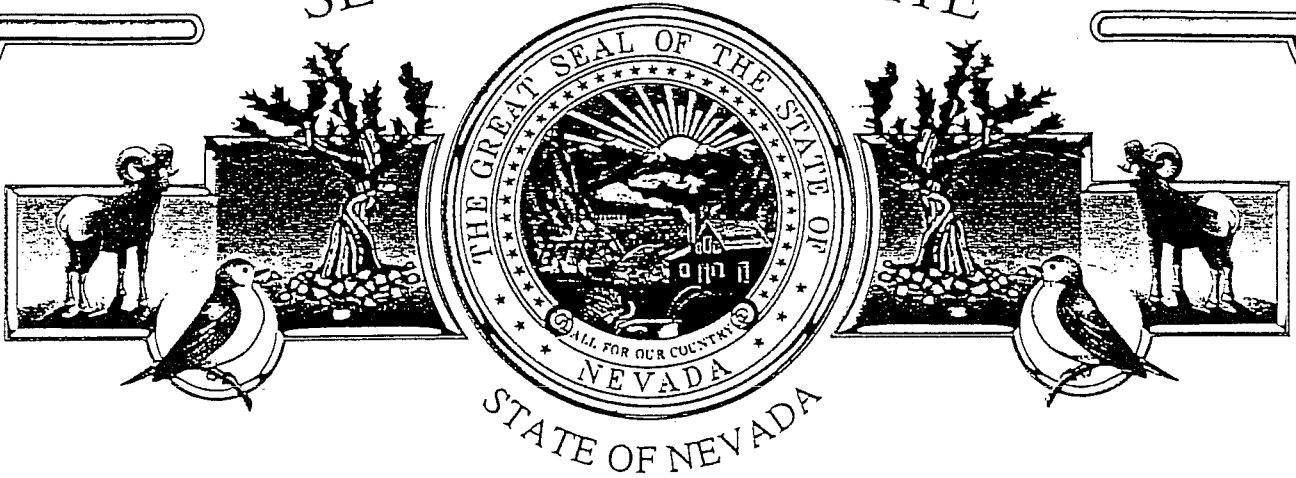


SECRETARY OF STATE



CORPORATE CHARTER

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that THE ESTATES AT SEVEN HILLS OWNERS ASSOCIATION did on June 13, 1997, file in this office the original Articles of Incorporation; that said Articles are now on file and of record in the office of the Secretary of State of the State of Nevada, and further, that said Articles contain all the provisions required by the law of said State of Nevada.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office, in Las Vegas, Nevada, on June 13, 1997.

Dean Heller

Secretary of State

By

Judy Hill

Certification Clerk



FILED
CLERK OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

ARTICLES OF INCORPORATION
OF

JUN 18 1991

(12593-91)

THE ESTATES AT SEVEN HILLS OWNERS ASSOCIATION

ARTICLE 1
NAME

The name of this corporation ("Association") is THE ESTATES AT SEVEN HILLS OWNERS ASSOCIATION.

ARTICLE 2
PURPOSE

The Association is a nonprofit corporation organized under the provisions of Sections 82.006 through 82.690 of the Nevada Revised Statutes. The purpose of the Association is to be organized under such law; provided, however that except to an insubstantial degree, the Association shall not engage in any activities or exercise any powers that are not in furtherance of the purposes of the Association as set forth in the Declaration of Covenants, Conditions and Restrictions and Grant and Reservation of Easements for THE ESTATES AT SEVEN HILLS OWNERS ASSOCIATION and in the Bylaws of the Association.

ARTICLE 3
RESIDENT AGENT

The name of the Association's resident agent is David G. Johnson, of the law firm of Woodburn and Wedge, whose business address for service of process is 300 S. Fourth St., Suite 620, Las Vegas, Nevada 89101.

ARTICLE 4
DIRECTORS

The affairs of the Association shall be managed by a Board of Directors which shall be composed of no less than two (2) nor more than five (5) persons, as more fully described in the Bylaws of the Association. The number of directors may be changed as provided in the Bylaws. The names and addresses of the persons who are to act in the capacity of the initial directors of the Association until their successors have been elected as provided in the Bylaws are:

Name

Address

Dean Wingert

901 N. Green Valley Pkwy, #200
Henderson, NV 89014

Terry Taylor

901 N. Green Valley Pkwy, #200
Henderson, NV 89014

Jeff Holme

901 N. Green Valley Pkwy, #200
Henderson, NV 89014

**ARTICLE 5
VOTING**

The voting and other rights and privileges of the members of the Association shall be as set forth in the Declaration and the Bylaws.

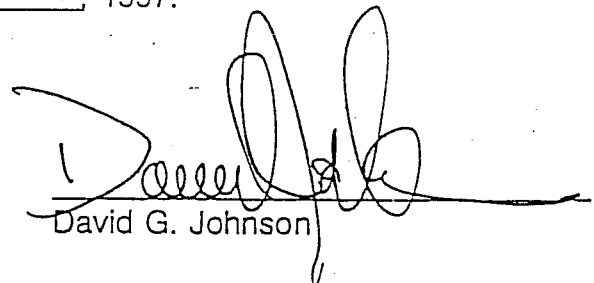
**ARTICLE 6
DURATION**

The Association shall have a perpetual existence.

**ARTICLE 7
AMENDMENTS**

Amendment of these Articles of Incorporation shall require (i) the assent (by vote or written consent) of a bare majority of the Board of Directors of the Association, and (ii) the vote of Members representing at least seventy-five percent (75%) of the voting power of the Association.

The undersigned, who is the incorporator of the Association, has executed these Articles of Incorporation as of JUNE 13TH 1997.



David G. Johnson

Business Address:

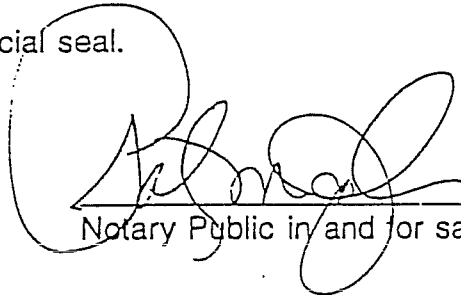
300 South Fourth Street
Suite 620
Las Vegas, Nevada 89101

CERTIFICATE OF ACKNOWLEDGEMENT

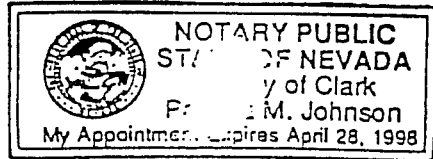
STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On June 13, 1997, personally appeared before me, a notary public, David G. Johnson, personally known (or proved) to me to be the person whose name is subscribed to the above instrument and who acknowledged that she executed the same.

WITNESS my hand and official seal.



Notary Public in and for said State



**CERTIFICATE OF ACCEPTANCE
OF APPOINTMENT BY RESIDENT AGENT**

JUN 13 1997

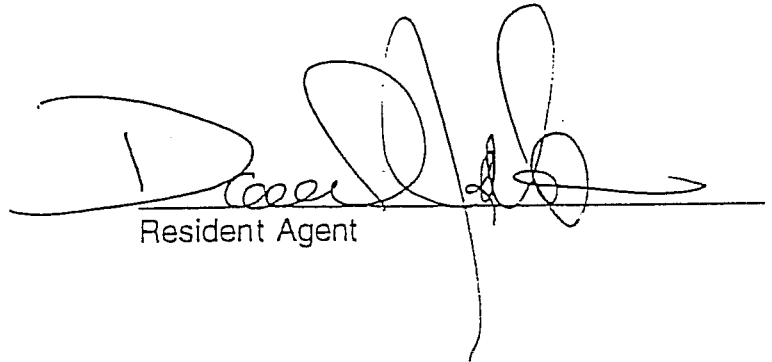
Q12593-97

IN THE MATTER OF The Estates at Seven Hills Owners Association,

I, David G. Johnson, hereby certify that on the 13 day of June, 1997, I accepted the appointed as Resident Agent of the above-entitled corporation in accordance with Sec. 78.090, NRS 1957.

FURTHERMORE, that the principal office in this State is located at Room 620, 300 South Fourth Street, Suite 620, Town of Las Vegas, County of Clark, State of Nevada.

IN WITNESS WHEREOF, I have hereunto set my hand this 13 day of June, 1997.


Resident Agent

ESTATES AT SEVEN HILLS BUDGET 2002

Total Number of Homeowners 256
 Monthly Assessment per Homeowner \$ 200.00

CATEGORY	MONTHLY		ANNUAL	
	Budget	Per Unit	Budget	Per Unit
REVENUE				
MONTHLY ASSESSMENTS	\$ 51,200.00	\$ 200.00	\$ 614,400.00	\$ 2,400.00
PRESIDIO CONTRIBUTIONS	\$ 3,140.00	\$ 12.27	\$ 37,680.00	\$ 147.19
LATE FEES	\$ 125.00	\$ 0.49	\$ 1,500.00	\$ 5.86
INTEREST	\$ 300.00	\$ 1.17	\$ 3,600.00	\$ 14.06
INTEREST-GATED COMM				
TOTAL INCOME	\$ 54,765.00	\$ 213.93	\$ 657,180.00	\$ 2,567.11
EXPENSES				
MANAGEMENT FEES	\$ 2,176.00	\$ 8.50	\$ 26,112.00	\$ 102.00
LANDSCAPE MAINT	\$ 7,500.00	\$ 29.30	\$ 90,000.00	\$ 351.56
LANDSCAPE RENOVATION	\$ 500.00	\$ 1.95	\$ 6,000.00	\$ 23.44
LANDSCAPE-REPAIR/SUPPLY	\$ 1,000.00	\$ 3.91	\$ 12,000.00	\$ 46.88
REPAIRS/MAINT	\$ 250.00	\$ 0.98	\$ 3,000.00	\$ 11.72
LIGHTING MAINT	\$ 600.00	\$ 2.34	\$ 7,200.00	\$ 28.13
LIGHTING-REPAIR/SUPPLY	\$ 50.00	\$ 0.20	\$ 600.00	\$ 2.34
JANITORIAL	\$ 650.00	\$ 2.54	\$ 7,800.00	\$ 30.47
JANITORIAL SUPPLIES	\$ 100.00	\$ 0.39	\$ 1,200.00	\$ 4.69
GATE REPAIR/SUPPLY	\$ 792.00	\$ 3.09	\$ 9,504.00	\$ 37.13
GATE TRANSMITTERS		\$ -	\$ -	\$ -
STREET/PARKING CLEANING	\$ 425.00	\$ 1.66	\$ 5,100.00	\$ 19.92
TENNIS/PLAYGROUND MAINT	\$ 550.00	\$ 2.15	\$ 6,600.00	\$ 25.78
PEST CONTROL	\$ 50.00	\$ 0.20	\$ 600.00	\$ 2.34
ELECTRIC	\$ 1,200.00	\$ 4.69	\$ 14,400.00	\$ 56.25
WATER	\$ 4,000.00	\$ 15.63	\$ 48,000.00	\$ 187.50
TELEPHONE	\$ 100.00	\$ 0.39	\$ 1,200.00	\$ 4.69
SECURITY	\$ 31,000.00	\$ 121.09	\$ 372,000.00	\$ 1,453.13
AUDIT/TAX EXPENSE	\$ 100.00	\$ 0.39	\$ 1,200.00	\$ 4.69
LEGAL	\$ 75.00	\$ 0.29	\$ 900.00	\$ 3.52
COPIES/SUPPLIES	\$ 250.00	\$ 0.98	\$ 3,000.00	\$ 11.72
BANK SERVICE CHARGES		\$ -	\$ -	\$ -
POSTAGE	\$ 175.00	\$ 0.68	\$ 2,100.00	\$ 8.20
INSURANCE-LIABILITY/PROP	\$ 200.00	\$ 0.78	\$ 2,400.00	\$ 9.38
INSURANCE-DIRECTOR/OFFICE	\$ 50.00	\$ 0.20	\$ 600.00	\$ 2.34
INSURANCE - SIIS		\$ -	\$ -	\$ -
CONTRIBUTION TO RESERVE	\$ 2,972.00	\$ 11.61	\$ 35,664.00	\$ 139.31
TOTAL EXPENSES	\$ 54,765.00	\$ 213.93	\$ 657,180.00	\$ 2,567.11
NET INCOME/LOSS	\$ -	\$ -	\$ -	\$ -

Anticipated beginning Reserve Balance as of January 2002	\$ 55,400.00
Annual contribution to the reserve account for 2002	\$ 35,664.00
Annual Reserve Expenditures for 2002	\$ 16,500.00
Anticipated ending Reserve Balance as of December 2002	\$ 74,564.00