

**NONPROFIT**

## ARTICLES OF INCORPORATION

### PROSPECT HEIGHTS HOMEOWNERS ASSOCIATION, INC.

(A NONPROFIT CORPORATION)

FILED  
DONETTA DAVIDSON  
COLORADO SECRETARY OF STATE

The undersigned hereby signs and acknowledges, for delivery in duplicate to the Secretary of State of Colorado, these Articles of Incorporation for the purpose of forming a nonprofit corporation under the Colorado Revised Nonprofit Corporation Act.

#### ARTICLE 1.00 - NAME AND PRINCIPAL PLACE OF BUSINESS

The name of this corporation is PROSPECT HEIGHTS HOMEOWNERS ASSOCIATION, INC. ("Association"), and the location of its principal place of business is 133 W. Third Avenue, Denver, Colorado 80223. ✓

#### ARTICLE 2.00 - DURATION

The duration of the Association shall be perpetual.

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#### ARTICLE 3.00 - PURPOSES AND POWERS OF ASSOCIATION

3.01 The Association shall operate the Common Interest Community known as "Prospect Heights", located in the municipality of Arvada, County of Jefferson, Colorado, in accordance with the Colorado Common Interest Ownership Act, as amended, and the Colorado Revised Nonprofit Corporation Act, as amended.

3.02 The Association shall do any and all permitted acts, and shall have and exercise any and all powers, rights, and privileges which are granted to a Common Interest Community Association under the laws of the State of Colorado and the Declaration, Bylaws, Rules and Regulations, and other governing documents of the Association.

3.03 The foregoing statements of purpose shall be construed as a statement of both purposes and powers. The purposes and powers stated in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers.

#### ARTICLE 4.00 - NONPROFIT

The Association shall be a nonprofit corporation with Members and without shares of stock.

## **ARTICLE 5.00 - MEMBERSHIP RULES AND QUALIFICATIONS**

The classes, rights, and qualifications and the manner of election or appointment of Members are as follows: Any person who holds title to a Unit in the Common Interest Community shall be a Member of the Association. The Members shall be of one class: Unit Owners who own Units as defined in the Declaration. There shall be one membership for each Unit owned within the Common Interest Community. This membership shall be automatically transferred upon the conveyance of that Unit. Voting shall be one vote per Unit. If a Unit is owned by more than one person, those persons shall agree among themselves how a vote for that Unit's membership is to be cast. Individual co-owners may not cast fractional votes. A vote by a co-owner for the entire Unit's membership interest shall be deemed to be pursuant to a valid proxy, unless another co-owner of the same Unit objects at the time the vote is cast, in which case such membership's vote shall not be counted.

## **ARTICLE 6.00 - BOARD OF DIRECTORS**

6.01 The Association shall be governed by its Board of Directors (the "Board"). The Directors shall be appointed to the Board by the Declarant during the period of Declarant control, and the Directors shall be elected by the Members, one vote per Unit, thereafter.

6.02 The initial Board of Directors shall consist of three persons, and this number may be changed by a duly adopted amendment to the Bylaws. The name and address of the persons who shall serve as Directors until their successors shall be elected and qualified are as follows:

Tom Sloan  
133 West 3<sup>rd</sup> Avenue  
Denver, CO 80223

6.03 The Members shall not be entitled to cumulative voting for the Board or for any other purpose.

6.04 Notwithstanding the foregoing, the Declarant of the Common Interest Community shall have additional rights and qualifications as may be provided under the Colorado Common Interest Ownership Act and the Declaration, including the right to appoint members of the Board as follows: During the period of Declarant control, the Declarant, or persons designated by it, subject to certain limitations, may appoint and remove the officers and Directors of the Board. The period of Declarant control terminates no later than the earlier of: (1) sixty days after conveyance of seventy-five percent (75.0%) of the Units that may be created to Unit Owners other than Declarant; (2) two years after Declarant has last conveyed a Unit in the ordinary course of business; or (3) two years after any right to add new Units was last exercised. Declarant may voluntarily surrender the right to appoint and remove officers and Directors of the Board before termination of the period of Declarant control, but in that event, the Declarant may require, for the duration of the period of

Declarant control, that specified actions of the Association or Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

6.05 Not later than 60 days after conveyance of 25 percent (25.0%) of the Units that may be created to Unit Owners other than the Declarant, at least one Director, and not less than 25 percent (25.0%) of the Directors of the Board shall be elected by Unit Owners other than the Declarant. Not later than 60 days after conveyance of 50 percent (50.0%) of the Units that may be created to Unit Owners other than the Declarant, not less than one-third of the Directors of the Board must be elected by Unit Owners other than the Declarant.

## **ARTICLE 7.00 - REGISTERED AGENT FOR SERVICE AND ADDRESS**

The initial registered agent of the Association shall be David R. DiGiacomo, at the initial registered office of DiGiacomo & Jagers, LLP, 5400 Ward Road, Building III, Suite 200, Arvada, Colorado 80002-1822. ✓

## **ARTICLE 8.00 - DIRECTOR INDEMNIFICATION AND LIABILITY**

8.01 The Association shall have the power, right and obligation to indemnify current and former directors, officers, employees and any other persons acting on the Association's behalf, to the fullest extent permitted by the Colorado Revised Nonprofit Corporation Act, including Article 129 of such Act, as such Act and Article now exist or may hereafter be amended.

8.02 No officer or director of the Association shall be personally liable for any injury to person or property arising out of a tort committed by an employee of the Association, to the fullest extent permitted by the Colorado Revised Nonprofit Corporation Act, including Article 129 of such Act, as such Act and Article now exist or may hereafter be amended.

## **ARTICLE 9.00 - AMENDMENT**

Amendment of these Articles shall require the assent of Members owning at least two-thirds of the Units.

## **ARTICLE 10.00 - DISTRIBUTION UPON DISSOLUTION**

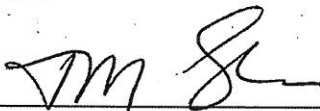
If the Association is dissolved, upon the winding up and dissolution of the Association, after paying or adequately providing for the debts and obligations of the Association, the remaining assets shall be divided into equal shares of the assets with the number of equal shares equal to the number of Units owned within the Common Interest Community, and one such share of the assets shall be distributed to the owner of each such Unit. ✓

## ARTICLE 11.00 - INCORPORATOR

The name and address of the incorporator is:

Thomas Sloan  
133 West 3<sup>rd</sup> Avenue  
Denver, CO 80223

IN WITNESS WHEREOF, the above-named incorporator signed these Articles of Incorporation in duplicate this 12<sup>th</sup> day of June, 2002.

  
Thomas Sloan


By his signature below, David R. DiGiacomo consents to be the registered agent of the corporation.

  
David R. DiGiacomo

STATE OF COLORADO     )  
  ) ss.  
COUNTY OF JEFFERSON     )

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of June, 2002, by Thomas Sloan, Incorporator, and by David R. DiGiacomo, Registered Agent.

Witness my hand and official seal.

My commission expires 7/2/03  


  
Notary Public