

RECEIVED SEP 13 2000



STATE OF COLORADO

DEPARTMENT OF
STATE

CERTIFICATE

I, DONETTA DAVIDSON, SECRETARY OF STATE OF THE STATE OF
COLORADO HEREBY CERTIFY THAT

ACCORDING TO THE RECORDS OF THIS OFFICE

STONE CANYON CONDOMINIUM ASSOCIATION, INC.
(COLORADO NONPROFIT CORPORATION)

FILE # 20001170291 WAS FILED IN THIS OFFICE ON August 31, 2000
AND HAS COMPLIED WITH THE APPLICABLE PROVISIONS OF THE
LAWS OF THE STATE OF COLORADO AND ON THIS DATE IS IN GOOD
STANDING AND AUTHORIZED AND COMPETENT TO TRANSACT BUSINESS
OR TO CONDUCT ITS AFFAIRS WITHIN THIS STATE.

Dated: August 31, 2000

Donetta Davidson

SECRETARY OF STATE

ARTICLES OF INCORPORATION

FILED CUSTOMER COPY
DONETTA DAVIDSON
COLORADO SECRETARY OF STATE

OF

STONE CANYON CONDOMINIUM ASSOCIATION, INC.

(a Colorado Nonprofit Corporation)

The undersigned, acting as incorporator of a corporation under Colorado Revised Statutes, Title 7, Articles 121-137, as amended from time to time (the "Colorado Revised Nonprofit Corporation Act"), adopts the following Articles of Incorporation for such "Corporation." Capitalized terms not otherwise defined herein shall have those meanings set forth in the Condominium Declaration for Stone Canyon recorded in the records of the Clerk and Recorder of Arapahoe County, Colorado, and any supplement or amendment thereto (hereinafter referred to as "the Declaration").

ARTICLE I

NAME

The name of the Corporation is STONE CANYON CONDOMINIUM ASSOCIATION, INC.

Initial Principal Office: 1531 Stout Street, Suite 100, Denver, CO 80202

ARTICLE II

20001170291 C

\$ 100.00

DURATION

SECRETARY OF STATE

08-31-2000 11:13:12

The period of its duration shall be perpetual.

ARTICLE III

PURPOSES

The business, objects and purposes for which the Corporation is organized are for the acquisition, construction, management, maintenance and care of "association property" (as that term is used and defined in Section 528 of the Internal Revenue Code and its regulations), including, but not limited to, the following:

1. To be and constitute the Association to which reference is made in the Declaration made by BCORP STONE CANYON LLC, AS NOMINEE, a Colorado

limited liability company (hereinafter it and its successors and assigns are referred to as the "Declarant") pursuant to the Colorado Nonprofit Corporation Act and Colorado Revised Statutes, Title 38, Article 33.3 (as amended from time to time, hereinafter referred to as the "Colorado Common Interest Ownership Act"), and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association described in said Declaration.

2. To provide an entity for the furtherance of the interests of all of the Unit Owners, including the Declarant named in the Declaration, with the objective of establishing and maintaining Stone Canyon Condominiums as a residential project of the highest possible quality and value and enhancing and protecting its value, desirability and attractiveness, and to promote the health, safety and welfare of the residents within Stone Canyon Condominiums and any additions thereto as may hereafter be brought within the jurisdiction of this Corporation for this purpose.

ARTICLE IV

INUREMENT, DISSOLUTION AND POWERS

No part of the income or net earnings of the Corporation shall inure to the benefit of, or be distributable to, any Member, director, or officer of the Corporation or to any other private individual (except that: (i) reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes; (ii) reimbursement may be made for any expenses incurred for the Corporation by any officer, director, Member, agent or employee, or any other Person or Corporation, pursuant to and upon authorization of the Board of Directors; and (iii) rebates of excess membership dues, fees, or Common Expense Assessments may be paid).

In the event of dissolution of the Corporation the property and assets thereof remaining after providing for all obligations shall then be distributed pursuant to the Colorado Nonprofit Corporation Act at Article 26, and if the "Common Interest Community" is terminated then pursuant to the Colorado Common Interest Ownership Act at § 38-33.3-218.

In furtherance of its purposes, the Corporation shall have all of the powers conferred upon nonprofit Corporations by the statutes and common law of the State of Colorado in effect from time to time, including all of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Corporation under the Declaration which will include, but shall not be limited to, the following:

1. The Corporation shall have all of the powers, authority and duties permitted pursuant to the Colorado Nonprofit Corporation Act and the Colorado Common Interest Ownership Act;

2. The Corporation shall have all of the powers, authority and duties necessary and proper to manage the business affairs of the Common Interest Community;

3. Subject to applicable law, the Corporation shall have all of the powers, authority and duties necessary and proper to acquire, own, operate, construct, manage, lease, maintain, care for, sell, encumber and otherwise deal with the Common Property.

ARTICLE V

MEMBERSHIPS

The Corporation shall have Members and the proxy system of voting by Members shall be permitted pursuant to the Declaration and the Bylaws.

ARTICLE VI

BOARD OF DIRECTORS

1. Except where otherwise provided in the Declaration, the Bylaws, the Colorado Nonprofit Corporation Act or the Colorado Common Interest Ownership Act (see, e.g., C.R.S. § 38-33.3-303(3) (executive board cannot amend the Declaration, terminate the Common Interest Community, elect directors, or determine powers, qualifications, duties or terms of directors other than filling vacancies)) the business and affairs of the Corporation shall be conducted, managed and controlled by its board of directors (the "Board of Directors"). The Board of Directors shall consist of not less than three nor more than five members, the specific number to be set forth from time to time in the Bylaws of the Corporation (hereinafter referred to as "Director(s)"). Directors shall be Unit Owners which, in the case of corporate Unit Owners, may include the officers, directors, agents or employees of such corporate Unit Owners.

2. If the number of Directors to be elected is three (3) at the first annual meeting of the Corporation, the Members shall elect one (1) Director whose term of office shall be fixed for three (3) years; one (1) Director whose term of office shall be fixed for two (2) years; and one (1) Director whose term of office shall be fixed for one (1) year. At the expiration of the initial term of office of each respective Director, his

successor shall be elected to serve a term of three (3) years. If more than three (3) Directors are to be elected, at least one-third (1/3) of the Directors shall be elected annually.

3. The number of Directors constituting the initial Board of Directors is three (3), and the names and addresses of the Persons 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>
Kelly Begg	1531 Stout Street, Suite 100 Denver, CO 80202
R. Adair Green	1531 Stout Street, Suite 100 Denver, CO 80202
Kelly Catherine Fuss	1531 Stout Street, Suite 100 Denver, CO 80202

4. In the Declaration, the Declarant has reserved the right to appoint and remove officers and Directors until the date which is the earlier of: sixty (60) days after conveyance of 75% of the Condominium Units that may be created in the Project to Owners other than Declarant, two (2) years after the last conveyance of a Condominium Unit by Declarant in the ordinary course of business, or two (2) years after any right to add new Units was last exercised ("Turnover Date").

During the Period of Declarant control: (a) Not later than sixty (60) days after conveyance of 25% of the Condominium Units that may be created in the Project to Owners other than Declarant, at least one member and not less than 25% of the members of the Board of Directors will be elected by Owners other than Declarant; and (b) Not later than sixty (60) days after the conveyance of 50% of the Condominium Units that may be created in the Project to Owners other than Declarant, not less than 33-1/3% of the members of the Board of Directors will be elected by Owners other than Declarant.

5. At any time prior to the Turnover Date, the Declarant may relinquish the right to appoint and remove officers and members of the Board of Directors. In that event, Declarant may require, for the duration of the period of Declarant's control, that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by Declarant, be approved by Declarant before they become effective. As to such actions, Declarant may give its approval or disapproval at its sole discretion and option, and its disapproval shall work to invalidate such action by the Board of Directors or the Corporation. Not later than the Turnover Date, the Owners (including Declarant) shall elect a Board of Directors of at least three (3) members, at least a majority of whom must be Owners other than Declarant or designated representatives of Owners other than Declarant and the Board of Directors shall elect the officers, with Directors and officers to take office upon termination of the period of

Declarant's control. After the Turnover Date, the Board of Directors shall be elected by all Unit Owners of all Common Interest Communities subject to the Corporation as an "Association."

6. Directors shall be otherwise elected at the annual meeting of the Members in the manner provided for in the Bylaws.

7. Directors may be removed and vacancies of the Board of Directors shall be filled in the manner to be provided in the Bylaws.

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 of Directors believes will be in the best interest of the Corporation. As provided in the Bylaws, any two or more offices may be held by the same Person, except the offices of President and Secretary. These "Officers" shall have such duties as may be prescribed in the Bylaws of the Corporation and shall serve at the pleasure of the Board of Directors.

ARTICLE VIII

INITIAL REGISTERED OFFICE AND AGENT

The initial registered office of the Corporation shall be 1531 Stout Street, Suite 100, Denver, Colorado 80202. The initial registered agent at such office shall be Kelly Begg.

ARTICLE IX

ELIMINATION OF CERTAIN LIABILITIES OF DIRECTORS

There shall be no personal liability, either direct or indirect, of any Director of the Corporation to the Corporation or to its Members for monetary damages for any breach or breaches of fiduciary duty as a Director; except that this provision shall not eliminate the liability of a Director to the Corporation or to its Members for monetary damages for any breach, act, omission or transaction as to which the Colorado Nonprofit Corporation Act or the Colorado Common Interest Ownership Act prohibits expressly the elimination of liability. This provision is in the Corporation's original Articles of Incorporation and thus is effective on the date of the Corporation's incorporation. This provision shall not limit the rights of Directors of the Corporation for indemnification or other assistance from the Corporation in accordance with applicable law. This provision shall not restrict or otherwise diminish the provisions of Colorado Revised Statutes, Section 13-21-116(2)(b) (concerning no liability of directors except for wanton and willful acts or omissions), any amendment or successor provision to such Section, or any other law limiting or eliminating liabilities, such as Colorado Revised Statutes, § 38-33.3-303(2) (fiduciary duties of Officers and Directors if appointed by Declarant; if not appointed, then no liability except for wanton and willful acts or omissions). Any repeal or modification of the foregoing provisions of this Article by the Members of the Corporation or any repeal or modification of the provision of the Colorado Nonprofit Corporation Act which permits the elimination of liability of Directors by this Article shall not affect adversely any elimination of liability, right or protection of a Director of the Corporation with respect to any breach, act, omission, or transaction of such Director occurring prior to the time of such repeal or modification.

ARTICLE X

INCORPORATOR

The name and address of the Incorporator of the Corporation is as follows:

<u>Name</u>	<u>Address</u>
Shari R. Baker	555 17th Street Suite 3200 Denver, Colorado 80202

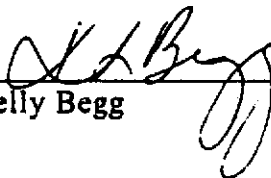
EXECUTED this 24th day of August, 2000.

Shari R. Baker

CONSENT OF REGISTERED AGENT

The undersigned initial registered agent of Stone Canyon Condominium Association, Inc. does hereby confirm the address for such agent and consent to the undersigned's appointment as such registered agent, all as set forth in Article VIII above as provided in Section 7-122-102(1)(f) of the Colorado Revised Nonprofit Corporation Act.

EXECUTED this 24 day of August, 2000.



Kelly Begg

DENVER:0946591.01



1531 Stout Street
Suite 100
Denver, Colorado 80202
◆
Phone (303) 892-5690
Fax (303) 892-5699

September 18, 2000

Cheryl Verry
Professional Management Associates
12355 East Cornell Avenue
Aurora, CO 80014

Re: Stone Canyon Condominiums

Dear Cheryl,

Enclosed please find a copy of the following documents for your records:

Articles of Incorporation

Bylaws

Please contact me with any questions you have regarding the enclosed documents at (303) 892-5690 x15.

Sincerely,

Handwritten signature of Kelly Catherine Fuss in cursive.

Kelly Catherine Fuss
Office Manager
BCORP~HRT

Draft

ARTICLES OF INCORPORATION

OF

STONE CANYON CONDOMINIUM ASSOCIATION, INC.

(a Colorado Nonprofit Corporation)

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NAME

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Initial Principal Office: 1531 Stout Street, Suite 100, Denver, CO 80202

ARTICLE II

DURATION

The period of its duration shall be perpetual.

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PURPOSES

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<u>Name</u>	<u>Address</u>
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R. Adair Green	1531 Stout Street, Suite 100 Denver, CO 80202
Richard Patten	1531 Stout Street, Suite 100 Denver, CO 80202

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