

ARTICLES OF INCORPORATION

OF

HORIZON TOWERS CONDOMINIUM ASSOCIATION

A Colorado non-profit corporation

end

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The undersigned hereby establishes a corporation not for profit pursuant to the provisions of Articles 20 through 29, Title 7, Colorado Revised Statutes 1973, and adopt the following:

ARTICLE I
NAME

The name of the corporation shall be **Horizon Towers Condominium Association**.

ARTICLE II
DURATION

The period of duration of this Corporation shall be perpetual.

ARTICLE III
PURPOSES

The Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed:

(a) To be and constitute the association to which reference is made in the “Declaration of Covenants, Conditions and Restrictions for Horizon Towers Condominium Association”, hereinafter referred to as the “Declarations”, to be recorded in the records of the County Clerk and Recorder of Mesa County, Colorado, pursuant to 38-33-105, C.R.S. 1973, relating to a condominium ownership project, hereinafter sometimes called “Horizon Towers Condominiums”, located in Mesa County, Colorado, and to perform all obligations and duties of the association and to exercise all rights and powers of the association, as specified therein.

(b) To provide an entity for the furtherance of the interests of the owners of Condominium Units in Horizon Towers Condominiums, with the objectives of establishing and maintaining the Horizon Towers Condominiums as a prime condominium ownership project of the highest possible quality and value and enhancing and protecting its value, desirability and attractiveness.

ARTICLE IV POWER

1. In furtherance of its purposes, but not otherwise, the corporation shall have all the powers conferred upon corporations not for profit by the Statutes and common law of the State of Colorado in effect from time to time including all the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the association under the Declaration which include, but are not limited to, the following:

(a) To make and collect assessments against members of the association for the purpose of defraying the costs, expenses (including the expenses incurred in exercising its powers or of performing its functions) and any losses of the corporation.

(b) To manage, control, operate, maintain, repair and improve the Project as defined in the Declaration.

(c) To enforce covenants, restrictions or conditions to the extent so authorized under the Declaration and to enforce rules and regulations as provided herein.

(d) To engage in activities which will actively foster, promote and advance the interests of the owners of Condominium Units in Horizon Towers Condominiums.

2. No part of the income or net earnings of the Corporation shall be distributable to or inure to the benefit of its members, directors, officers or any individual; provided, however, that reasonable compensation may be paid for any services rendered to the corporation, and payments and distributions may be made in furtherance of the purposes set forth in Article III hereof. No substantial part of the activities of the Corporation shall be carrying on of propaganda or otherwise attempting to influence legislation, or the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of the Articles, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal income taxation under the provisions, applicable to this Corporation, of Section 501 (c) of the Internal Revenue Code of 1954, as amended, (or the corresponding provision of any future United States or Colorado law).

3. In the event of dissolution of the Corporation, the property and assets thereof remaining, after providing for all obligations and liabilities of the Corporation, shall then be disposed of exclusively for the purposes of the Corporation in such manner, or to such organization or organizations exempt from taxation under Section 501 (c) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States or Colorado law), as shall be determined by the Board of Directors.

ARTICLES V MEMBERSHIPS

(a) This corporation shall be a membership corporation without certificates or shares of stock. There shall be two class of membership and there shall be two classes of voting membership in the corporation, as defined in the Declaration. The owner or owners of a Condominium Unit shall hold and share the membership related to that Condominium Unit in the same proportionate interest and by the same type of tenancy in which the title to the Condominium Unit is held provided always that there shall be only one membership per Condominium Unit. No person or entity other than owner of a Condominium Unit may be a member of the corporation.

(b) Each membership shall have the vote as is set forth in the Declarations of all matters in which members are entitled to vote.

(c) Each membership in the corporation and the share of a member in the assets of the corporation shall not be assigned, encumbered or transferred in any manner except as an appurtenance to transfer of title to the Condominium Unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of mortgage, deed of trust, or other security instrument on a Condominium Unit as further security for a loan secured by a lien on such Condominium Unit.

(d) A transfer of membership shall occur automatically upon the transfer of title to the Condominium Unit to which the membership pertains; provided, however, that the By-Laws of the corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the corporation.

(e) Members shall have no pre-emptive right to purchase other Condominium Units or the memberships appurtenant thereto. The corporation shall have the right to purchase Condominium Units as provided in the Declaration.

(F) The corporation may suspend the voting rights of a member for failure to comply with the rules and regulations of the corporation or with any other obligations of the owners or any Condominium Unit under the Declaration.

(g) The project contains numerous amenities designed for retired adults. It is intended that membership shall be primarily an adult community consisting of retirees. Individuals not of this category shall have the right to apply to the Board of Directors for membership.

(h) The By-Laws may contain provisions, not inconsistent with the foregoing, setting forth the rights, privileges, duties and responsibilities of the members.

ARTICLE VI BOARD OF DIRECTORS

(Amended October 6, 1995)

(a) The business and affairs of the Association shall be conducted, managed and controlled by a Board of Directors. The Board of Directors shall consist of five (5) members, as set forth in the By-Laws.

(Amended October 6, 1995)

(b) Members of the Board of Directors shall be elected at the annual meeting of the members in the manner determined by the by-Laws.

(c) Directors may be removed and vacancies of the Board of Directors shall be filled in the manner to be provided by the By-Laws

(d) The Board of Directors may, by resolution, create an Executive Committee of the Board. The number of members of the Executive Committee and the persons who shall be members thereof shall be determined by the Board of Directors consistent with applicable law. Unless limited by resolution of the Board or by applicable law, the Executive Committee shall have all of the powers of the Board to arrange and direct all of the Business affairs of the corporation and, whenever action is required to be taken by the Executive Committee and shall be deemed to have been taken by the Board of Directors.

(e) The names and addresses of the members of the first Board of Directors who shall serve until the first election of directors and until their successors are duly elected and qualified, are as follows:

<u>Name</u>	<u>Address</u>
John A Branagh	4432 Piedmont Avenue Oakland, CA 94611
Lynette F Branagh	4432 Piedmont Avenue Oakland, CA 94611
Gaylon C. Patterson	4432 Piedmont Avenue Oakland, CA 94611

Any vacancies in the Board of Directors occurring before the first election of directors shall be filled by the remaining directors.

ARTICLE VII 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 believes will be in the best interest 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 VIII CONVEYANCE AND ENCUMBRANCES

Association property may be conveyed or encumbered by authority of the Board of Directors or the Executive Committee of the Board or such other person or persons to whom such authority may be delegated by resolution of the Board or the Executive Committee of the Board. Conveyances or encumbrances shall be by a Secretary or an Assistant Secretary, or executed by such other person or persons to whom such authority may be delegated by the Board or Executive Committee of the Board.

ARTICLE IX INITIAL REGISTERED OFFICE AND AGENT

The initial registered office of the association shall be 2808 North Avenue, Suite 400, Grand Junction, Colorado 81501. The initial registered agent as such officer shall be Keith G. Mumby.

ARTICLE X DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the

