

ARTICLES OF INCORPORATION

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NON-PROFIT

of

ASPEN BROOK TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

The undersigned, acting as incorporator of a corporation under the Colorado Non-Profit Corporation Act, hereby adopts the following Articles of Incorporation for such corporation.

ARTICLE I

Name

The name of this corporation is Aspen Brook Townhomes Homeowners Association, Inc.

ARTICLE II

Period of Existence

The period of existence of this Association shall be perpetual.

ARTICLE III

Purposes and Powers of the Association

The purposes and objectives for which this Association is formed are:

1. To promote, undertake and advance any and all lawful activities and objectives for the general benefit, well being, advancement, improvement and enjoyment of the members of this Association, including, but without limitation:

a. to promote social and friendly intercourse among members of this Association and their guests;

b. to purchase, own, lease, sell, operate, conduct, maintain and equip community facilities deemed desirable for the purpose of providing entertainment, sport, recreation, meeting places, instruction of all kinds and any other purposes deemed proper and desirable;

c. to provide and supply any and all appurtenances that may be necessary, useful or convenient for the carrying on of sports, recreation, and diversions of all kinds and descriptions; and,

d. to conduct, operate, own, lease or sublease all subsidiary business convenient or necessary to the above purposes and objectives and to establish, maintain and

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enforce all necessary and reasonable rules and regulations thereto.

2. To act for and on behalf of the members of this Association in all matters relating to those things which are deemed necessary and proper for the protection, maintenance and improvement of the lands and improvements owned by said members and the Association in Aspen Brook Townhomes P.U.D., in Larimer County, State of Colorado, and to act for and on behalf of their properties, and as full or occasional community citizens, including, but without limitation:

a. exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions of Aspen Brook Townhomes, P.U.D. applicable to the property and recorded or to be recorded in the office of the County Clerk and Recorder, Larimer County, Colorado, and as the same may be amended, said Declaration being incorporated herein as if set forth at length;

b. representation before the Estes Park City Council and before the Board of County Commissioners of Larimer County and any other political or civic division;

c. assessments and taxes of any nature in Aspen Brook Townhomes, P.U.D., located in the County of Larimer, State of Colorado, or any other assessments and taxes of any nature to which any members of this Association and their properties may possibly become subject;

d. entering into contracts for the management of Aspen Brook Townhomes Homeowners Association, and contracting for such insurance as may be deemed to be necessary;

e. securing and maintaining adequate utilities for the needs of the members of this Association;

f. enforcement of any and all protective covenants of which this Association hereafter becomes the beneficiary and/or assignee;

g. to act for and on behalf of any and all members of this Association in amending, altering, or repealing any or all covenants to which the lands of the members of this Association are subject, as limited by the Declaration creating said covenants; and

h. to act for the convenience of other persons in the ownership or management of property in any representative or fiduciary capacity.

3. To sue and be sued in its own name and sue on behalf of and in the name of any member of this Association.

4. To carry on and do generally any and all things necessary, proper, advisable or convenient for the accomplishment of the purposes hereinabove set forth and to do all other things incidental thereto.

5. To protect and maintain the area known as Aspen Brook Townhomes P.U.D., as a desirable residential and vacation location.

6. To have and 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.

ARTICLE IV

Board of Directors

Section 1. The general management of the affairs of this Association shall be exercised by a Board of Directors, which shall consist of not more than seven (7) nor less than three (3) directors; and the names of the persons who shall serve for the first year of said Association's existence, or until their successors are elected and shall qualify, are:

Philip R. Moenning, 1731 Zermatt Trail, Box 3837, Estes Park, CO 80517

Tara Moenning, 1731 Zermatt Trail, Box 3827, Estes Park, CO 80517

John M. Moenning, 3230 Antigua Drive, Punta Gorda, FL 33950

Section 2. The Board of Directors shall adopt Bylaws and shall have the power to make, alter, amend or repeal such Bylaws by the affirmative vote of a majority of the members of the Board as then constituted as they may deem proper and advisable for the management and operation of the membership and affairs of the Association, provided that any of such Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the members of this Association constituting a quorum at any meeting.

Section 3. No contract or other transaction between the Association and its directors, officers or members, or between the Association and any firm in which one or more of its directors, officers, or members are employed or interested shall be invalid solely because of such employment or interest, if such employment or interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize, approve and ratify such contract or transaction by a vote of a majority of the Directors present, such interested Director or Directors to be counted in determining whether a quorum is present, but not be counted in calculating the majority necessary to carry such vote and not to be permitted to vote upon such question. This section shall not be construed to invalidate any contract or other

transaction which would otherwise be valid under the common and statutory law applicable thereto.

ARTICLE V

Membership

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is now or hereafter subject 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.

A transfer of membership, including all rights of an Owner with respect to the Common Area, shall occur automatically upon the transfer of title to the Lot to which the membership pertains. The Association may suspend the voting rights of a Member for a period not to exceed sixty (60) days for any infraction of published rules and regulations or the Bylaws of the Association, or for any period during which any assessment against such Owner's Lot remains unpaid. 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.

ARTICLE VI

Voting Rights

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Developer, 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 determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Developer (as defined in the Declaration), and shall be entitled to two (2) votes for each Lot owned. 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. when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the class B membership; or

b. on that date which is five (5) years after the date of recording of the Declaration in the office of the Clerk and Recorder of Larimer County, Colorado.

ARTICLE VII

Prohibited Transactions

The Association shall be prohibited from engaging in any regular business or activity of a kind ordinarily carried on for profit, and no part of the income or net earnings shall inure to the benefit of, or be distributable to, any member, director or officer of the Association or to any other private individual (except that reasonable compensation may be paid for services rendered to or for the Association in effecting one or more of its purposes, and reimbursement may be made for any expenses incurred for the Association by any officer, director, member, agent or employee, or any person or corporation, pursuant to and upon authorization of the Board of Directors).

ARTICLE VIII

Registered Agent and Office

The address of the initial registered office of the Association is 1731 Zermatt Trail, Box 3837, Estes Park, CO 80517; and the name of the initial registered agent of the Association at such address is Philip R. Moenning.

ARTICLE IX

Amendments

The Association reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation by a vote of eighty percent (80%) of the members present and constituting a quorum at any regular or special meeting of the shareholders and members. No amendment shall make any changes in the qualifications for membership nor the voting rights of members without approval in writing of all members. No amendment to these Articles of Incorporation shall be contrary to or inconsistent with any provision of the Declarations.

ARTICLE X

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 these Articles.

ARTICLE XI

Director Liability

Pursuant to Colorado Revised Statutes, Sections 7-21-102(1.5) and 7-22-101(1)(r), the personal liability of a Director to the Association or to its Members for monetary damages for breach of fiduciary duty as a Director is hereby eliminated. However, this provision shall not eliminate or limit the liability of a Director to the Corporation or to its shareholders for monetary damages for: any breach of the Director's duty of loyalty to the Association or its Members; acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; illegal loans made by the Association to its Directors or officers; or any transaction from which the Director derived an improper personal benefit.

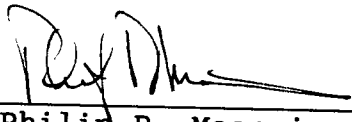
ARTICLE XII

Incorporator

The name and address of the incorporator of the Association is:

Philip R. Moenning 1731 Zermatt Trail, Box 3837
Estes Park, CO 80517

EXECUTED THIS 26 day of November, 1990.

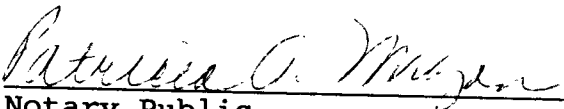


Philip R. Moenning

STATE OF COLORADO)
) ss.
County of Larimer)

November, 1990 by Philip R. Moenning.

Witness my hand and official seal.
My commission expires: 3-14-94



Notary Public