

~~CONFIDENTIAL~~

**ARTICLES OF INCORPORATION  
OF  
THE ENCLAVE AT CHERRY CREEK OWNERS ASSOCIATION, INC.**

In compliance with the requirements of the Colorado Nonprofit Corporation Act, Section 7-20-101 through 7-29-106, C.R.S. 1973, as amended, the undersigned, of full age, has this day, for the purpose of forming a non-profit corporation, certified as follows:

**ARTICLE I.  
NAME**

The name of the corporation is THE ENCLAVE AT CHERRY CREEK OWNERS ASSOCIATION, INC., hereafter called the "Association."

**ARTICLE II.  
PRINCIPAL OFFICE**

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SECRETARY OF STATE  
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The principal office of the Association is c/o Larsen Homes, Ltd., 6 Inverness Drive East, Suite 110, Englewood, Colorado 80112.

**ARTICLE III.  
REGISTERED AGENT**

Anthony J. Rechlitz, whose address is c/o Haligman and Lottner, P.C., 633 Seventeenth Street, Suite 2700, Denver, Colorado 80202, is hereby appointed the initial registered agent of this Association, and such address shall be the registered address of this Association.

**ARTICLE IV.  
PURPOSE 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 certain property and improvements within the property described on Exhibit A to the Declaration (as hereinafter defined), and any additions thereto as may hereafter be brought within the jurisdiction of this Association (hereinafter called the "Community"), and to promote the health, safety and welfare of the residents within the Community, and for the following purposes to:

1. exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions of The Enclave at Cherry Creek, hereinafter called the "Declaration," applicable to the Community and recorded or to be recorded in the Office of the Clerk and Recorder of the City and County of Denver, Colorado, as the same may be amended and supplemented from

time to time, said Declaration being incorporated herein as if set forth at length (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined);

2. adopt and amend budgets for revenues, expenditures, and reserves, and fix, levy, collect and enforce payment of, by any lawful means, all charges and assessments pursuant to the terms of the Declaration; 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;

3. acquire (by gift, purchase, or otherwise), own, hold, improve, encumber, maintain, convey, sell, lease, transfer or otherwise dispose of real or personal property, in its own name, in connection with the affairs of the Association; provided, however, that portions of the Common Area may be conveyed or subjected to a First Mortgage by the Association only if Persons entitled to cast at least eighty percent (80%) of the votes in the Association agree to that action;

4. borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its property as security for money borrowed or debts incurred; provided, however, that portions of the Common Area may be conveyed or subjected to a First Mortgage by the Association only if Persons entitled to cast at least eighty percent (80%) of the votes in the Association agree to that action;

5. hire and terminate managing agents and other employees, agents, and independent contractors; provided, however, that in performance of any work under that certain Easement and Indemnity Agreement between the City and County of Denver and Larsen Homes, Ltd., recorded or to be recorded in the office of the Clerk and Recorder of the City and County of Denver, Colorado, the Association shall comply with Section Five, Paragraph 15 thereof, as provided in Article VIII, Section 1(b), of the Declaration;

6. institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Community;

7. impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid assessments;

8. provide for the indemnification of its officers and Executive Board, and maintain directors' and officers' liability insurance;

9. participate in mergers and consolidations with other nonprofit corporations organized for the same or similar purposes;

10. manage, control, operate, maintain, repair and improve the Common Area and other property as provided in the Declaration;

11. enforce covenants, restrictions, and conditions affecting any property to the extent this Association may be authorized to do so under the Declaration;

12. engage in activities which will actively foster, promote and advance the common interests of Owners;

13. enter into, make, perform, or enforce contracts, licenses, leases and agreements of every kind and description, incur liabilities, 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;

14. promulgate, adopt, alter, amend, repeal, and publish Association Bylaws (the "Bylaws") and rules and regulations, as may be necessary or desirable for the proper management of the affairs of this Association; provided, however, that such Bylaws and Association rules and regulations shall not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the Declaration;

15. regulate the use, maintenance, repair, replacement and modification of the Common Area;

16. cause additional improvements to be made as part of the Common Area; and

17. have and exercise any and all powers, rights and privileges which a corporation organized under the Colorado Non-profit Corporation Act by law may now or hereafter have or exercise.

#### ARTICLE V. MEMBERSHIP

The membership of the Association at all times shall consist exclusively of all Owners. 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 Lot.

A transfer of membership shall occur automatically upon the transfer of title to the Lot to which the membership pertains. All Members shall be entitled to vote on all matters except any Members who are in default in any obligations to the Association. Cumulative voting is prohibited.

ARTICLE VI.  
VOTING RIGHTS

1. The Association shall have one class of voting membership. Each Owner shall be entitled to one (1) vote for each Lot owned, except that no votes allocated to Lots owned by the Association may be cast. The total number of votes which may be cast in connection with any matter shall be equal to the total number of Lots in the Association.

2. The Declarant reserves the right to appoint all officers of the Association and all members of the Executive Board, and may remove all officers of the Association and all members of the Executive Board which have been appointed by the Declarant, for the period of time set forth in Article III, Section 1 of the Declaration. However, the Declarant may voluntarily relinquish the right, at any time, to appoint and remove one or more officer(s) of the Association or one or more member(s) of the Executive Board before expiration of the Declarant's reserved right to so appoint and remove; but, if the Declarant relinquishes the reserved right to appoint at least a majority of the officers of the Association and at least a majority of the members of the Executive Board, then the Declarant may require, for the duration of the period of time set forth in Article III, Section 1 of the Declaration, that all or specified actions of the Association or the Executive Board be approved by the Declarant before any such action becomes effective.

3. After relinquishment by the Declarant, or expiration, of the Declarant's reserved right to appoint the officers of the Association and the members of the Executive Board, the members of the Executive Board shall be elected by the Members voting in person or by proxy at a meeting of the Association, as provided in the Bylaws of the Association, and the officers of the Association shall be elected by the Executive Board. The Executive Board members and officers so elected shall take office upon election.

ARTICLE VII.  
EXECUTIVE BOARD

The affairs of this Association shall be managed by an Executive Board of seven (7) directors, except that the Executive Board which shall serve until the first annual meeting of the Association (which shall be held as provided in Article III, Section 1 of the Bylaws of the Association) shall consist of three (3) directors. Directors shall be Members which, in the case of Declarant, may include any director, officer, employee or authorized agent of Declarant and, in the case of other corporate Members, may include the officers and directors of each such corporate Member. The number of directors may be changed by amendment of the Bylaws. The names and addresses of the persons who are to act in the capacity of directors of the Executive Board until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
Tom Burdick	6 Inverness Drive East, Suite 110 Englewood, Colorado 80112
Rick Arthur	6 Inverness Drive East, Suite 110 Englewood, Colorado 80112
Lou Murphy	6 Inverness Drive East, Suite 110 Englewood, Colorado 80112

The successors to the initial and subsequent Executive Board shall be appointed or elected in the manner set forth in the Bylaws of the Association (subject to the Declaration).

ARTICLE VIII.  
DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the Declarant (as long as the Declarant owns any Lot) and by the Owners with not less than eighty percent (80%) of the votes allocated to Lots not then owned by Declarant. 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 nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX.  
OFFICERS

The Executive Board 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 Bylaws, believes will be in the best interests of the corporation. The officers shall have such duties as may be prescribed in the Bylaws and shall serve at the pleasure of the Executive Board.

ARTICLE X.  
DURATION

The Association shall exist perpetually.

ARTICLE XI.  
LIMITED LIABILITY OF DIRECTORS AND OFFICERS

There shall be no personal liability, either direct or indirect, of any director or officer of the Association to the Association or its Members, for monetary damages for any breach(es)

of fiduciary duty as a director or officer; except that this provision shall not eliminate the liability of a director or officer, to the Association or its Members, for monetary damages for any breach, act, omission or transaction as to which the Colorado Nonprofit Corporation Act (as in effect from time to time) expressly prohibits the elimination of liability. This provision is effective on the date of incorporation of the Association, and shall not eliminate or limit the liability of a director or officer to the Association or to its Members for monetary damages for any act or omission occurring prior to such date. However, this provision shall not limit the rights of directors or officers of the Association for indemnification or other assistance from the Association. Also, this provision shall not restrict or otherwise diminish the provisions of Section 13-21-116(2)(b), Colorado Revised Statutes, as amended, or any other law that would limit or eliminate liabilities. Any repeal or modification of the foregoing provisions of this Article by the Members, or any repeal or modification of the provisions of the Colorado Nonprofit Corporation Act which permits the limitation or elimination of liability of directors or officers, shall not adversely affect any elimination of liability, or any right or protection, for any breach, act, omission or transaction that occurred prior to the time of such repeal or modification.

ARTICLE XII.  
AMENDMENTS

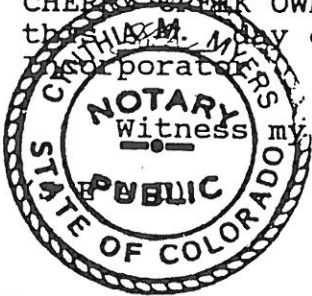
Amendment of these Articles shall require the assent of the Declarant (as long as the Declarant's reserved rights are in effect as provided in Article III, Section 1 of the Declaration) and the assent of Owners holding two-thirds (2/3) of a quorum of the votes in the Association who are voting in person or by proxy at an annual meeting of Members or at a special meeting called for this purpose; provided, however, that no amendment to these Articles of Incorporation shall be contrary to or inconsistent with any provision of the Declaration.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Colorado, the undersigned, the incorporator of this Association, has executed these Articles of Incorporation this 28th day of February, 1976.

Kathleen Busch  
Name of Incorporator: KATHLEEN BUSCH  
Address:  
633 Seventeenth Street, Suite 2700  
Denver, Colorado 80202-3536

STATE OF COLORADO )  
City and )  
COUNTY OF Denver ) ss.

The foregoing ARTICLES OF INCORPORATION OF THE ENCLAVE AT  
CHERRY CREEK OWNERS ASSOCIATION, INC. were acknowledged before me  
the undersigned on this February day of 1996, by Hubert Busch,  
Incorporator.



Witness my hand and official seal.

Cynthia M. Myers  
Notary Public

My Commission expires: 6-17-97

CONSENT OF THE INITIAL REGISTERED AGENT

The undersigned hereby consents to the appointment by the  
Corporation as its Initial Registered Agent.

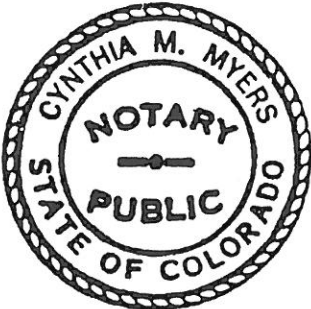
Anthony J. Reebitz  
Initial Registered Agent

STATE OF COLORADO )  
City and )  
COUNTY OF Denver ) ss.

The foregoing Consent of the Initial Registered Agent was  
acknowledged before me this 28th day of February, 1996, by  
Anthony J. Reebitz, Initial Registered Agent.

Witness my hand and official seal.

(S E A L)



Cynthia M. Myers  
Notary Public

My Commission expires: 6-17-97