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DEPARTMENT OF STATE
STATE OF COLORADO
ARTICLES OF INCORPORATION
OF
HIGH POINT CONDOMINIUM OWNERS ASSOCIATION, INC.

The undersigned person acting as incorporator under the Colorado Nonprofit Act, hereby signs and acknowledges the following Articles of Incorporation for the following corporation:

ARTICLE I

Name

The name of this Corporation shall be HIGH POINT CONDOMINIUM OWNERS ASSOCIATION, INC.

ARTICLE II

Duration

The term of existence of this Corporation is perpetual.

ARTICLE III

Purposes

The business, objects and purposes for which the Corporation is formed are as follows:

1. To be and constitute the Association to which reference is made in the Declaration of Covenants, Conditions and Restrictions for High Point Condominiums and any amendment or supplement thereto (hereinafter called the "Declaration" and the definitions and provisions thereof are incorporated herein by this reference as if set forth at length) which has been or will be recorded in the records of the Clerk and Recorder of the County of El Paso, Colorado,

and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association.

2. To provide an entity for the furtherance of the interests of all of the Owners, including the Declarant named in the Declaration, of Condominium Units in High Point Condominiums, with the objectives of establishing and maintaining High Point Condominiums as a project of quality and value; enhancing and protecting its value, desirability and attractiveness; promoting the health, safety and welfare of the residents of said project and any additions thereto, and providing for the maintenance, preservation and architectural control of the Condominium Units and Common Elements within said project and any additions thereto.

ARTICLE IV

Powers

In furtherance of its purposes, this Corporation shall have all of the powers conferred upon corporations not for profit by the statutes and common law of the State of Colorado in effect from time to time, and shall have all of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Association under the Declaration which shall include, but shall not be limited to, the following:

(a) To 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 without limitation all licenses, taxes or governmental charges levied or imposed against the Association or its Property;

(b) To 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;

(c) To borrow money, and, with the assent of two-thirds (2/3) of each class of Members, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(d) To dedicate, sell or transfer all or any part of the Common Elements to any public agency, authority or utility; except as provided in the Declaration, no such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of Members, agreeing to such dedication, sale or transfer;

(e) To participate with the assent of two-thirds (2/3) of each class of Members, in mergers and consolidations with other nonprofit corporations organized for the same purposes and to annex additional residential property and Common Elements subject to the requirements and restrictions contained in the Declaration;

(f) To manage, control, operate, maintain, repair and improve the Common Elements;

(g) To enforce covenants, restrictions and conditions contained in the Declaration as provided therein;

(h) To engage in activities which will actively foster, promote and advance the common ownership interests of Owners of Condominium Units including the interest of the Declarant during its marketing of the project;

(i) To enter into, make, perform or enforce contracts of every kind and description 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;

(j) To adopt, alter and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the affairs of the Association; provided, however, that such By-Laws may not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the Declaration;

ARTICLE V

Membership

1. This Corporation shall be a membership corporation without certificates or shares of stock. As more fully provided in the Declaration, every person or entity, who is a record owner of a fee or undivided fee interest in any Condominium Unit which is subject by the Declaration to assessment by the Association, including contract sellers, shall be a member of the Corporation.

The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

2. A membership in this Corporation and the share of a Member in the assets of this Corporation shall not be assigned, encumbered or transferred in any manner except as appurtenant to the 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 mortgage, deed of trust or other security instrument on a Condominium Unit as further security for a loan secured by a lien on such Condominium Unit.

3. 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 By-Laws of this Corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of this Corporation.

4. Members shall have the right to purchase other Condominium Units and to exercise the membership rights appurtenant thereto as provided in the Declaration.

5. This Corporation may suspend the voting rights of a Member for failure to comply with rules and regulations or the By-Laws of the Association or with any other obligations of the Owners of a Condominium Unit under the Declaration. All Members shall be entitled to vote on all matters, except any Members who are

in default in any obligations to the Association. Cumulative voting is prohibited.

6. The By-Laws may contain additional provisions setting forth the rights, privileges, duties and responsibilities of the Members; provided however, the provisions of these Articles of Incorporation and the By-Laws shall be subject to the covenants, terms and provisions of the Declaration which shall control in the event of any conflict. Except as to a change in the number of Managers made by amendment to the By-Laws, whenever a provision of the Articles of Incorporation is inconsistent with a By-Law, the provision of the Articles of Incorporation shall be controlling.

ARTICLE VI

Voting Rights

As more fully provided in the Declaration, the Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners, with the exception of the Declarant, and there shall be one vote for each Condominium Unit owned. When more than one person holds an interest in any Condominium Unit, all such persons shall be Members, and the vote for such Condominium Unit shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Condominium Unit.

Class B. The Class B Member shall be the Declarant, and shall be entitled to three (3) votes for each Condominium Unit which it owns. The Class B membership shall cease and be converted to

Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) on December 31, 1988; or
- (b) one hundred twenty (120) days after the date by which seventy-five percent (75%) of the Condominium Units have been conveyed to Condominium Unit purchasers.

ARTICLE VII

Board Of Managers

1. The business and affairs of the Corporation shall be conducted, managed and controlled by a Board of Managers. The initial Board of Managers shall consist of three Managers, whose names and addresses are shown in paragraph 2 of this Article. A change in the number of Managers may be made by amendment to the By-Laws of the Corporation. Managers shall be Owners as defined in the Declaration. Notwithstanding anything herein to the contrary, the Declarant shall have the right to appoint the Board of Managers and to operate the Association until Declarant's Class B membership is terminated, and the Association shall not begin to function through its other Members until such time, unless the Declarant otherwise consents in writing.

2. The names and addresses of the members of the initial Board of Managers who shall serve until the first annual meeting and until their successors are duly elected and qualified are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Dean Bally	2460 Lexington Village Lane Colorado Springs, CO 80916

Maurice F. Shave 2460 Lexington Village Lane
Colorado Springs, CO 80916

Timothy Lee Shave 2460 Lexington Village Lane
Colorado Springs, CO 80916

3. The By-Laws of the Corporation shall set forth the terms of office and the procedures for election, removal and filling of vacancies in the Board of Managers.

ARTICLE VIII

Officers

The Board of Managers may appoint a President, one or more Vice-Presidents, a Secretary, a Treasurer and such other officers as the Board believes will be in the best interest of the Corporation. The Officers shall have such duties as may be prescribed in the By-Laws of the Corporation and shall serve at the pleasure of the Board of Managers.

ARTICLE IX

Dissolution, Merger or Consolidation

The Corporation may be dissolved, merged, or consolidated with the assent given in writing and signed by not less than two-thirds (2/3) of each class of Members. Upon dissolution of the Corporation other than incident to a merger or consolidation, the assets of the Corporation shall be distributed and transferred as the Members may direct, subject to the requirements, limitations and other provisions of the Declaration. In such event, the assets may be granted, conveyed and assigned to any public agency, nonprofit

corporation, association, trust or other organization to be devoted to purposes similar to those for which this Corporation was created.

ARTICLE X

Initial Registered Office and Agent

The initial registered office of the Corporation shall be 2460 Lexington Village Lane, Colorado Springs, El Paso County, Colorado, 80916. The initial registered agent shall be Timothy Lee Shave, whose address is the same as the initial registered office.

ARTICLE XI

Amendment

Amendments to these Articles of Incorporation shall require the assent of at least two-thirds (2/3) of the Members of each Class; provided, however, that no amendment to these Articles of Incorporation shall be contrary to or inconsistent with the provisions of the Declaration.

ARTICLE XII

Nonprofit Purposes

The Corporation is formed under the Colorado Nonprofit Corporation Act and not for pecuniary profit or financial gain. The Corporation is organized and operated to provide for the acquisition, construction, management, maintenance and care of property of the Project as provided in the Declaration and is intended to qualify as a "Homeowners Association" as defined in subsection (c) of Section 528 of the Internal Revenue Code of 1978. The Corporation shall receive only such income and make only such

expenditures as will enable it to maintain that status under I.R.C. Section 528 or any comparable provision of the Code.

ARTICLE XIII

Incorporator

The Incorporator of the Corporation is Lenard Rieth whose address is 101 North Tejon, Suite 300, P.O. Box 1716, Colorado Springs, El Paso County, Colorado, 80901.

ARTICLE XIV

FHA/VA Approval

After the Declarant has sold a sufficient number of Condominium Units to obtain evidence of approval for guaranteed or insured loans by the Federal Housing Administration or the Veterans Administration and continuing 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 of this Corporation, mortgaging of Common Elements, dedication of Common Elements, dissolution of this Corporation and amendment of these Articles.

IN WITNESS WHEREOF, for the purposes of forming this Corporation under the laws of the State of Colorado, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 6th day of March, 1984.



LENARD RIETH

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

The foregoing instrument was signed and acknowledged before me this 6th day of March, 1984, by Lenard Rieth as Incorporator of the above-described Corporation.

WITNESS my hand and official seal.

SEAL



Sunde King

NOTARY PUBLIC
Address: 1014 N. TETON SUITE 300
COLORADO SPRINGS, CO 80903
My commission expires: 10-21-85