

**NOT FOR PROFIT**

FILED

ARTICLES OF INCORPORATION

OF

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SUNWATCHER CONDOMINIUM ASSOCIATION

In compliance with the requirements of the Colorado Nonprofit Corporation Act, C.R.S. 1973 as amended, Article 7-20-101, et seq., the undersigned natural person being over the age of twenty-one, and acting as incorporator, has this day voluntarily executed this document for the purpose of establishing a nonprofit corporation in the State of Colorado, and does hereby certify and adopt the following Articles of Incorporation, to-wit:

ARTICLE I

NAME

The name of the corporation is "Sunwatcher Condominium Association" hereinafter called the "Association".

ARTICLE II

PRINCIPAL OFFICE

The principal office of the Association is located at Suite 209, First National Bank Building, Trinidad, Colorado 81082.

ARTICLE III

REGISTERED AGENT AND OFFICE

Dennis Michael Malone is the name of the initial registered agent of this Association and the address of the initial registered office of the corporation is Suite 209, First National Bank Building, Trinidad, Colorado 81082.

ARTICLE IV

PURPOSES AND POWERS OF THE ASSOCIATION

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 for maintenance, preservation and architectural control of the Lots, Residences and Common Area within that certain real property known as the Sunwatcher Condominiums, as described on the final plat thereof to be filed in the office of the Huerfano County, Colorado Clerk and Recorder, together with all improvements presently existing or hereafter constructed thereon, and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and for these purposes this Association has the right, power and authority to:

(a) Exercise all of the right, powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Declaration of Easements, Restrictions and Covenants for Sunwatcher Condominiums, recorded in the office of the Clerk and Recorder of the County of Huerfano, State of Colorado, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein by this reference as if set forth verbatim;

(b) Fix, levy, make, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; and pay all expenses in connection therewith and all office and other expenses incident to the conduct of the

business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) 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 PROVIDED THAT, except for the provisions of subsection (e) of this Article IV, no conveyance, sale, transfer or dedication shall be effective unless approved in writing by the Members entitled to vote a majority of the votes of each class of Membership and by 100% of all First Mortgages (based upon one vote for each first Mortgage);

(d) With the written assent of the Members entitled to vote a majority of the votes of each Class of Membership, borrow money for the purpose of improving or maintaining the Common Area and facilities thereon and, with written consent of the Members entitled to vote a majority of the votes of each Class of Membership and with the further written consent of 100% of all First Mortgagees (based upon one vote for each first Mortgage), to mortgage or grant other security interests in the Common Area as security for any such loan provided that an instrument reflecting such consents is recorded with the Huerfano County Clerk and Recorder;

(e) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by

the Members, provided that no such dedication or transfer shall be effective unless first approved in writing by the Members entitled to vote a majority of the votes of each Class of Membership and by 100% of all First Mortgagees (based upon one vote for each first Mortgage) and provided further that an instrument reflecting such approvals is recorded in the office of the Huerfano County Clerk and Recorder; and to grant easements for public utilities or other purposes consistent with the intended use of the Common Area, which grants shall not be deemed a transfer within the meaning of this subsection (e);

(f) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any merger or consolidation shall have the assent of two-thirds (2/3) of each class of Members;

(g) Manage, control, operate, maintain, repair, regulate, restrict or deny the use of, and improve the Common Area;

(h) Enforce covenants, restrictions, and conditions affecting any property to the extent this corporation may be authorized under the Declaration;

(i) Engage in activities which will actively foster, promote, and advance the common ownership interests of Owners;

(j) Enter into, make, perform, or enforce contracts of every kind and description, and 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;

(k) Adopt, alter, and amend or repeal such By-laws as maybe necessary or desirable for the proper management of the affairs of this 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;

(l) Have and 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.

(m) Notwithstanding the above, unless all of the First Mortgagees (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:

(1) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area or any portion thereof (excluding the granting of easements for public utilities or other purposes consistent with the intended use of the Common Area);

(2) fail to maintain fire and extended coverage insurance on the Common Area in an amount not less than full replacement value;

(3) use hazard insurance proceeds for Common Area property losses for other than the repair, replacement or reconstruction of such property, except under such circumstances as specifically provided in the Declaration;

(4) by act or omission, change, waive, or abandon any scheme of architectural control, or enforcement thereof, as set

forth in the Declaration, regarding the design or maintenance of the Lots, Residences or Common Area.

ARTICLE V

MEMBERSHIP

Every person or entity who is an Owner as defined in the Declaration is automatically a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest in the property 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 assessments by the Association.

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 Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, the membership as to such Lot shall be joined, and a single membership for such Lot shall be issued in the names of all Owners. The vote for such Lot shall be exercised by the person who shall hold the membership, as designated in writing to the Association, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B members shall be the Declarant as defined in the Declaration, and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership when the total votes

outstanding in Class A membership equal the total votes outstanding in Class B membership,

ARTICLE VII

BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of three (3) directors, who shall be Members of the Association and each of whom shall be chosen to serve one year terms. The number of Directors may be changed by amendment of the By-laws of the Association. The names and addresses of the three (3) persons who are to act in such capacity as the first Board of Directors, until the selection of their successors, are:

| <u>NAME</u>      | <u>ADDRESS</u>                             |
|------------------|--|
| John Phipps      | P.O. Box 16<br>Glenrock, Wyoming 82637     |
| Mary Phipps      | P.O. Box 16<br>Glenrock, Wyoming 82637     |
| Joe Jackson, Jr. | c/o P.O. Box 16<br>Glenrock, Wyoming 82637 |

At the first annual meeting, and at each annual meeting thereafter, the Members shall elect the same number of Directors whose terms are expiring at the time of such meeting for terms of one (1) year,

ARTICLE VIII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to

be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

OFFICERS

The Board of Directors may appoint a President, one or more Vice-Presidents, a Secretary, a Treasurer, and such other officers as the Board, in accordance with the provisions of the By-laws, believes will be in the best interests 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 Directors.

ARTICLE X

DURATION

The Corporation shall exist perpetually.

ARTICLE XI

AMENDMENTS

These Articles shall be amended upon the assent of two-thirds of the votes of each Class of Membership present in person or by proxy at a meeting of Members at which a vote thereon is conducted.

ARTICLE XII

INCORPORATION

The name and address of the incorporator is Dennis Michael Malone, Suite 209, First National Bank Building, Trinidad,



Colorado 81002.

IN WITNESS WHEREOF, the undersigned as incorporator has executed these Articles of Incorporation of Sunwatcher Condominium Association, a corporation not for profit, this 10<sup>th</sup> day of May, 1982.

*Dennis Michael Malone*  
Dennis Michael Malone

STATE OF COLORADO     )  
  ) ss.  
County of Las Animas )

Subscribed and sworn to before me this 10<sup>th</sup> day of May, 1982, by Dennis Michael Malone, Incorporator.

Witness my hand and official seal.

My Commission Expires: April 1, 1984

*Jeanne A. Montoya*  
Notary Public  
*209 1<sup>st</sup> Natl Bank Bldg:*  
*Louisville, Colo 81082.*