

ARTICLES OF INCORPORATION

OF

HILAND HILLS TOWNHOUSE OWNERS ASSOCIATION

THE UNDERSIGNED PERSONS, acting as incorporators of a Corporation under the Colorado Non-profit Corporation Act, sign and acknowledge the following Articles of Incorporation:

ARTICLE I

The name of the Corporation is:
HILAND HILLS TOWNHOUSE OWNERS ASSOCIATION
(hereinafter referred to as "the Corporation")

ARTICLE II

The period of duration of the Corporation shall be perpetual.

ARTICLE III

The purposes for which the Corporation is organized are as follows:

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide a means of administering, preserving and maintaining a condominium project on that certain real property in the City and County of Denver, State of Colorado, generally known and described as Hiland Hills Townhouses, and to promote the health, safety, and welfare of the residents within the above stated condominium project, 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 that certain Condominium Declarations hereinafter call the Declaration, applicable to the property and recorded or to be recorded in the office of the Clerk and Recorder, City and County of Denver, State of Colorado and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(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, but not limited to, all licenses, taxes, or governmental charges levied or imposed against the property of the Association;

(c) The reconstruction of improvements after casualty and the further improvement of the property;

(d) To make and amend regulations respecting the use of the property in the condominium project;

(e) 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;

(f) Borrow money, and with the assent of two-thirds of the membership vote of the Association mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(g) To enforce by legal means, the provisions of the condominium plan and all documents related to the condominium project, these Articles, the By-laws of the Corporation and the regulations for the use of the property in the condominium project.

(h) To contract for the management of the condominium project and to delegate to such contractor all powers and duties of the corporation except such as are specifically required by the Articles or the By-laws of the Corporation to have approval of the Board of Directors or the membership of the Corporation;

(i) Have and to exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Law of the State of Colorado by law may now or hereafter have or exercise.

The foregoing statement of purpose shall be construed as a statement of both purposes and powers, and the purposes and powers stated in each clause shall not, except where otherwise expressed, be construed as a limitation upon the general purposes for which this corporation is formed, but shall be regarded as independent purposes and powers.

Notwithstanding anything herein stated to the contrary, the Corporation shall exercise only such powers as are in furtherance of the exempt purposes of organization as set forth in Section 501 (c) of the Internal Revenue Code and its Regulations as the same now exist or as they may hereafter be amended from time to time.

(j) Notwithstanding the above, unless at least seventy-five percent (75%) of the first mortgagees of Condominium Units within the project (based upon one vote for each first mortgage owned or held) have given their prior written approval, the Association shall not be empowered or entitled to:

(a) By act or omission seek to abandon or terminate the Condominium regime;

(b) Partition or subdivide any Condominium Unit;

(c) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the common elements;

(d) Use hazard insurance proceeds for loss to the improvements other than repair, replacement or reconstruction of such improvements, except as provided for in the Declaration.

ARTICLE IV

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

ARTICLE V

The Association shall have one class of voting membership. Members shall be all Owners and shall be entitled to 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. The vote for such Condominium Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Condominium Unit.

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ARTICLE VI

The Corporation shall have no shareholders; is not organized for profit, and no part of the net earnings of the Corporation shall inure to the benefit of any private member or individual. In the event of liquidation or dissolution of the Corporation, whether voluntary or involuntary, no member shall be entitled to any distribution or division of its remaining property or its proceeds, and the balance of all money and other property received by the Corporation from any source, after the payment of all debts and obligations of the Corporation, shall be used or distributed exclusively for the purposes within those set forth in this certificate and within the intent of Section 501 (c) of the Internal Revenue Code of 1954 and its regulations as the same now exist or as they may be hereafter amended from time to time; provided, however, that in the event of a dissolution of the Corporation the assets of the Corporation shall be granted, conveyed and assigned to any nonprofit Corporation or institution to be devoted to such similar purposes.

The Corporation may be dissolved with the assent given in writing and signed by not less than two-thirds of the membership of the Corporation.

ARTICLE VII

The affairs of this Association shall be initially managed by a Board of six Managers, and subsequently by a Board of five Managers, who need not be members of the Association. The number of managers may be changed by amendment of the By-laws of the Association except that in no event may the number of managers be less than three (3). The initial managers to serve a term of three (3) years; thereafter, the term to be determined by the By-laws. The names and addresses of the persons who are to act in the capacity of managers until the selection of their successors are:

NAME	ADDRESS
1. Eilif Kuhnle	3216 N.E. 45th Place Seattle, Washington 98105
2. Paul Schuler	3216 N.E. 45th Place Seattle, Washington 98105
3. Ralph D. Brinton	Suite 405, 32 Exchange Place Salt Lake City, Utah 84111
4. J. Gary Sheets	4630 Naniloa Drive Salt Lake City, Utah 84111
5. Bettina B. Kuhnle	8610 N.E. 21st Place Bellevue, Washington 98004
6. Dorin A. Schuler	3100 Evergreen Park Road Bellevue, Washington 98104

ARTICLE VIII

The Board of Managers shall have the power to adopt such prudent By-laws and to alter the same as it may from time to time

deem proper for the management of the affairs of the Corporation, so long as they are not inconsistent with the provisions of these Articles.

ARTICLE IX

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The Corporation reserves the right to amend, alter, change or repeal any provision contained in, or to add any provision to, its Articles of Incorporation from time to time by the written assent of seventy-five (75) percent of the entire membership.

ARTICLE X

The address of the initial registered office of the Corporation is 414 Equitable Building, Denver, Colorado 80202 and the initial registered agent of the Corporation shall be John B. Stuelpnagel

ARTICLE XI

The names of the incorporators of the Corporation are as follows:

1. Eilif Kuhnle 3216 N.E. 45th Place, Seattle, Washington 98105
2. Paul Schuler 3216 N.E. 45th Place, Seattle, Washington 98105
3. Ralph D. Brinton Suite 405, 32 Exchange Place, Salt Lake City, Utah 84111

IN WITNESS WHEREOF, We, the undersigned, being all of the incorporators designated in Article XI of the annexed and foregoing Articles of Incorporation, have executed said Articles as of the 10th day of January, 1977-1978.

Eilif Kuhnle
Eilif Kuhnle

Paul Schuler
Paul Schuler

Ralph D. Brinton
Ralph D. Brinton

STATE OF COLORADO)
City and County of Denver) ss.

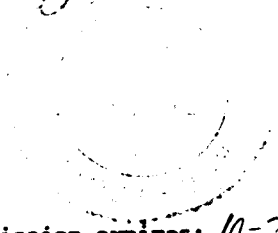
I, Michael P. Brinton, a Notary Public, hereby certify that Eilif Kuhnle, Paul A. Schuler, and Ralph D. Brinton known to me to be the persons whose names are subscribed to the annexed and foregoing Articles of Incorporation, appeared before me this day in person and each being by me first duly sworn, acknowledged and declared that he signed said Articles of Incorporation as his free and voluntary act and deed for the uses and purposes therein contained and set forth, and that the statements therein contained are true.

Witness my hand and notarial seal this 10th day of

January 1978
1977.

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SEAL



Michael J. Gumb
Notary Public

My commission expires: 10-20-81

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