

ARTICLES OF INCORPORATION

OF

HEARTHSTONE VILLAS AT SUPERSTITION SPRINGS

HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Name

The name of the corporation is HEARTHSTONE VILLAS AT SUPERSTITION SPRINGS HOMEOWNERS ASSOCIATION, INC.

ARTICLE II

Purpose of the Association

The purpose for which this corporation is organized is to provide for the management, maintenance and care of the Common Area and other property owned by the Association or property placed under its jurisdiction and to perform all duties and exercise all rights imposed on or granted to the Association. In furtherance of, and in order to accomplish the foregoing purpose, the Association may transact any or all lawful business for which corporations may be incorporated under the laws of the State of Arizona, as they may be amended from time to time.

ARTICLE III

Principal Office

The principal office of the Association shall be located at is 5445 E. McKellips, Suite 14, Mesa, Arizona 85205.

ARTICLE V

Statutory Agent

The name and address of the initial statutory agent of the corporation is W. Ralph Pew, 40 North Center, Suite 200, Mesa, Arizona 85201.

ARTICLE VI

Membership and Voting Rights

Membership in the Association shall be limited to Owners of Lots. Every person or entity who is a record owner of any Lot is entitled to membership and voting rights in the Association and membership is appurtenant to, and inseparable from ownership of the Lot. Each Owner shall have such rights, privileges and votes in the Association as are set forth in the Codes, Covenants and Restrictions.

ARTICLE VII

Board of Directors

The number of persons to serve on the Board of Directors shall be fixed by the Bylaws except that the initial Board of Directors shall consist of two (2) directors. The persons who are to serve as directors until the first annual meeting of shareholders or until their successors are elected and qualify are:

Arnold W. Prochnau
9750 - 45th Avenue
Edmonton, Alberta
Canada T6E 5C5

Byron Prochnau
9750 - 45th Avenue
Edmonton, Alberta
Canada T6E 5C5

The Board shall adopt the initial Bylaws of the Association. The power to alter, amend or repeal the Bylaws is reserved to the Owners except that the Developer, so long as the Developer owns any Lot, and thereafter, the Board, without a vote of the Owners, may amend the Bylaws in order to conform the Bylaws to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Association, the Veterans Administration or any federal, state or local governmental agency whose approval of the Project or the Plat is required by law or requested by the Developer or the Association.

ARTICLE VIII

Officers

The following persons shall be the initial officers of the Association and shall hold the positions opposite their names until the first annual meeting of the Association and until their successors have been elected and qualified:

Arnold Prochnau	President
Byron Prochnau	Secretary/Treasurer

ARTICLE IX

Limitation of Liability of Directors

The personal liability of a director of the Association to the Association or its Owners for monetary damages for breach of his fiduciary duties as a director is hereby eliminated to the extent permitted by the Arizona Nonprofit Corporation Act, as may be amended from time to time.

ARTICLE X

Amendments

These Articles may be amended by Members representing at least seventy-five percent (75%) of the total authorized votes entitled to be cast by Members of the Association; provided however, that the Developer, so long as the Developer owns any Lot, and thereafter, the Board, without a vote of Owners, may amend these Articles to the requirements or guidelines of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or any federal, state or local governmental agency whose approval of the Project or the Plat is required by law or requested by the Developer or the Association. So long as the Developer owns any Lot, any amendment to these Articles must be approved in writing by the Developer.

ARTICLE XI

Dissolution

The Association may be dissolved with the assent given in writing and signed by Owners representing at least seventy-five percent (75%) of the Voting Owners. Upon dissolution of the Association, other than incident to a merger or a 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 or assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purpose.

ARTICLE XII

Duration

The corporation shall exist perpetually.

ARTICLE XIII

Incorporator

The incorporator of the corporation is:

True North, L.L.C.
5445 E. McKellips, #14
Mesa, AZ 85205

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 10
day of March, 1997.

TRUE NORTH, L.L.C. an Arizona limited
liability corporation

By [Signature]
Its Manager

Acceptance of Appointment as Statutory Agent

The undersigned, having been designated to act as statutory agent for this corporation, hereby accepts such appointment and agrees to act in that capacity until removal or resignation is submitted in accordance with applicable provisions of the Arizona Revised Statutes.

Dated this 10th day of March, 1997.


W. Ralph Pew