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STATE OF COLORADO  
DEPARTMENT OF STATE

## HILLCREST AT HOMESTEAD HOMEOWNERS ASSOCIATION

In compliance with the requirements of the Colorado Non-Profit Corporation Act, the undersigned person, acting as incorporator of a corporation, signs and acknowledges the following Articles of Incorporation for such corporation.

## ARTICLE I

Name

The name of the corporation is HILLCREST AT HOMESTEAD HOMEOWNERS ASSOCIATION, hereinafter called the "Association."

## ARTICLE II

Registered Office

The initial registered office of the Association is located at 6851 South Holly Circle, Suite 200, Englewood, Colorado 80112.

## ARTICLE III

Registered Agent

Steven D. Pjesky is hereby appointed the initial registered agent of this Association. His business address is the same as the registered office of the Association.

## ARTICLE IV

Purpose and Powers of the Association

This Association does not contemplate pecuniary gain or profit to the members thereof, and no part of the Association's net earnings (other than by acquiring, constructing or providing management, maintenance and care of the Association's property, and other than by rebate of excess membership dues, fees or assessments) shall inure to the benefit of any member or private individual. The specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of

the residence Lots and the Common Area and facilities within the tract of property described as:

Lots 1 to 9, and Tracts Y and Z, Homestead Farm Filing 7, First Amended Final Plat, being a resubdivision of a portion of Homestead Farm Filing 7; and Tracts B, C, D, E, G, H, J, K, L, M, N, P, Q, R and S of Homestead Farm Filing 7, according to the recorded plat thereof, as well as any additional properties annexed thereto;

**Arapahoe County, Colorado**

("the Properties") as specifically provided in the Declaration of Covenants, Conditions and Restrictions for the Properties, which is recorded or to be recorded in the office of the Clerk and Recorder of the County of Arapahoe, Colorado ("the Declaration"), as amended from time to time and which is incorporated herein by reference, and the optional maintenance of Designated Public Properties as described in the Declaration, and to promote the health, safety and welfare of the residents within the above described property, and for this purpose, to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association, as set forth in the Declaration, and any amendment thereto.

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and with the assent of two-thirds of each class of members mortgage, pledge, encumber by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds of each class of members, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes upon the assent of two-thirds of each class of members;

(g) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Colorado by law may now or hereafter have or exercise;

(h) manage, control, operate, maintain, repair, improve and enlarge the Common Area;

(i) enforce the terms, covenants, restrictions, conditions, uses, limitations and obligations set forth in the Declaration and Bylaws of the Association, and to make and enforce rules and regulations as provided therein;

(j) engage in activities which will actively foster, promote and advance the interests of all of the Owners of Lots including the interests of the Declarant during its marketing of the project and its ownership of Lots;

(k) hire a managing agent who shall have and exercise those duties and powers granted to him by the Board of Directors, but not those powers which the Board by law, may not delegate.

## ARTICLE V

### Membership

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot 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 of any Lot which is subject to assessment by the Association.

## ARTICLE VI

### Voting Rights

1. The Association shall have two classes of voting membership:

Class A. Class A members shall be all owners with the exception of the Declarant (as defined in the Declaration) and

shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant, (as defined in the Declaration), and shall be entitled to twenty (20) votes for each Lot owned. The Class B membership may cease and be converted to Class A membership at the option of the Class B member, its successors or assigns, by its written notice to the Secretary of the Association, and shall cease and be converted to Class A membership without further act or deed 120 days after the total votes outstanding in Class A membership equal the total votes outstanding in the Class B membership, or 120 days after seventy-five percent (75%) of the Lots in the project are conveyed to Lot purchasers, or on December 31, 1992, whichever occurs first.

2. A member entitled to vote may vote in person or, if the Bylaws so provide, may vote by proxy executed in writing by the Member or his duly authorized attorney in fact.

3. Cumulative voting by Members in elections of Directors shall be permitted.

## ARTICLE VII

### Board of Directors

1. The business and affairs of the Association shall be conducted, managed and controlled by a Board of Directors. The duties, qualifications, number and term of directors and the manner of their election shall be set forth in the Bylaws. Directors shall be Owners (as defined in the Declaration) which, in the case of Declarant or other corporate Owners, shall include the officers, directors, agents or employees of Declarant and the officers and directors of other corporate Owners.

2. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner to be provided in the Bylaws.

3. The number of the first Board of Directors shall be three. The names and addresses of the members of the first Board of Directors who shall serve until the first election of Directors and until their successors are duly elected and qualified are as follows:

Bruce W. Marten  
7326 South Glencoe Court  
Littleton, Colorado 80122

David G. Howard  
14394 E. Wesley Place  
Aurora, Colorado 80014

Joan C. Sundberg  
7123 South Hudson Circle  
Littleton, Colorado 80122

#### ARTICLE VIII

##### Dissolution

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be conveyed, transferred or dedicated to an appropriate governmental agency or agencies or to a non-profit corporation, association or trust or other organization, to be used for purposes similar to those for which this Association was created. To the extent the foregoing is not possible, the Association properties shall be sold or disposed of and the proceeds of the sale or disposition shall be distributed equally to the Lot owners in the Properties.

#### ARTICLE IX

##### Duration

The Association shall exist perpetually.

#### ARTICLE X

##### Amendments

1. Bylaws. The Association shall have the power to make and alter Bylaws, not inconsistent with these Articles of Incorporation or with the laws of the State of Colorado or with the Declaration, for the administration and regulation of the affairs of the corporation. The initial Bylaws of the Association shall be adopted by the Board of Directors. The power to alter, amend or repeal the Bylaws or adopt new Bylaws shall be vested in the Members, except as may be provided in the Bylaws, subject to

the provisions in the Declaration for approval of amendments by the FHA or VA and/or First Mortgagees.

2. Amendment of Articles. The Association may amend these Articles of Incorporation from time to time in accordance with the Colorado Nonprofit Corporation Act in any and as many respects as may be desired so long as the Articles of Incorporation as amended contain only such provisions as are lawful under that Act and so long as the Articles of Incorporation as amended shall not be contrary to or inconsistent with any provision of the Declaration.

3. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of Articles.

#### ARTICLE XI

##### Incorporator

The name and address of the incorporator is Mackintosh Brown, 2740 Petro Lewis Tower, 717 17th Street, Denver, Colorado 80202.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Colorado, the undersigned incorporator of this Association has executed these Articles of Incorporation this 3rd day of February, 1986.

  
Incorporator

STATE OF COLORADO )  
 ) ss.  
COUNTY OF ARAPAHOE )

The foregoing instrument was acknowledged before me this 3rd day of February, 1986, by MACKINTOSH BROWN as incorporator.

WITNESS my hand and official seal.

My commission expires: 13-31-86

  
Notary Public