

97133373

97 NOV 13 AM 10:43

J. PETERSON, CLERK
EL PASO COUNTY CLERK & RECORDER, CO.



ARTICLES OF INCORPORATION **NON-PROFIT**
OF
THE COURTYARDS AT QUAIL LAKE HOMEOWNERS ASSOCIATION
(a Colorado non-profit corporation)

The undersigned persons acting as Incorporator under the Colorado Non-Profit Act, hereby sign and acknowledges the following Articles of Incorporation for the following Corporation:

ARTICLE I

Name

The name of this Corporation shall be THE COURTYARDS AT QUAIL LAKE HOMEOWNERS ASSOCIATION.

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 The Courtyards at Quail Lake and any amendment or supplement thereto (hereinafter called the "Declaration"). The definitions and provisions thereof are incorporated herein by this reference as if set forth at length. Capitalized terms in these Articles of Incorporation shall have the same meaning as set forth in the Declaration unless the context otherwise requires. The Declaration will be recorded in the Records of the Clerk and Recorder of the County of El Paso, Colorado. The Corporation shall perform all obligations and duties of the Association and 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 Units in the Project with the objectives of establishing and maintaining as the Project of quality and value; enhancing and protecting its value, desirability and attractiveness; promoting the health, safety and welfare of the residents of the Project and providing for the maintenance, preservation and architectural control of the Units and Common Area within the Project.

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, shall have all rights and powers conferred upon owners' associations by the Colorado Common Interest Ownership Act, as now or hereafter enacted, 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, which shall be subject to the limitations, requirements, restrictions and provisions of the Declaration:

- (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, subject to C.R.S. 38-33.3-312.
- (c) To borrow money, and, subject to C.R.S. 38-33.3-312, 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, convey, sell or transfer, subject to C.R.S. 38-33.3-312, all or any part of the Common Area;
- (e) To participate in mergers, subject to C.R.S. 38-33.3-221, and consolidations with other non-profit corporations organized for the same purposes, and to annex additional residential property and Common Area as provided in the Declaration;
- (f) To manage, control, operate, maintain, repair and improve the Project;
- (g) To enforce the 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 Units, including the interest of the Declarant during its marketing of the Project;

Articles of Incorporation and the Bylaws shall be subject to the covenants, terms and provisions of the Declaration which shall control in the event of any conflict, and the provisions of these Articles of Incorporation shall control over any conflicting provisions in the Bylaws.

ARTICLE VI
Voting Rights

Each Unit shall have the voting rights based upon the Owner's Proportionate Interest as set forth in the Declaration, and the affirmative vote of a majority based upon all Owners' Proportionate Interests shall be required for decisions and action by the Association, unless otherwise provided herein or in the Association's Declaration or Bylaws. If only one of the multiple Owners of a Unit is present at a meeting of the Association, such Owner is entitled to cast all votes allocated to that Unit. Alternatively, if more than one person holds an interest in a Unit, they may appoint one of their co-owners as proxy to cast the vote for that Unit. The vote for such Unit shall be cast as the Owners holding a majority interest in thereof agree, but in no event shall they cast more than the Proportionate Interest allocated to that Unit on any one question. If such Owners of such Unit cannot agree as to the manner in which their vote shall be cast when called upon to vote, then they will be treated as having abstained; during any such period, each Owner shall retain all other rights and obligations of membership in the Association.

ARTICLE VII
Board of Directors

1. The business and affairs of the Corporation shall be conducted, managed and controlled by a Board of Directors. The initial Board of Directors shall consist of three (3) Directors, and thereafter the specific number shall be set forth as provided in the Bylaws of the Corporation, but shall not exceed nine (9) Directors. Except as appointed by the Declarant, Directors shall be Owners as defined in the Declaration.

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

- | | |
|--------------------|--|
| Douglas M. Stimple | 888 Garden of the Gods Road, Suite 200 Colorado Springs, CO 80918 |
| Jeffrey B. Smith | 888 Garden of the Gods Road, Suite 200 Colorado Springs, CO 80918 |
| Thomas O. Speer | 888 Garden of the Gods Road, Suite 200 Colorado Springs, CO 80918 |

ARTICLE XII
Nonprofit Purposes

The Corporation is formed under the Colorado Non-Profit 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.

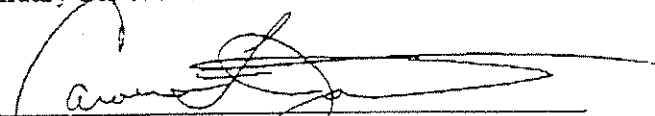
ARTICLE XIII
Incorporator

The Incorporator of the Corporation is Caroleen F. Jolivet, whose address is 102 North Cascade, Suite 350, Colorado Springs, CO 80903.

ARTICLE XIV
FHA/VA Approval

After the Declarant had sold a sufficient number of Units to obtain evidence of approval for guaranteed or insured loans by the Federal Housing Administration or the Department of Veterans Affairs and continuing until such time as the Period of Declarant Control, as defined by the Declaration, has terminated, the following actions will require the prior approval of the Federal Housing Administration or the Department of Veterans Affairs: annexation of additional properties, mergers and consolidations of this Corporation, mortgaging or encumbering of Common Area, dedication of Common Area, 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 on January 28, 1997.


Caroleen F. Jolivet, Incorporator

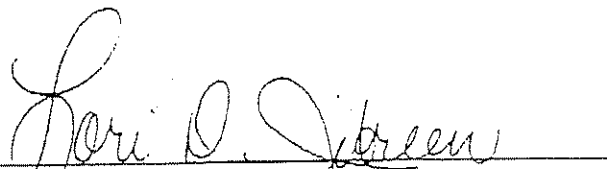
STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

This foregoing instrument was signed and acknowledged before me this 28th day of January, 1997, by Caroleen F. Jolivet as Incorporator of the above-described Corporation.

WITNESS my hand and official seal.

My commission expires: 10-24-97

(SEAL)


Lori D. Johnson
Notary Public