

OFFICE OF THE SECRETARY OF STATE

NEW MEXICO

Certificate Of Incorporation

OF

VILLA VALENCIA HOMEOWNERS ASSOCIATION, INC.

4803752

The Office of the Secretary of State 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 and are found to conform to law. Accordingly, by virtue of the authority vested in it by law, the Office of the Secretary of State issues this Certificate Of Incorporation and attaches hereto a duplicate of the Articles Of Incorporation.

Dated : **September 18, 2013**

In testimony whereof, the Office of the Secretary of State has caused this certificate to be signed on this day in the city of Santa Fe, and the seal of said office to be affixed hereto.

A handwritten signature in cursive script that reads "Dianna J. Duran".

Dianna J. Duran
Secretary of State



ARTICLES OF INCORPORATION

**VILLA VALENCIA HOMEOWNERS ASSOCIATION, INC.
A NONPROFIT CORPORATION**

The undersigned, acting as incorporator to form a nonprofit corporation under the New Mexico Nonprofit Corporation Act, adopts the following Articles of Incorporation:

ARTICLE ONE

NAME

The name of the corporation is: Villa Valencia Homeowners Association, Inc. (hereinafter the "Association").

ARTICLE TWO

DURATION

The period of duration is perpetual.

ARTICLE THREE

PURPOSE

The purposes for which the Association is organized are to perform charitable activities within the meaning of Internal Revenue Code, Section 501(c)(3). Specifically, the purpose for which the Association is organized is to be and constitute the Association referred to in the various Declaration of Covenants, Conditions and Restrictions for Villa Valencia Units 1, Unit 2 or Unit 3 or any adjoining development which, pursuant to its Declaration, has agreed to be governed by and participate in the Association (a "Declaration" or "Declarations") for the Villa Valencia residential project, in Dona Ana County, New Mexico. The purposes of the Association include the operation, repair, replacement, renovation and maintenance of improvements to the common facilities, to levy assessments against the Association's members for expenses relating to common facilities and to engage in such other charitable activities as may be authorized in the Declaration, or as may be authorized in the by-laws of the Association. The Association shall not engage in any purpose, action or activity which is prohibited by the New Mexico Non-Profit Corporation Act and by other applicable law. The Association does not contemplate pecuniary gain or profit, direct or indirect, to its Members.

ARTICLE FOUR
REGISTERED OFFICE AND AGENT

(1) The New Mexico street address of the corporation's initial registered office is: 55 Old Santa Fe Trl, 2nd Floor, Santa Fe, New Mexico 87501.

(2) The name of the initial registered agent at the address of the initial registered office is: Capitol Document Services, Inc.

ARTICLE FIVE
DIRECTORS

There shall initially be three members of the Board of Directors. The names and addresses of the initial Board of Directors are:

Name	Address
Randall S. O'Leary	7910 Gateway #102 El Paso, Texas 79915
Herschel Springfield	6300 Escondido Drive El Paso, Texas 79912
Art Eliason	7910 Gateway #102 El Paso, Texas 79912

The number of Directors shall be as provided in the By-laws, and may be increased or decreased in accordance with the terms of the By-laws.

ARTICLE SIX
MEMBERS

The Association shall have one or more classes of members. The designation of such class or classes, the manner of election or appointment and the qualifications and rights of the members of each class are set forth within the Declaration and the By-laws of the Association.

ARTICLE SEVEN

RESTRICTIONS AND REQUIREMENTS

The Association shall not pay dividends or other corporate income to its members, directors or officers or otherwise accrue distributable profits or permit the realization of private gain. The Association shall have no power to take any action prohibited by the Act.

The Association shall have no power to take any action that would be inconsistent with the requirements for a tax exemption under Internal Revenue Code Section 501(c)(3) and related regulations, rulings, and procedures. The Association shall have no power to take any action that would be inconsistent

with the requirements for receiving tax deductible charitable contributions under Internal Revenue Code Section 170(c)(2) and related regulations, rulings, and procedures. Regardless of any other provision in these Articles of Incorporation or state law, the Association shall have no power to:

1. Engage in activities or use its assets in manners that are not in furtherance of one or more exempt purposes, as set forth above and defined by the Internal Revenue Code and related regulations, rulings, and procedures, except to an insubstantial degree.
2. Serve a private interest other than one that is clearly incidental to an overriding public interest.
3. Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, except as provided by the Internal Revenue Code and related regulations, rulings, and procedures.
4. Participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The prohibited activities include the publishing or distributing of statements and any other direct or indirect campaign activities.
5. Have objectives that characterize it as an "action organization" as defined by the Internal Revenue Code and related regulations, rulings, and procedures.
6. Distribute its assets on dissolution other than for one or more exempt purposes; on dissolution, the Association's assets shall be distributed to the state government for a public purpose, or to an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) to be used to accomplish the general purposes for which the Association was organized.
7. Permit any part of the net earnings of the Association to inure to the benefit of any private shareholder or member of the Association or any private individual.
8. Carry on an unrelated trade or business except as a secondary purpose related to the Association's primary, exempt purposes.

ARTICLE EIGHT INDEMNIFICATION

To the full extent permitted by applicable law, no director of this Association shall be liable to this Association or its members for monetary damages for an act or omission in such director's capacity as a director of this Association, except that this Article Eight does not eliminate or limit the liability of a director of this Association for:

1. a breach of such director's duty of loyalty to this Association or its members;
2. an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law;
3. a transaction from which such director received an improper benefit, whether or not the

benefit resulted from an action taken within the scope of such director's office;

4. an act or omission for which the liability of such director is expressly provided for by statute;

or

5. an act related to an unlawful payment of a dividend.

Any repeal or amendment of this Article by the members of this Association shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of this Association existing at the time of such repeal or amendment. In addition to the circumstances in which a director of this Association is not personally liable as set forth in the foregoing provisions of this Article Eight, a director shall not be liable to the full extent permitted by any Amendment to the New Mexico Non-Profit Corporation Act hereafter enacted that further limits the liability of a director.

To the full extent permitted by applicable law, the Association shall indemnify any director or officer against judgments, penalties (including excise and similar taxes) fines, settlements and reasonable expenses (including court costs and attorneys' fees) actually incurred by any such person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a director or officer and shall advance to such person such reasonable expenses as are incurred by him in connection therewith. The rights of directors and officers set forth in this Article shall not be exclusive of any other right which directors or officers may have or hereafter acquire relating to the subject matter hereof. As used in this Article, the terms "director" and officers shall mean any person who is or was a director or officer of the Association and any person who, while a director or officer of the Association, is or was serving at the request of the Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic Association, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise. As used in this Article, the term "proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitratve or investigative, any appeal in any such action, suit or proceeding and any inquiry or investigation that could lead to such an action, suit or proceeding.

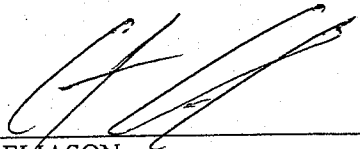
ARTICLE NINE

INCORPORATOR

The name and address of each incorporator is:

Art Eliason
7910 Gateway #102
El Paso, Texas 79915

DATE: September 9, 2013


ART ELIASON

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New Mexico
Secretary of State

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STATEMENT OF ACCEPTANCE OF APPOINTMENT
BY DESIGNATED INITIAL REGISTERED AGENT

I, Gayle Windle, Assistant Secretary on behalf of Capitol Document Services, Inc.,
hereby acknowledge that the undersigned individual or corporation accepts appointment

as Initial Registered Agent of Villa Valencia Homeowners Association, Inc.,

the corporation which is named in the annexed Articles of Incorporation.

*(Sign on this line if the registered agent named in the Articles of Incorporation is an individual.
If this line is signed, the two lines below do not apply and must be left blank.)*

CORPORATION ACTING AS A REGISTERED AGENT ONLY

(If the following lines are used, the signature line above does not apply and must be left blank)
Capitol Document Services, Inc.

*(If the registered agent named in the Articles of Incorporation is a corporation, type or print
the name of that corporation here.)*

By Gayle Windle Gayle Windle, Assistant Secretary
(An authorized officer of the corporation being appointed as registered agent must sign here)