

RECORDED & INDEXED
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Louisa Sanchez
DATE APPR. 4/30/01
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ARTICLES OF INCORPORATION

OF

BONANZA RANCH PROPERTY OWNERS ASSOCIATION

0983672-8

PAID

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, having associated ourselves together for the purpose of forming a not for profit corporation under the laws of the State of Arizona, do hereby adopt the following Articles of Incorporation:

ARTICLE I

NAME

The name of the corporation is: BONANZA RANCH PROPERTY OWNERS ASSOCIATION.

ARTICLE II

PURPOSE

The purpose for which this Corporation has been organized is to transact any and all lawful business for which not for profit corporations may be incorporated for under the laws of the State Arizona.

ARTICLE III

INITIAL BUSINESS

In particular, the Corporation shall manage, operate and maintain private roads and common areas within property known as the Bonanza Ranch and otherwise represent and protect lot owners in conformity with the Bonanza Ranch Covenants, Conditions and Restrictions.

ARTICLE IV

AUTHORIZED CAPITAL

This Corporation shall be a non-profit corporation, and shall not issue stock, and no dividends or pecuniary profits shall be declared or paid out of the earnings or capital to the members, directors, officers thereof, or to any other individual. The payment of reasonable compensation for services rendered shall not be deemed to be a distribution of income or capital. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, trustees, officers, or other 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 in Article II hereof. No substantial 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 publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future U.S. Internal Revenue Law), or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future U.S. Internal Revenue Law).

ARTICLE V

STATUTORY AGENT

The initial statutory agent of the Corporation is James J. Farley, Esq., 2550 North Ridge, Mesa, Arizona 85203.

ARTICLE VI

KNOWN PLACE OF BUSINESS

The known place of business of the Corporation shall be 2550 North Ridge, Mesa, Arizona 85203.

ARTICLE VII

BOARD OF DIRECTORS

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 members or until their successors are elected and qualify are:

James J. Farley	2550 North Ridge Mesa, Arizona 85203
Janice Calkins	2550 North Ridge Mesa, Arizona 85203

The number of persons to serve on the Board of Directors shall be fixed by the By-Laws.

ARTICLE VIII

INCORPORATORS

The incorporators of the Corporation are:

James J. Farley	2550 North Ridge Mesa, Arizona 85203
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Janice Calkins

2550 North Ridge
Mesa, Arizona 85203

All powers, duties and responsibilities of the incorporators shall cease immediately following adoption of the initial By-Laws of the Corporation.

ARTICLE IX

MEMBERS

This Corporation shall have members. Membership is limited to persons owning lots in the Bonanza Ranch subdivision.

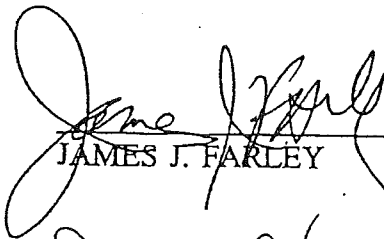
ARTICLE X

INDEMNIFICATION OF OFFICERS AND DIRECTORS

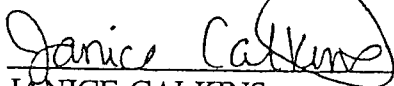
Subject to the further provisions hereof, the Corporation shall indemnify any and all of its existing and former directors and officers against all expenses incurred by them, and each of them, including, but not limited to, legal fees, judgments, penalties, and amounts paid in settlement or compromise, which may arise or be incurred, rendered or levied in any legal action brought or threatened against any of them for, or on account of any action or omission alleged to have been committed while acting within the scope of employment as director or officer of the Corporation, whether or not any action is, or has been, filed against them, and whether or not any settlement or compromise is approved by a court, indemnification shall be made by the Corporation whether legal action brought or threatened is by or in the right of the Corporation or by any other person. Whenever any existing or former director or officer shall report to the President of the Corporation or the Chairman of the Board of Directors that he or she has incurred or may incur expenses, including, but not limited to, legal fees, judgments, penalties,

and amounts paid in settlement or compromise in a legal action brought or threatened against him or her for or on account of any action or omission alleged to have been committed by him or her while acting within the scope of his or her employment as a director or officer of the Corporation, the Board of Directors shall, at its next regular meeting, or at a special meeting held within a reasonable time thereafter, determine in good faith whether, in regard to the matter involved in the action or contemplated action, such person acted, failed to act, or refused to act wilfully, or with gross negligence, or with fraudulent or criminal intent. If the Board of Directors determines in good faith that such person did not act, fail to act, or refuse to act wilfully or with gross negligence, or with fraudulent or criminal intent in regard to the matter involved in the action or contemplated action, indemnification shall be mandatory and shall be automatically extended as specified herein, provided, however, that no such indemnification shall be available with respect to liabilities under the Securities Act of 1933, and, provided further, that the Corporation shall have the right to refuse indemnification in any instance in which the person to whom indemnification would otherwise have been applicable shall have unreasonably refused to permit the Corporation, at its own expense and through counsel of its own choosing, to defend him or her in the action.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 22nd day of March, 2001.



JAMES J. FARLEY



JANICE CALKINS