the sole qualification and criteria for

Membership. The Association shall have two (2) classes of voting members each with certain special voting rights as set forth in the Declaration and further defined in the Bylaws. Voting rights shall be determined by reference to the person designated to vote as shown in the Membership Book.

ARTICLE XI BOARD OF DIRECTORS

There shall be three (3) directors constituting the initial Board of Directors. The names and addresses of the persons who are to serve as the directors until their successors shall be elected and qualified are:

JOHN J. JENSEN	212 W. Superstition Blvd., #103, Apache Junction, AZ 85220
KATHRYN M. JENSEN	212 W. Superstition Blvd., #103, Apache Junction, AZ 85220
PAUL M. CONNOLLY	212 W. Superstition Blvd., #103, Apache Junction, AZ 85220

ARTICLE XII INCORPORATORS

The names and addresses of the incorporators are:

JOHN J. JENSEN	212 W. Superstition Blvd., #103, Apache Junction, AZ 85220
KATHRYN M. JENSEN	212 W. Superstition Blvd., #103, Apache Junction, AZ 85220
PAUL M. CONNOLLY	212 W. Superstition Blvd., #103, Apache Junction, AZ 85220

ARTICLE XIII LIABILITY AND INDEMNIFICATION

The personal liability of any director, officer, employee, members of any committee, or agent of the corporation to the corporation, or its members or to other persons for monetary damages for breach of fiduciary duties as a director is hereby eliminated to the fullest extent allowed under the Arizona Revised Statutes, as amended from time to time. The corporation shall indemnify, to the maximum extent from time to time permitted by applicable law, any person who incurs liability or expense by reason of such person acting as an incorporator, director, officer, employee, members of any committee, or agent of the corporation. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law. The private property of each and every director, officer, committee member and Member of the Association shall at all times be exempt from all debts and liabilities of the Association.

ARTICLE XIV CONFLICT OF INTEREST

To the maximum extent allowed by applicable law, no contract, agreement, transaction or arrangement between this corporation and any person, corporation, partnership, or other entity shall be affected or invalidated in any way by the fact that any one or all

of the directors or officers of this corporation are financially or otherwise interested in same or are the directors, partners, officers or other personnel of any such other corporation, partnership or entity. No director or officer shall be in any way prohibited from acting or voting by reason of any interest in the corporation, partnership or other entity, shall be liable to account to this corporation for any profit realized on account of any such contract, agreement, transaction or arrangement by reason of such interest, unless it is affirmatively shown that said profit was obtained through actual fraud.

ARTICLE XV BYLAWS

The initial Bylaws of the Association shall be adopted by the Board of Directors and any amendments, alterations, and repeal of such Bylaws may be made as prescribed in such Bylaws.

ARTICLE XVI AMENDMENTS

Subject to the provisions hereinafter stated, these Articles of Incorporation shall only be amended with: (i) the approval of at least two-thirds (2/3) of the vote of Class A members, and (ii) the Declarant, so long as Class B membership exists.

ARTICLE XVII LIMITATIONS AND INCONSISTENCIES

No amendment to these Articles, nor any action taken by the Association pursuant hereto, shall be contrary to, or in conflict with, the limitations and other matters set forth in the Declaration. In the event that any part or provisions of these Articles of Incorporation are in conflict with or inconsistent with the Declaration, the terms and provisions of the Declaration shall prevail and supersede such conflicting or inconsistent provisions hereof.

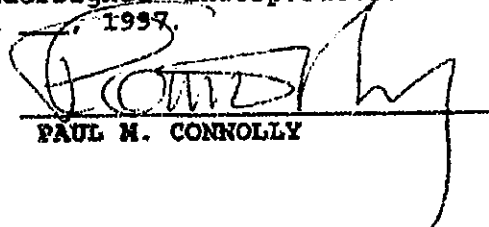
ARTICLE XVIII STATUTORY AGENT

The name of the initial statutory agent of the corporation is JOHN J. JENSEN whose address is 212 W. Superstition Blvd., #103, Apache Junction, AZ 85220.

IN WITNESS WHEREOF, the undersigned incorporators have executed this instrument this April 1997.

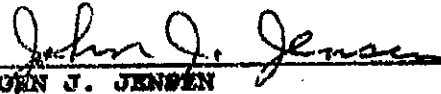

JOHN J. JENSEN


KATHRYN M. JENSEN


PAUL M. CONNOLLY

CONSENT TO ACT AS STATUTORY AGENT

I, JOHN J. JENSEN, having been designated to act as Statutory Agent for SUPERSTITION HIGHLANDS ASSOCIATION, INC., an Arizona Non-Profit Corporation, hereby consent to act in that capacity until removal or resignation is submitted in accordance with the Arizona Revised Statutes.



JOHN J. JENSEN

ORIGINAL