

**ARTICLES OF INCORPORATION OF  
SUMMER HILL SUBDIVISION HOMEOWNERS ASSOCIATION  
(A COLORADO NONPROFIT CORPORATION)**

Robert L. Bray, Incorporator, of 1015 N. 7<sup>th</sup> Street, Grand Junction, Colorado 81501, a natural person over the age of eighteen (18) years, pursuant to the Colorado Revised Nonprofit Corporation Act, as amended, adopts the following Articles of Incorporation.

1. The name of the corporation shall be the SUMMER HILL SUBDIVISION HOMEOWNERS ASSOCIATION. The principal office of the corporation shall be 1015 N. 7<sup>th</sup> Street, Grand Junction, Colorado 81501.

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2. The corporation shall have perpetual existence.

SECRETARY OF STATE

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3. The corporation is not organized for, nor does it contemplate, profit or monetary gain. Its purposes are to promote the health, safety, welfare, and enjoyment of all owners and occupants of that real property in Mesa County, Colorado, legally described as the Summer Hill Subdivision Filing Nos. 1 and 2, City of Grand Junction, Mesa County, Colorado (the "Property").

By way of example and not limitation, the corporation shall have the powers and purposes stated below:

a. The corporation may acquire, own, hold, lease, improve, develop, build upon, maintain, sell, lease, convey, transfer in any manner, dedicate for public use (for example, to any public agency, authority, municipal corporation, or utility) or otherwise use or dispose of real and personal property of every nature for the common benefit of the members of the corporation and all occupants of Summer Hill Subdivision Filing Nos. 1 and 2 in Mesa County, Colorado, all subject to the provisions of the Colorado Common Interest Ownership Act ("CCIOA"), and the Declaration of Covenants, Conditions and Restrictions of Summer Hill Subdivision, Filing 1 ("Declaration"), recorded in Book 2680 at Page 271 of the records of the Mesa County, Colorado Clerk and Recorder.

b. The corporation shall have the power to levy assessments against its members and to collect and enforce those assessments in accordance with the Declaration and applicable law.

c. The corporation shall have as additional corporate purposes, and shall be able to exercise, all other rights, powers, and authority (i) granted to it by the Declaration described above, as the same may be amended from time to time according to its terms as though the provisions of the Declaration were set out in these Articles in their entirety; (ii) granted to an owners' association under CCIOA, as amended from time to time; and (iii) authorized by its members for the common benefit of the owners of Lots (as defined in the Declarations, as amended) in the Property (as defined in the Declarations, as amended).

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d. The corporation shall pay all expenses incurred in connection with the conduct of the business of the corporation and may, for that purpose, upon the affirmative vote of at least 75% of its members, borrow money and encumber the real and personal property assets of the corporation, except as such power is limited by the Declaration.

e. The corporation may, with the affirmative vote of two-thirds of the members, participate in mergers or consolidations of other nonprofit corporations or change the residential real property or common area controlled by the corporation, subject to the provisions of the CCIOA and the Colorado Revised Non Profit Corporation Act.

f. The corporation shall also have any and all other rights, powers, and privileges of a corporation organized under the Colorado Revised Non Profit Corporation Act as the same may be amended from time to time.

4. Upon any dissolution or liquidation of the corporation, after paying or adequately providing for the payment of all expenses and obligations, its assets shall be divided into a sufficient number of undivided in-kind shares to provide one share for each Lot comprising the Property. The corporation shall distribute the shares to the members who are then owners of the Lot(s) entitled to a share under this Article.

5. The corporation's initial registered office shall be 1015 N. 7<sup>th</sup> Street, Grand Junction, Colorado 81501, and the name of its initial registered agent at that address shall be Robert L. Bray.

6. The number of directors constituting the initial board of directors of the corporation shall be three. The initial directors shall be:

Robert L. Bray  
1015 N. 7<sup>th</sup> Street  
Grand Junction, Colorado 81501

W. R. Bray  
1015 N. 7<sup>th</sup> Street  
Grand Junction, CO 81501

Lynn Thompson  
1015 N. 7<sup>th</sup> Street  
Grand Junction, CO 81501

6.1 The number of directors may be changed by amendment of the Bylaws, subject to the provisions of Section 8 below.

6.2 Any vacancy in membership of the board of directors shall be filled for the remainder of the unexpired term by the affirmative vote of the remaining directors, whether or not constituting a quorum.

7. The corporation at all times shall consist of voting members, as defined in Colorado Revised Statutes § 7-121-401(40), subject to the provisions of this section seven (7).

7.1 Every record owner of one or more Lots will be entitled, and subject to that person's consent to membership by accepting a deed or other instrument rendering him an Owner pursuant to Sections 1.23 and 2.01 of the Declaration, shall be required to be a member of the corporation, subject to the voting rights provisions of this section seven (7).

7.2 Notwithstanding anything stated elsewhere in these Articles, until the earlier of sixty (60) days after conveyance of 75% of the Lots to owners other than Paradise Hills Partnership ("Developer") or two (2) years after the last conveyance of a Lot by Developer in the ordinary course of business, Developer may appoint and remove officers and members of the board of directors of the corporation, subject to the limitations stated in this section.

7.3 Not later than sixty (60) days after conveyance of 25% of the Lots to owners other than Developer, at least one member, and not less than 25% of the members of the board of directors must be elected by the owners of Lots other than Developer.

7.4 Not later than sixty (60) days after conveyance of 50% of the Lots to owners other than Developer, not less than 33 $\frac{1}{3}$ % of the members of the board of directors must be elected by owners other than Developer.

7.5 Unless the rights of the Developer are delegated pursuant to the Declaration, not later than the termination of the last of the time periods specified in subsections 7.2, 7.3, and 7.4, the members shall elect a board of directors of not fewer than three (3) and no more than five (5) members, at least a majority of whom must be owners other than Developer. The board of directors so elected and officers shall take office upon termination of the last of the time periods declared in subsections 7.2, 7.3, and 7.4. The number of directors, between three and five, shall be specified in the by-laws.

7.6 Notwithstanding anything to the contrary stated elsewhere in this section seven (7), by a two-thirds vote of all Owners present and entitled to vote at any meeting of the members at which a quorum is present, any member of the board of directors may be removed with or without cause, other than a member appointed by Developer subject to subsections 7.2, 7.3 and 7.4, or if a director is elected by a voting group, only that voting group may participate in the vote to remove that director.

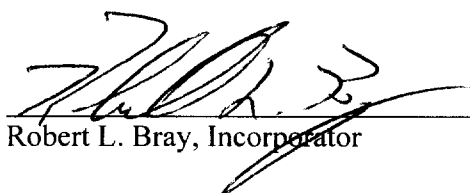
7.7 In the election of directors, cumulative voting shall not be allowed.

7.8 No person or entity other than an Owner as defined in Section 1.23 of the Declaration may be a member of the corporation.

7.9 Subject to the Owner's consent by acceptance of a deed or other instrument rendering him an Owner pursuant to Sections 1.23 and 2.6 of the Declaration, Membership shall be appurtenant to and inseparable from ownership of a Lot. Membership in the corporation may not be transferred except in connection with the transfer of ownership of a Lot. Each Lot shall have a single vote upon any issue on which members of the corporation are entitled to vote. Votes by multiple owners of a single Lot in the Property shall be governed by the provisions of CCIOA (which, upon the date of this document, are set forth in Section 38-33.3-310(1), C.R.S.) as it may be subsequently amended.

8. The initial Bylaws of the corporation shall be adopted by the initial directors. After adoption of the initial Bylaws of the corporation, the Bylaws shall only be altered, amended, or repealed by a resolution properly adopted by a majority of the board of directors and, upon any amendment to these Articles of Incorporation, or any proposed plan of merger, consolidation, or dissolution, approval shall require the affirmative vote of two-thirds of members entitled to vote.

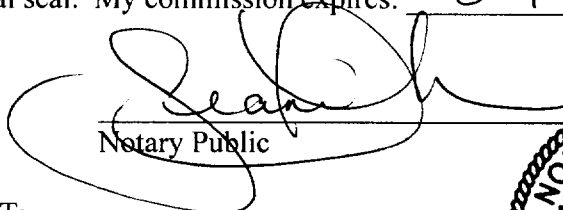
EXECUTED this 1<sup>st</sup> day of August, 2000.

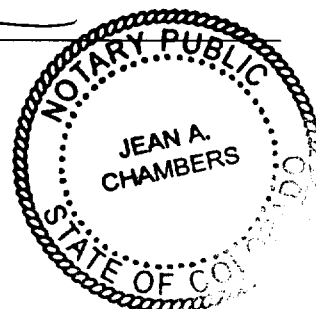
  
Robert L. Bray, Incorporator

STATE OF COLORADO     )  
  ) ss.  
COUNTY OF MESA         )

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of August, 2000, by Robert L. Bray.

WITNESS my hand and official seal. My commission expires: 8-9-2003.

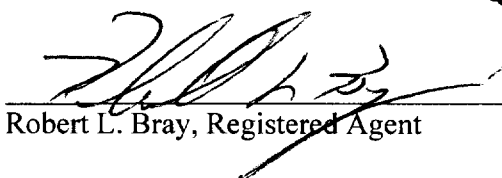
  
Notary Public



CONSENT OF REGISTERED AGENT:

I consent to act as the initial registered agent for the corporation.

Dated this 1<sup>st</sup> day of August, 2000.

  
Robert L. Bray, Registered Agent