

**ARTICLES OF INCORPORATION
OF
HEATHERGLEN HOMES ASSOCIATION, INC.**

In compliance with the requirements of K.S.A. 17-6001 and for the purpose of forming a not-for-profit corporation, the undersigned, who is of lawful age, does hereby certify:

ARTICLE I

CORPORATE NAME

The name of the corporation is: HeatherGlen Homes Association, Inc. (hereinafter referred to as the "Association").

ARTICLE II

REGISTERED OFFICE AND RESIDENT AGENT

The registered office of the Association is located in the State of Kansas at 6201 College Boulevard, Suite 500, Overland Park, Johnson County, Kansas 66211. The name of its resident agent at such address is PW&S Agent Services of Kansas, Inc.

ARTICLE III

NO CAPITAL STOCK

The Association shall not have authority to issue capital stock.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

The purpose for which the Association is formed is to act as a non-profit homes association (within the meaning of Internal Revenue Code Section 528) for the benefit of the property owners in the subdivision located in Shawnee, Johnson County, Kansas commonly known as "HeatherGlen" composed of the following described lots, to-wit:

RECORDED
MAY 11 2004
PW&S AGENT SERVICES
OF KANSAS, INC.

Lots 1 through 41, Heather Glen, a subdivision in the City of Shawnee, Johnson County, Kansas.

Lots 42 through 80, Heather Glen Second Plat, a subdivision of City of Shawnee, Johnson County, Kansas.

and for the property owners in any other area or areas which may be brought within the jurisdiction of the Association as provided in the Declaration (as defined below) and for this purpose to:

(a) Exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in these Articles of Incorporation and the Bylaws of the Association, as amended from time to time, and in that certain HEATHERGLEN HOMES ASSOCIATION DECLARATION, dated as of July 25, 2003, and recorded as instrument number 3680641 in Book 9312 at Page 556 in the Office of the Register of Deeds, Johnson County, Kansas (the Register's Office), and that certain HEATHERGLEN DECLARATION OF RESTRICTIONS, dated as of July 25, 2003, and recorded as instrument number 3680642 in Book 9312 at Page 568 in the Register's Office, as amended and supplemented from time to time (collectively, the "Declaration");

(b) Fix, levy, collect and enforce, by any lawful means, payment of all charges and assessments made pursuant to the terms of the Declaration or Bylaws of the Association; pay all expenses in connection therewith and all other expenses incident to the conduct of the affairs of the Association, including all licenses, taxes or governmental charges;

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, or dispose of real or personal property in connection with the affairs of the Association; and

(d) Have and exercise any and all powers, rights and privileges which a corporation organized not-for-profit under the laws of the State of Kansas may now or hereafter have or exercise; provided, however, that none of the powers, rights or privileges of the Association shall be exercised to carry on activities (otherwise than as an insubstantial part of its activities) which are not in furtherance of the purpose for which the Association is formed.

ARTICLE V

MEMBERSHIP

Except for the Developer (as defined in Article VI), membership in the Association shall be limited to persons or entities who are record owners of the fee interest or of an undivided portion of the fee interest in any Lot (as defined in the Declaration) which is now or hereafter within the jurisdiction of the Association. Persons or entities (other than a contract seller) who

hold an interest merely as security for the performance of an obligation shall not be members. Membership shall be appurtenant to and may not be separated from ownership of a Lot.

No member of the Association shall be individually or personally liable for the debts, liabilities or obligations of the Association.

ARTICLE VI

VOTING RIGHTS

“Developer” means Pflumm 51 Investors, L.L.C., a Kansas limited liability company, and its successors and assigns.

“Turnover Date” means the earlier of: (i) the date as of which 90% of all of the Lots in the Subdivision (as defined in the Declaration and as then instituted or contemplated by the Developer) have been sold by the Developer and the residences have been constructed thereon, or (ii) the date the Developer, in its absolute discretion, selects as the Turnover Date for all or any specific portion of the Declaration.

Until the Turnover Date, the Association shall have two classes of membership, namely Class A and Class B. The Developer shall be the sole Class A member. Each Owner (as defined in the Declaration) of a Lot, including the Developer as an Owner, shall be a Class B member. Until the Turnover Date, all voting rights shall be held by the Class A member, except that the Class B members shall have the sole right to vote on increases in monthly assessments as provided in clause (c) of Section 2 of Article IV of the Declaration.

After the Turnover Date, there shall be only one class of membership which shall consist of the Owners of the Lots in the Subdivision and every such Owner shall be a member.

Where voting rights exist based on Lot ownership, each member shall have one vote for each Lot for which he is the Owner; provided, however, when more than one person is an Owner of any particular Lot, all such persons shall be members, and the one vote for such Lot shall be exercised as they, among themselves, shall determine, but in no event shall more than one vote be cast with respect to such Lot. During any period in which a Member is in default in the payment of any assessment levied by the Association under the Declaration, the voting rights of such Member shall be suspended until such assessment has been paid in full.

Where a Lot is owned by a corporation, partnership or other entity, such entity shall designate a person who is entitled to vote respecting such Lot and to serve, if elected or appointed, as a director of the Association. Such designation shall be made by filing a written instrument to that effect with the Association.

ARTICLE VII

BOARD OF DIRECTORS

The business and affairs of the Association shall be managed by a board of directors. The first board of directors shall consist of two (2) persons, who shall be vested with the power and authority to adopt the initial Bylaws of the Association and who shall hold office until their respective successors have been duly elected and qualified or until their respective earlier resignation or removal, all as provided in the Bylaws and the Declaration. Thereafter, the number of directors shall be fixed by the Bylaws, as amended from time to time, and directors shall be elected or appointed in the manner and for the terms provided in the Bylaws.

The names and addresses of the persons constituting the first board of directors are:

<u>Name</u>	<u>Address</u>
James R. Lambie	14800 Bond Overland Park, KS 66221
John R. Geer	14020 Reeder Overland Park, KS 66221

No officer or director of the Association shall be individually or personally liable for the debts, liabilities or obligations of the Association.

ARTICLE VIII

INDEMNIFICATION

The Association may agree to the terms and conditions upon which any director, officer, employee or agent accepts his office or position and in its Bylaws, by contract or in any other manner may agree to indemnify and protect any director, officer, employee or agent of the Association, to the fullest extent permitted by the laws of the State of Kansas; provided, however, that the only limitation upon the power granted to the Association by this paragraph shall be a prohibition against indemnification of any person from or on account of such person's conduct which was finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct.

Without limiting the generality of the foregoing provisions of this Article VIII, to the fullest extent permitted or authorized by the laws of the State of Kansas, including, without limitation, the provisions of subsection (b)(8) of K.S.A. 17-6002 as now in effect and as it may from time to time hereafter be amended, no director of the Association shall be personally liable to the Association or to its members for monetary damages for breach of fiduciary duty as a director.

ARTICLE IX

DISSOLUTION

The Association may be dissolved in the manner provided by the laws of the State of Kansas. Upon dissolution of the Association and after payment of or the making of adequate provision for all debts, liabilities and obligations of the Association, the remaining assets, both real and personal, of the Association shall be dedicated to an appropriate government entity or public agency or to a non-profit corporation, association, society, -trust or other organization, determined by the board of directors to be devoted to purposes as nearly as practicable the same as those to which they were to be devoted by the Association.

ARTICLE X

DURATION

The Association shall have perpetual existence.

ARTICLE XI

BYLAWS

The original Bylaws of the Association shall be adopted by the initial directors named herein. Thereafter, the Bylaws may be amended as provided therein.

ARTICLE XII

INCORPORATOR

The name and mailing address of the incorporator are as follows:

Name

Address

Stanley N. Woodworth

c/o 6201 College Boulevard, Suite 500
Overland Park, Kansas 66211

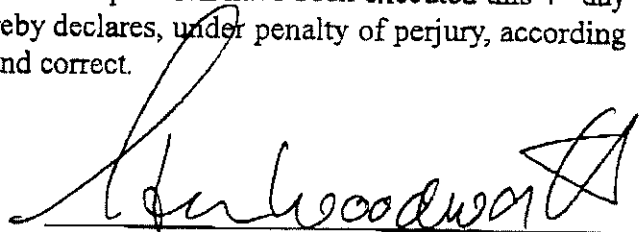
ARTICLE XIII

PROHIBITED ACTIVITIES

No substantial part of the activities of the Association shall be the carrying on of propaganda, or otherwise attempting, to influence legislation, and the Association shall not participate or intervene in (including the publishing or distributing of statements) any political

campaign on behalf of any candidate for public office. No part of the net earnings or other assets of the Association shall inure to the benefit of any director, officer, member or other private individual having, directly or indirectly, any personal or private interest in the activities of the Association.

IN WITNESS WHEREOF, these Articles of Incorporation have been executed this 4th day of May, 2004. The undersigned incorporator hereby declares, under penalty of perjury, according to the laws of Kansas, that the foregoing is true and correct.


Stanley N. Woodworth, Incorporator

I hereby certify this to be a true and correct copy of the original on file.
Certified on this date: 5/4/04
Ron Thornburgh, Secretary of State

**STATEMENT OF UNANIMOUS CONSENT
TO ACTION TAKEN IN LIEU OF THE FIRST
MEETING OF THE BOARD OF DIRECTORS OF
HEATHERGLEN HOMES ASSOCIATION, INC.**

In lieu of the first meeting of the board of directors of HeatherGlen Homes Association, Inc., a Kansas not-for-profit corporation, the undersigned, being all the persons named to constitute the first board of directors of said corporation, do hereby accept the office of director of said corporation and do hereby consent to the adoption of, and do hereby adopt, the following resolutions:

RESOLVED, that the Certificate of Incorporation of the corporation issued by the Secretary of State of Kansas, on the 4th day of May, 2004, and a copy of the Articles of Incorporation of the corporation, be filed in the minute book of the corporation.

* * *

RESOLVED, that the Bylaws attached to this Statement of Unanimous Consent as Exhibit A and incorporated herein by reference be, and they hereby are, approved and adopted as the Bylaws of the corporation.

* * *

RESOLVED, that the following persons be, and they hereby are, elected to the offices set opposite their respective names, each to serve at the pleasure of the board of directors until the first annual election of directors by the board and until his successor shall have been elected and qualified or until his earlier resignation or removal:

James R. Lambie	President
John R. Geer	Vice President/Secretary/Treasurer

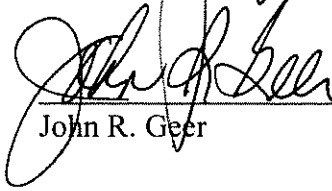
* * *

RESOLVED, that the form of banking resolution for *First Nat'l Bank* attached hereto as Exhibit B and incorporated herein by reference be, and it hereby is, ratified and adopted.

Dated: May 5, 2004



James R. Lambie



John R. Geer

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