

ARTICLES OF INCORPORATION OF  
BROOK FOREST AT FRISCO CONDOMINIUM ASSOCIATION

The undersigned, natural person of full age, acting as incorporator of a nonprofit corporation under the "Colorado Nonprofit Act", hereby adopts the following Articles of Incorporation, for such corporation to-wit:

ARTICLE I.  
NAME

The name of the Corporation shall be The Brook Forest at Frisco Condominium Association.

ARTICLE II.  
DURATION

The period of its duration is perpetual.

ARTICLE III.  
REGISTERED OFFICE AND AGENTS

The address of its initial registered office shall be at 301 Main Street, Frisco, Colorado 80443. The name of its initial registered agent at such address is Jim R. Hayes.

ARTICLE IV.  
CORPORATE PURPOSES

1. Brook Forest at Frisco Condominium Association shall be a non-stock, non-profit membership corporation.

2. Its purpose is to provide the community and common services to and for a condominium development initially containing four (4) units and ultimately containing thirteen (13) units, located on Exception No. 1, Amended West Frisco 70, Filing No. 2, Summit County, Colorado to be known as "Brook Forest at Frisco Condominiums".

3. The specific functions and powers of the corporation shall be as follows:

A. To acquire, construct, improve, maintain and operate common and community facilities of all kinds, including (but without limiting the generality of the foregoing):

(i) Parking areas, walks, and community recreational facilities.

B. To acquire, construct, improve, maintain and operate, or to

arrange for and promote the construction and operation of, and to grant franchises and easements for, utility systems, if necessary, including, but not limited to, community antenna television systems and community security and fire protection systems.

- C. To provide for and maintain a plan of trash removal, snow removal and maintenance and upkeep of the common facilities and common area.
- D. To administer, interpret and enforce, in conjunction with any other Owner's association which may be subsequently organized with respect to such area, all covenants running with the land on Exception No. 1, Amended West Frisco 70, Filing No. 2, Summit County, Colorado.
- E. To do any and all things which are necessary or conducive to the attainment of the corporation's purposes, including all things which a Colorado non-profit corporation may do.
- F. To be and constitute the Association to which reference is made in the Condominium Declaration for Brook Forest at Frisco Condominiums recorded in the office of the County Clerk and Recorder of Summit County, Colorado, relating to a condominium ownership on said parcel of real property in Summit County, Colorado, and to perform all of the obligations and duties of the Association and to exercise all of the rights and powers of the Association, as specified therein.
- G. To provide an entity for the furtherance of the interest of the owners of condominium units in said condominium.
- H. To make and collect assessments against members for the purpose of defraying the costs, expenses, and any losses of the Association or of exercising its powers or of performing its functions.

#### ARTICLE V. EXECUTION OF CONVEYANCE AND MORTGAGES

All conveyances and mortgages concerning real property shall be executed by any two of the following officers: President, Vice-President, Secretary. All other instruments of any nature may be executed by any one of such officers, or such other officers as are designated in the Bylaws.

#### ARTICLE VI. BOARD OF DIRECTORS

1. The corporation shall have initially three directors and the number of directors may be increased to five by the board of directors. Any increase beyond five directors shall be only by amendment to these Articles. At the first annual meeting of the Association the term of office of one Manager shall be fixed for one year; the term of office for two Managers shall be fixed for two years. At the

expiration of the initial term of office for each respective Manager, his successor shall be elected to serve a term of two years. The Managers shall hold office until their qualified successors have been elected and hold their first meeting.

2. The term "developer", as used in these Articles of Incorporation, means Jim R. Hayes.

3. The names and addresses of the persons who are to serve as the initial directors are:

Michael L. Canning	P.O. Box 280 Frisco, Colorado 80443
Jim Hayes	Frisco Real Estate Box 249 Frisco, Colorado 80443
Velma G. Hayes	Box 538 Davis, Oklahoma 73030

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

#### ARTICLE VII. MEMBERSHIP AND VOTING

This corporation shall be a membership corporation without certificates or shares of stock. There shall be one class of membership and there shall be one membership in the corporation for each owner of a condominium unit within the project as defined in the Condominium Declaration as the individual, individuals, firm, corporation, partnership, association or other legal entity, or any combination thereof, who owns one or more condominium units or an undivided interest therein. The total number of memberships shall not exceed thirteen (13).

Membership voting rights shall be based upon the percentage of the undivided interest of each condominium unit owner in and to the common elements.

If title to a condominium unit is held by more than one person or by a firm, corporation, partnership, association, or other legal entity, or any combination thereof, such owners shall execute a proxy appointing and authorizing one person or alternate persons to attend all annual and special meeting of members and thereat to cast whatever vote the owner himself might cast if he were personally present. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law.

A 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. The rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a condominium unit,

however, as further security for a loan secured by a lien on such condominium unit.

A transfer of membership shall occur automatically upon the transfer of title to the condominium unit to which the membership pertains.

The corporation may suspend the voting rights of a member for failure to comply with rules and regulations or the Bylaws of the corporation or with any other obligations of the owners of a condominium unit under the Condominium Declaration or agreement created thereunder.

#### ARTICLE VIII.

##### NON-PROFIT, CIVIC CHARACTER OF CORPORATION

1. The corporation is organized for civic improvement and community welfare purposes only. It shall not seek pecuniary gains for its members, and no part of its net revenues, if any, shall ever be distributed to or otherwise inure to the benefit of any member or other individual.

2. No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation and 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.

#### ARTICLE IX.

##### DISTRIBUTION OF RESIDUAL ASSETS ON DISSOLUTION

In the event of the dissolution of this corporation, either voluntarily by the members hereof, by operation of law, or otherwise, the assets of this corporation shall be deemed to be owned by the members in proportion to each member's ownership of the common elements of the condominium.

#### ARTICLE X

##### INDEMNIFICATION

1. The corporation shall be obligated to and shall indemnify developer and hold it harmless from all liability, loss, cost, damage and expense, including attorney's fees, arising with respect to any operations of the Brook Forest at Frisco Condominium Association.

2. The corporation shall indemnify any director, officer or employee, or former director, officer or employee of the corporation, against expenses actually and reasonably incurred by him (and not covered by insurance) in connection with the defense of any action, suit or proceeding in which he is made a party by reason of being such director, officer or employee, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding, to be liable for negligence or misconduct in the performance of his duties to the corporation or its members. The corporation may also reimburse any director, officer or employee, or former director, officer or employee, for the reasonable costs of the settlement of any such action, suit or proceeding, if it shall be found by a majority of the directors not involved in the matter in controversy (whether or not a quorum) that it

was in the interests of the corporation that such settlement be made and that such director, officer or employee was not guilty of negligence or misconduct. Such rights of indemnification and reimbursement shall not be exclusive of any other rights to which such director, officer or employee may be entitled under any bylaw, agreement, vote of members or otherwise.

Dated this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Jim R. Hayes, Incorporator  
P.O. Box 249  
Frisco, Colorado 80443

STATE OF COLORADO       )  
                                  ) ss.  
County of Summit        )

On this \_\_\_\_\_ day of \_\_\_\_\_, 198\_, before me, the undersigned Notary Public in and for said county and said state, personally appeared Jim R. Hayes to me known to be the person named in and who executed the foregoing Articles of Incorporation, and acknowledged that he executed the same as his voluntary act and deed.

\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_.