

**CERTIFICATE OF RESTATED
ARTICLES OF INCORPORATION OF
HILLS RANCH OWNERS' ASSOCIATION**

The undersigned certify that:

1. They are the President and Secretary, respectively, of Hills Ranch Owners' Association, a California nonprofit mutual benefit corporation.
2. The amendment set forth in paragraph 3 below has been duly approved by the **Board of Directors** and by the required vote of the **Members**. The required **Member** vote was fifty-one percent (51%) of the voting power.
3. The **Articles** of Incorporation of this corporation are amended and restated in full to read as follows:

**ARTICLES OF INCORPORATION OF
HILLS RANCH OWNERS' ASSOCIATION**

**ARTICLE I
NAME OF CORPORATION**

The name of this corporation is HILLS RANCH OWNERS' ASSOCIATION (hereinafter referred to as the "Association").

**ARTICLE II
PURPOSES OF CORPORATION**

The Corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law of the State of California. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

More specifically, the corporation owns, repairs, maintains and manages **Common Areas**, enforces **Governing Documents**, including rules and regulations adopted from time to time by the **Board of Directors**, and discharges such other lawful duties and responsibilities required pursuant to the corporation's **Bylaws** and the Declaration of Covenants, Conditions and Restrictions (the "**Declaration**"), as amended from time to time, with respect to Hills Ranch.

**ARTICLE III
HOMEOWNER'S ASSOCIATION**

This corporation is intended to qualify as a nonprofit homeowner's association under the applicable provisions of the Internal Revenue Code and of the Revenue and Taxation Code of California. No part of the net earnings of this corporation shall inure to

the benefit of any private individual, except as expressly provided in those sections with respect to the acquisition, construction, or provision for management, maintenance and care of the property owned or controlled by the corporation, and other than by a rebate of excess membership dues, fees or **Assessments**. Dissolution, liquidation or winding up of the corporation, upon or after termination of the Hills Ranch **Property** shall only be in accordance with applicable law. Upon winding up and dissolution of this corporation, after paying or adequately providing for the debts and obligations of the corporation, the remaining assets shall be distributed to the **Members** in accordance with their respective rights. For as long as the **Association** has any **Common Area** responsibility, it shall require 100% **Member** approval to dissolve the corporation.

ARTICLE IV FURTHERANCE OF CORPORATION

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

ARTICLE V QUALIFICATIONS, RIGHTS AND PRIVILEGES

The qualifications for membership in this corporation, the property, voting and other rights and privileges of **Members** and their liability for dues and **Assessments** and the methods of collection thereof, shall be as provided for in both the **Declaration** and the **Bylaws** of this corporation.

ARTICLE VI STATUTORY NOTICE

In compliance with Civil Code Section 1363.5 and requirements for Articles of Incorporation, the following is hereby provided:

1. This corporation is an association formed to manage a common interest development under the Davis-Stirling Common Interest Development Act.
2. The **Association** does not maintain a business office other than the managing agent. The front street of the **Association** is Little Lake Road, and the nearest cross street is Hills Ranch Road, Mendocino, California,. The nine digit zip code of the **Association** is 95460-9790.
3. The name and address of the **Association's** managing agent is currently: Gregory Burke, PO Box 336, Comptche, California 95427-0336. The managing agent is not certified pursuant to Section 11502 of the California Business and Professions Code.

ARTICLE VII
AMENDMENT

These **Articles** of Incorporation may be amended from time to time by the affirmative vote of the **Members** representing at least fifty-one percent (51%) of the voting power of the **Association**.

President: Secretary:

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge. Executed at _____, California, on _____, 2003.

President: Secretary:

ATTACH NOTARY CERTIFICATE(S)

Glenn H. Youngling, PLC
1108 Irwin St., San Rafael, CA 94901
(415) 454-1090

CC&Rs

Hills Ranch Owners' Association

Development Act which would otherwise be in conflict with and would pre-empt these provisions. Any such updated provisions shall be (1) recorded in the Official Records of Mendocino County and cross-reference these CC&Rs and (2) distributed to all Owners.

CERTIFICATE OF AMENDMENT

The Association desired to make substantial changes to the CC&Rs pursuant to the amendment provisions of Civil Code section 1355, and on April 28, 2003 the Owners voted and approved the language of said changes.

This Amended Declaration of Covenants, Conditions and Restrictions incorporates the amendments, together with preexisting language and supersedes the Former Declaration.

The undersigned declare, under penalty of perjury, under the laws of the State of California, that the matters set forth in this Amendment are true and correct of their own knowledge. Executed at San Rafael, California on April 27, 2003.

President: Glenn H. Youngling

Secretary: Kelly Rogers

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ATTACH NOTARY CERTIFICATE(S)

Glenn H. Youngling, P.L.C
1108 Irwin St., San Rafael, California 94901
(415) 454-1080



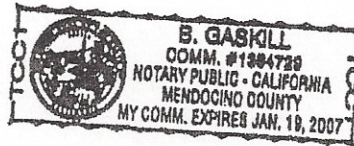


STATE OF CALIFORNIA)
)ss.
COUNTY OF Mendocino)

On June 27, 2003 before me, B. Gaskill,
personally appeared Eleanor Merriam and Kay Ryan
personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature B Gaskill



(This area for official notarial seal)

Title of Document:	No. of Pages:
Date of Document:	
Other signatures not acknowledged:	



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