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ARTICLES OF INCORPORATION
OF
GOLD HILL I HOMEOWNERS ASSOCIATION, INC.

The undersigned natural person, being eighteen (18) years of age or older, hereby establishes a corporation pursuant to the Colorado Nonprofit Corporation Act and adopts the following Articles of Incorporation:

ARTICLE I
NAME

The name of the Corporation shall be GOLD HILL I HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II
DURATION OF CORPORATION

This Association shall have perpetual existence, unless it is terminated according to the terms of these Articles.

ARTICLE III
PURPOSES AND POWERS

Section 1. The principal purposes of this Association are:

- (a) To manage, own and maintain the Common Area within that certain tract of property described in Exhibit A, attached hereto and incorporated herein by this reference, (hereinafter referred to as the "Development Areas"), for the benefit and use of the members of this Association subject to such restraints or suspensions of use and voting rights of members as are approved herein and in the By-Laws.

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- (b) To own, purchase, manage, maintain, repair and replace any or all of the equipment, facilities, and buildings used in connection with the operation of the Common Area.
- (c) To establish an orderly and efficient system of billing to pay for the expenses incurred in the furtherance of the aforesaid purposes.
- (d) To promulgate such rules and regulations and perform such deeds as are deemed necessary to achieve the aforesaid objectives.
- (e) To have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Laws of the State of Colorado by law may now or hereafter have or exercise.

All of said purposes are to be without pecuniary profit to any director or member of the Association.

Section 2. This Association shall have the power to own, accept, acquire, mortgage and dispose of real and personal property, and to obtain, invest and retain funds, in advancing the purposes stated above.

Section 3. This Association shall have the power to do any lawful acts, or things reasonably necessary or desirable for carrying out the Association's purposes, and for protecting the lawful rights and interests of its members in connection therewith.

ARTICLE IV INITIAL BOARD OF DIRECTORS

The initial Board of Directors of the Association shall consist of three Directors, their names and addresses being as follows:

Doug Brace
1777 S. Harrison #1201
Denver, CO 80210

John Michaels
1777 S. Harrison #1201
Denver, CO 80210

Al J. Keller
1777 S. Harrison #1201
Denver, CO 80210

Until such time as a Board of Directors shall be elected according to the provisions contained in the By-Laws of the Association, the initial Board of Directors shall have the same powers and duties enumerated in these Articles and in the By-Laws for the elected Board of Directors. Thereafter, the number of Directors constituting the Board of Directors shall be not less than the minimum number of Directors permitted by the statutes of Colorado, nor more than nine (9) Directors, the exact number thereof to be fixed from time to time pursuant to the By-Laws of the Association.

ARTICLE V
REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Association is 1777 S. Harrison, No. 1201, Denver, CO 80210. The name of its initial registered agent at such address is Tom Karaffa.

ARTICLE VI
MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any condominium unit in a condominium property regime located in the Development Areas which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership or any such condominium unit which is subject to assessment by the Association. The Association shall have one class of voting Membership.

ARTICLE VII
VOTING RIGHTS

Each member shall be entitled to one vote for each condominium unit owned except where elsewhere provided in these Articles, the By-Laws or the Enabling Declaration. When more than one person holds an interest in any condominium unit, all such persons shall be members. The vote for such condominium unit shall be exercised as they among themselves shall determine, but in no event shall more than one vote be cast with respect to any condominium unit.

ARTICLE VIII
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the members. Upon dissolution of the Association, other than incident to a merger or 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 and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX
AMENDMENTS

These Articles of Incorporation may not be amended or revoked, at a regular or special meeting of the Members, during the first twenty years after the date hereof unless ninety percent (90%) of the Owners and the Mortgagees of all the mortgages covering the condominium units agree to such revocation or amendment by duly recorded instruments, thereafter, revocation or amendment may be affected by the agreement of seventy-five percent (75%) of both such owners and mortgagees documented by duly recorded instrument; provided that any amendment or revocation must comply with the statutes of Colorado and the ordinances of any governmental entity having jurisdiction over the units, in existence at the time such amendment becomes effective. However, such amendment shall not be effective without the prior written approval of the Secretary of Housing and Urban Development and the Federal Housing Commission.

ARTICLE X
DECISIONS BY THE ASSOCIATION

All agreements and determinations lawfully made by the Association and passed by the membership by greater than fifty percent (50%), except where voting percentages are elsewhere

established in the By-Laws, these Articles of Incorporation, or the Declaration of the Association, shall be deemed to be binding on all owners of condominium units, their successors and assigns.

ARTICLE XI ASSESSMENTS

Section 1. Each member for each condominium unit owned shall pay to the Association an annual assessment equal to a pro rata share of the total sum necessary to provide for the insurance, reserve fund for replacements, maintenance and operation of the common area and its facilities. For so long as there are less than all of the condominium units built on the Development Area, the balance of said total sum not covered by the assessment against the members shall be assessed by the Association against, and be payable by, the Grantor to the Association.

Section 2. The amount of assessment against each member, and if any, against the Grantor, as provided for in Section 1 shall be assessed by the Association as a lien at the beginning of each annual assessment period. Each assessment shall be due and payable within thirty (30) days of assessment, and upon default of payment within such period of time, shall be a lien against each condominium unit owned by the defaulting members and against that Part of the Development Area, if any, owned by the defaulting Grantor, and the Association shall be entitled to enforce the payment of said lien according to the laws of the State of Colorado and to take any other actions for collection from the defaulting parties. Any such lien against a condominium unit or against the Part of the Development Area, if any, owned by the Grantor shall be subordinate to any recorded first mortgage or first Deed of Trust covering such condominium unit, or, as the case may be, covering the Part of the Development Area, if any, owned by the Grantor.

Section 3. In addition to the annual assessments authorized above, the Association may levy in any assessment year, special assessments for the purpose of defraying, in whole or in part, (a) the cost of any construction, reconstruction, repair or replacement of a capital improvement, including fixtures and personal property related thereto, or (b) the expense of any other contingencies; provided that any such assessments shall have the assent of two-thirds ($2/3$) of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose. To be valid, the amount of any special assessment and the annual assessment must have the approval of the Secretary of Housing and Urban Development in accordance with Article XII.

Section 4. Each member for each condominium unit owned shall pay to the Association a special assessment equal to a pro rata share of the total sum approved by the Association to meet the costs and expenses as provided in Section 3 hereof. For so long as there are less than all of the condominium units built on

the Development Area, the balance of any such total sum not covered by the special assessment against the members shall be assessed by the Association against, and be payable by, the Grantor to the Association.

Section 5. The amount of the special assessment provided for in Sections 3 and 4 shall be assessed as a lien by the Association. Each such assessment shall be due and payable within thirty (30) days of assessment, and upon default of payment within such period of time, shall be a lien against each condominium unit owned by the defaulting member and against that Part of the Development Area, if any, owned by the defaulting Grantor, and the Association shall be entitled to enforce the payment of said lien according to the laws of the State of Colorado and to take any other actions for collection from the defaulting parties.

Section 6. Both annual and special assessments may be collected on a monthly basis.

ARTICLE XII RESERVE FOR REPLACEMENTS

The Association shall establish and maintain a reserve fund for replacements by the allocation and payment annually to such reserve fund in such amounts as are established by the Board of Directors. Such fund shall be deposited in a special account with a safe and responsible depository and may be in the form of a cash deposit or invested in obligations of, or fully guaranteed as to principal by, the United States of America. The reserve fund is for the purpose of effecting replacements for structural elements and mechanical equipment of the recreational facilities owned by the Association and for such other purposes as may be determined by the Board of Directors.

ARTICLE XIII INSURANCE

The Association shall keep the improvements now existing or hereafter erected on the property of the Association insured against loss by fire and other hazards. Such insurance shall be evidenced by standard Fire and Extended Coverage Insurance policy or policies in an amount not less than 80% of the insurable value of the improvements.

ARTICLE XIV LIMITATIONS ON ACTIONS - HUD

So long as a contract of mortgage insurance continues in effect with respect to a unit or property located on the Development Area, and during such further period of time as the Secretary of Housing and Urban Development shall be the owner of such unit or holder, or reinsurer of any such mortgage, or during any

such time the Secretary is obligated to insure a mortgage on any such unit or property, the following actions of the Board of Directors shall require the prior written approval of the Secretary:

1. failing to allocate the annual minimum amount required by HUD for monthly payment to the reserve fund for replacements;
2. make disbursements from the reserve fund for replacements;
3. the amount of each annual assessment and each special assessment, if any. The annual assessment shall be submitted to HUD sixty (60) days prior to the beginning of each fiscal year on a HUD model form of budget;
4. annexation of additional properties, mergers and consolidations;
5. leasing, mortgaging or selling of any real or personal property of the Association;
6. execution of management contract;
7. dedication of any such property;
8. dissolution of the Association; and
9. amendment of the Articles and By-Laws of this Corporation.

ARTICLE XV DEFINITIONS

As used in these Articles:

"Unit" or "condominium unit" shall mean a condominium unit in a condominium regime approved by the Secretary of Housing & Urban Development which is located in the Development Area.

"Grantor" shall mean any owner or owners of a Part of the Development Area.

"Part of the Development Area" shall mean any part of the Development Area on which a condominium regime approved by the Secretary of Housing and Urban Development has not been established.

"Secretary of Housing and Urban Development" shall mean the Secretary or his duly appointed representative.

ARTICLE XVI
INCORPORATOR

The name and address of the Incorporator is:

Michael A. Roads
1650 Emerson St.
Denver, CO 80218

Michael A. Roads
Michael A. Roads

STATE OF COLORADO

CITY AND COUNTY OF DENVER

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) ss.
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SUBSCRIBED AND SWORN TO before me this 16th day of
January 1990, by Michael A. Roads.

Linda C. Harrod
Notary Public

My commission expires: 12/17/91

EXHIBIT A

Lot 1, Gold Hill Plaza, Filing No. 1

Lot 1, Gold Hill Plaza, Filing No. 2

County of El Paso, State of Colorado