

NOT FOR PROFIT

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ARTICLES OF INCORPORATION

OF

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THE QUAILRIDGE TOWNHOME CONDOMINIUMS ASSOCIATION, INC.

For the purpose of forming a nonprofit corporation pursuant to the provisions of the Colorado nonprofit Corporation Act, the undersigned, being a natural person of the age of eighteen years or more, hereby has made, signed and acknowledged the following articles:

ARTICLE I

Name

The name of the corporation shall be: The QUAILRIDGE TOWNHOME CONDOMINIUMS ASSOCIATION, INC.

ARTICLE II

Duration

The period of duration of this corporation shall be perpetual.

ARTICLE III

Purposes

The business, objectives and purposes for which the corporation is formed are as follows:

A. To be and constitute "the Association" to which reference is made in Declaration of Covenants, Conditions and Restrictions of the Quailridge Townhome Condominiums (herein sometimes called the "Declaration") recorded or which will be recorded in the office of the Clerk and Recorder of the County of Jefferson, State of Colorado, relating to the project described therein (herein sometimes called the "Condominium Project") in the City of Lakewood, County of Jefferson, State of Colorado and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association, as specified therein. The Association does not contemplate pecuniary gain or profit to the members thereof.

B. To provide an entity for the furtherance of the interests of the Owners in the Condominium Project.

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ARTICLE IV
Powers

In furtherance of its purposes, but not otherwise, the corporation shall have the following powers:

A. All of the Powers and privileges conferred upon non-profit corporations by the common law and the statutes of the State of Colorado in effect from time to time; provided, however, that the Association is not empowered to act contrary to the provisions of the Declaration, specifically including Section 19.1 of Paragraph 19 thereof;

B. All of the powers necessary, suitable, proper or desirable to perform the obligations and duties and exercise the rights and powers of the Association under the Declaration as it may be amended from time to time (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined herein), including, without limitation, the following powers:

1. to administer and enforce covenants, restrictions, conditions, easements, uses, limitations, obligations and other provisions affecting the Property as set forth in the Declaration, these Articles of Incorporation and the Bylaws;

2. to Periodically fix, determine, levy, collect and enforce the assessments to be paid by each of the Owners for the purpose of paying the costs, expenses and any losses of the Association, or the costs and expenses of the Association incurred in exercising its powers or in the performance of its functions, and to adjust, decrease or increase the amount of the assessments, refund any excess assessments to the Owners or to credit any excess assessments against any Owner's next succeeding assessment period. To fix, determine, levy, collect and enforce special assessments whenever in the opinion of the Board it is necessary to do so in order to meet additional capital expenses, or because of emergencies. All special assessments shall be in statement form and shall set forth in detail the various expenses or emergency for which the special assessment is being made;

3. to impose penalties and collect delinquent assessments by suit or otherwise, to enjoin or seek damages from an Owner all as are provided in the Declaration, these Articles of Incorporation and the Bylaws;

4. to keep in good order, condition and repair all of the Common Elements and all items of personal property, if any, used in the enjoyment of the entire Project;

5. to engage in activities which will actively foster, promote and advance the interests of the Owners;

6. to obtain and maintain, to the extent obtainable, all policies of insurance required by the Declaration;

7. to protect and defend the Condominium Project and the Common Elements from loss and damage by suit or otherwise;

8. to acquire (by gift, purchase or otherwise), own, hold, improve, encumber, manage, control, operate, repair, maintain, build upon, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject to the Declaration, these Articles of Incorporation and the Bylaws;

9. to pay all expenses in connection with the performance of its purposes and powers and all office, legal, accounting and other expenses incident to the conduct of the business of the Association, specifically including all licenses, taxes, charges, fees, assessments or governmental charges levied or imposed against the property of the Association;

10. to borrow funds and to give security therefor in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Declaration, these Articles of Incorporation or the Bylaws and to execute all such instruments in evidence of such indebtedness as the Board of Directors may deem necessary or desirable;

11. to enter into contracts within the scope of the Association's duties and powers; provided, however, that any agreement for professional management of the Project, or any other contract providing for services of the Declarant may not exceed one (1) year, and any such agreement must provide for termination by either party with or without cause and without payment of a termination fee on no more than thirty (30) days' written notice; and to do all other acts necessary, appropriate or advisable in carrying out any purpose of this Association, with or in association with any person, firm, association, corporation or other entity or agency, public or private;

12. to establish bank accounts which are interest bearing or non-interest bearing, as may be deemed advisable by the Board of Directors;

13. to act as agent, trustee or other representative of other corporations, firms and individuals and as such to advance the business or ownership interests of such corporation, firms or individuals;

14. to participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or to annex additional property; provided, however, that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the members;

15. to keep and maintain detailed, full and accurate books and records showing in chronological order all of the receipts, expenses or disbursements pursuant to appropriate specificity and itemization, and upon the vote of Owners representing a majority of the Owners entitled to vote, to cause a complete audit to be made of the books and records by a competent certified public accountant;

16. to prepare and deliver annually to each Owner a statement showing all receipts, expenses or disbursements since the last such statement;

17. to supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

18. to designate and remove the personnel necessary for the operation, maintenance, repair and replacement of the Common Elements;

19. to draft, consider, adopt, promulgate, publish, implement and enforce rules and regulations, and amendments thereto, governing the Project, the use of the Common Elements and the facilities thereon, and to govern the personal conduct of the members and their guests thereon, and to establish and enforce penalties for the infraction thereof;

20. to suspend the voting rights of an Owner for failure to comply with the Declaration, these Articles of Incorporation, the Bylaws or the rules and regulations of the Association;

21. to adopt, alter, and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the affairs of this Association; provided, however, that such Bylaws may not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the Declaration; and

22. in general, to carry on the administration of the Association and to do all of those things necessary and/or desirable in order to carry out the governing and operation of the Project.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and Powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article IV are independent from the powers and terms of any other paragraph of this Article IV.

ARTICLE V **Memberships**

This Association shall be a membership corporation without certificates or shares of stock. There shall be one class of membership, and there shall be one membership in the Association for each Owner of a fee or undivided fee interest in any Condominium Unit, including contract sellers. The foregoing is not intended to include Persons or entities who hold an interest merely as security for the performance of an obligation.

All members shall be entitled to vote on all matters, with one vote per Condominium Unit. Cumulative voting is prohibited. If title to any Condominium Unit shall be held by two or more Persons, then each Person shall be a member of this Association, provided, however, that the voting rights of such Owners shall not be divided but shall be exercised as if the Owner consisted of only one Person in accordance with the proxy or other designation made by the Persons constituting such Owner. In no instance shall any Condominium Unit have more than one vote on any question or issue. The Declarant may exercise the voting rights with respect to Condominium Units owned by it. No Person other than an Owner may be a regular member of the Association.

A membership in the Association and the share of a member in the assets of the Association shall not be assigned, encumbered or transferred in any manner except as an appurtenance to transfer of title to the Condominium Unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a First Mortgage as further security for a loan secured by lien on such Condominium Unit.

A transfer of membership shall occur automatically upon the transfer of title to the Condominium Unit to which the membership pertains; provided, however, that the Bylaws of the Association may contain reasonable provisions and requirements

with respect to recording such transfers on the books and records of the Association.

The Association may suspend the voting rights of a member for failure to pay any assessment or failure to otherwise comply with the rules and regulations or the Bylaws of the Association or with any other obligations of the Owners as provided in the Bylaws, Declaration, or agreement(s) created pursuant thereto.

The Bylaws may contain provisions, not inconsistent with the foregoing, setting forth the rights, privileges, duties, and responsibilities of the members.

ARTICLE VI **Board of Directors**

The business and affairs of the Association shall be conducted, managed, and controlled by a Board of Directors.

The Board of Directors shall consist of not less than three (3) or more than ten (10) members, the specified number to be set forth from time to time in the Bylaws. In the absence of any provision in the Bylaws, the Board shall consist of five (5) members. In all events, however, the terms of at least one-third (1/3) of the members of the Board shall expire annually.

Members of the Board of Directors shall be elected in the manner determined by the Bylaws. All persons comprising the Board of Directors shall be Owners, except as provided herein, and in the Declaration or Bylaws.

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

The initial Board of Directors shall consist of five (5) persons, who need not be members in the Association or Owners of a Condominium Unit in the Project. The names and addresses of the members of the initial Board of Directors who shall serve until the first election of Directors by the members and until their successors are duly elected and qualified, are as follows:

<u>Name</u>	<u>Address</u>
Katherine E. Roberts	950 South Cherry Street Suite 1100 Denver, Colorado 80222

Mary D. Cole

950 South Cherry Street
Suite 1100
Denver, Colorado 80222

Patricia M. Zumbro

950 South Cherry Street
Suite 1100
Denver, Colorado 80222

Dale Boyd

950 South Cherry Street
Suite 1100
Denver, Colorado 80222

Terry Griepenberg

950 South Cherry Street
Suite 1100
Denver, Colorado 80222

Any vacancies in the Board of Directors occurring before the first election of directors by Owners shall be filled by the remaining directors. Notwithstanding anything to the contrary provided for herein, however, until one hundred twenty (120) days after Declarant has conveyed seventy-five percent (75%) of the Condominium Units to Owners or December 31, 1989, whichever first occurs, the members of the Board of Directors shall be appointed by Declarant, its successors, or assigns, unless such right is relinquished earlier.

ARTICLE VII **Officers**

The Board of Directors may appoint a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as the Board, in accordance with the provisions of the Bylaws, believes will be in the best interest of the Association. The officers shall have such duties as may be prescribed in the Bylaws and shall serve at the pleasure of the Board of Directors.

ARTICLE VIII **Conveyances and Encumbrances**

Subject to any restrictions set forth herein, in the Bylaws or in the Declaration, corporate property may be conveyed or encumbered by authority of the Association and the Board of Directors. Conveyances or encumbrances shall be by instrument executed by the President or a Vice President and by the Secretary or the Treasurer or an Assistant Secretary or Assistant Treasurer or executed by such other person or persons to whom such authority may be delegated by the Board.

ARTICLE IX
Initial Registered Office and Agent

The initial registered office of the Association shall be 950 South Cherry Street, Suite 1100, Denver, Colorado 80222. The initial registered agent at such office shall be Mary D. Cole.

ARTICLE X
Dissolution

In the event of the dissolution of this corporation, other than incident to a merger or consolidation, either voluntarily by the members hereof, by operation of law, or otherwise, then the assets of this corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those as provided for in these Articles of Incorporation, the Bylaws and the Declaration. In the event that such dedication is refused by such public agency, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or organization and shall be devoted to similar purposes as herein provided.

ARTICLE XI
Conflicts in Legal Documents

In case of conflicts between the provisions of the Declaration and these Articles of Incorporation or the Bylaws of this Association, the Declaration shall control. In the case of conflicts between the Provisions of these Articles of Incorporation and the Bylaws, these Articles of Incorporation shall control.

ARTICLE XII
Amendments

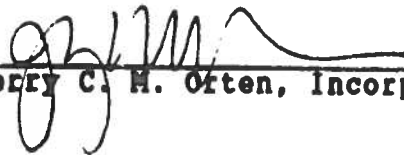
Amendments to these Articles of Incorporation shall require the assent of at least seventy-five percent (75%) of the members of the Association and shall be adopted, if at all, in the manner as set forth in the Colorado Nonprofit Corporation Act, provided, however, that no amendment to the Articles of Incorporation shall be contrary to or inconsistent with any provision of the Declaration.

ARTICLE XIII
Incorporation

The incorporator of this corporation and his address are as follows:

<u>Name</u>	<u>Address</u>
Jerry C. M. Orten	300 Lawyers Professional Bldg. 5655 South Yosemite Englewood, Colorado 80111

Executed this 6th day of September, 1984.



Jerry C. M. Orten, Incorporator

STATE OF COLORADO

COUNTY OF Citrus

) ss.

The foregoing instrument was acknowledged before me this 6 day of September, 1984 by Jerry C. M. Orten, as incorporator of the Quailridge Townhome Condominiums Association, Inc.

My Commission expires:

My address is:

My Commission Expires Dec. 5, 1988
5655 South Yosemite Street
Englewood, Colorado 80111

(SEAL)



Notary Public