

ARTICLES OF INCORPORATION

FOR

OWL CREEK HOMES ASSOCIATION, INC. (a Colorado non-profit corporation)

The undersigned, being more than eighteen (18) years of age, acting as incorporator to organize and established a Association pursuant to the Colorado Corporation Code, set forth in Title 7 of the Colorado Revised Statutes, hereinafter the "Code," adopts the following Articles of Incorporation:

ARTICLE I Name

The name of the Association is Owl Creek Homes Association, Inc.

ARTICLE II Act

The Association is organized under the Colorado Non-Profit Corporation Act.

ARTICLE III Duration

The period of duration of the Association shall be perpetual.

ARTICLE IV Purposes

The Association has been formed to operate a common interest community pursuant to the Colorado Common Interest Ownership Act set forth in Title 38-33.3-101, et. seq. of the Colorado Revised Statutes and the Association's objects and purposes are as follows:

A. To operate the Common Interest Community (the "Common Interest Community") known as **Owl Creek Homes**, located in the municipality of the Town of Snowmass Village, County of Pitkin, State of Colorado, in accordance with the provisions of the Declaration of Condominiums (the "Declaration") therefor and the Colorado Non-Profit Corporation Act as they may be from time to time amended.

COMPUTER UPDATE COMPLETE

B. The Association shall promote the health, safety, welfare and common benefit of the residents of the Common Interest Community.

C. 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, the Declaration for the Common Interest Community, the Bylaws of the Association and any other documents and/or rules and regulations promulgated thereafter or governing the Association.

D. The foregoing statements of purpose shall be construed as a statement of both purpose and powers. The purposes and powers stated in each provision shall not be limited or restricted by reference to or inference from the terms or provisions of any other provision herein contained but shall be broadly construed as independent purposes and powers limited only by the laws of the State of Colorado.

ARTICLE V

Powers

The Association shall have all of the rights, privileges and powers now or hereafter conferred upon nonprofit Associations by the laws of the State of Colorado or upon Associations formed to administer Common Interest Communities. The Association shall have and may exercise all powers necessary or convenient to effect any of the purposes for which the Association has been formed.

In addition, but not in limitation thereto, the Association shall have the following specifically enumerated powers:

- A. To adopt and amend Bylaws and rules and regulations;
- B. To adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from Members;
- C. To hire and terminate managing agents and other employees, agents and independent contractors;
- D. To institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more members on matters affecting the Common Interest Community;
- E. To make contracts and incur liabilities;

F. To regulate the use, maintenance, repair, replacement, and modification of common elements as they may be defined in the Declaration created for the Common Interest Community;

G. To acquire, hold, encumber and convey in its own name any right, title or interest in real or personal property subject to the restriction that common elements may be conveyed or subjected to a security interest only pursuant to Section 38-33.3-3.12 of the Revised Colorado Statutes;

H. To impose and receive any payments, fines or charges for the use, rental or operation of the Common Interest Community's common properties; to impose charges for late payment of assessments, recover reasonable attorney's fees and other legal costs for collection of assessments and other actions to enforce the powers of the Association, regardless of whether or not suit was initiated and, after notice and an opportunity to be heard, levy reasonable fines for violation of the Declaration, Bylaws and rules and regulations of the Association;

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

J. To provide for the indemnification of its Officers and members of the Executive Board and maintain Executive Board's and Officer's liability insurance; and

K. To assign its right to future income, including the right to receive common expense assessments, but only to the extent that the Declaration expressly so provides.

ARTICLE VI **Stock/Members**

The Association shall issue no stock but shall have members.

The classes, rights, and qualifications and the manner of election or appointment of the Members are as follows:

A. Any person who holds title to a Unit (as defined in the Declaration) in the Common Interest Community shall be a Member of the Association. There shall be one membership for each Unit owned within the Common Interest Community. This membership shall be automatically transferred upon the conveyance of a Unit. Voting shall be one vote per unit and the vote to which each

membership is entitled is the vote assigned to its Unit in the Declaration of the Common Interest Community. 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 shall 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. In any meeting where only one co-owner appears, that co-owner's vote shall constitute the vote of that Unit.

B. The Members shall be of one class, owners who own Units as defined in the Covenants. Owners of Units shall elect all members of the Executive Board following the period of Declarant control (as both Declarant and Declarant control are defined in the Declaration). Notwithstanding anything herein contained, the Declarant of the Common Interest Community shall have additional rights as are provided under the Colorado Common Interest Ownership Act and the Declaration including the right to appoint members of the Executive Board.

ARTICLE VII **Executive Board**

The business and affairs of the Association shall be managed by its Executive Board.

The Association shall have one (1) member of the Executive Board until such time as Unit Owners other than the Declarant have the right to elect members of the Executive Board in which event the Executive Board shall consist of no less than three (3) members, the exact number of the Executive Board shall be determined in accordance with the Bylaws.

The names and addresses of the initial member of the Executive Board who shall serve until the first meeting of the Executive Board, and until their successors shall be elected is as follows:

Kenneth R. Sontheim
c/o The Snowmass Land Company
P.O. Box 6119
Snowmass Village, CO 81615

ARTICLE VIII
Declarant Right to Appoint Members to Executive Board

The Declarant or persons designated by Declarant, subject to certain limitations contained in the Colorado Common Interest Ownership Act and the Declaration, may appoint and remove the Officers and members of the Executive Board. The period of Declarant control terminates no later than the earlier of: (1) sixty (60) days after conveyance of seventy-five percent (75%) of the Units that may be conveyed to owners other than the Declarant; (2) two years after the last conveyance of a Unit by Declarant in the ordinary course of business; or (3) two years after any right to add new Units was last exercised. The Declarant may voluntarily surrender the right to appoint and remove Officers and members of the Executive Board or terminate the period of Declarant control, but in that event, the Declarant may require, for the duration of the period of time of Declarant control, that specified actions of the Association or the Executive Board, as described in a recorded instrument executed by the Declarant be approved by the Declarant before they become effective. Notwithstanding any of the foregoing, not later than sixty (60) days after the conveyance of twenty-five percent (25%) of the Units that may be created to owners other than a Declarant at least one member, and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by owners other than a Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units that may be created to owners other than a Declarant, not less than one-third of the members of the Executive Board must be elected by owners other than a Declarant.

ARTICLE IX
Bylaws

The initial Bylaws of the Association shall be adopted by the Executive Board.

ARTICLE X
Indemnity

The Association shall indemnify its members of the Executive Board and officers to the full extent permitted by Colorado law and the Code.

The personal liability of a member of the Executive Board to the Association for monetary damages for breach of fiduciary duty as a member of the Executive Board is limited to the full extent provided by Colorado law or the Code.

The members of the Executive Board, Officers and employees of the Association shall not, as such, be liable on its obligations.

Members of the Executive Board shall not be liable for actions taken or omissions made in the performance of corporate duties except for wanton and wilful acts or omissions or except for such liability as may be specifically imposed by the laws of the State of Colorado.

ARTICLE XI **Registered Agent**

The address of the initial registered office of the Association is:

c/o Garfield & Hecht, P.C.
601 East Hyman Avenue
Aspen, Colorado 81611

and the name of the initial registered agent of the Association at such address is:

Garfield & Hecht, P.C.

ARTICLE XII **Amendment**

The Association reserves the right to amend, alter or repeal any provisions contained in, or to add any provisions to, its Articles of Incorporation from time to time, in any manner now or hereafter prescribed or permitted by the Code, and all rights and powers conferred upon members of the Executive Board hereby are granted subject to this reservation. The specific provisions governing the amendment of these Articles shall be contained in the Bylaws.

ARTICLE XIII **Distribution of Assets on Dissolution**

The assets of the Association, when it dissolves shall be applied and distributed as follows:

A. All liabilities and obligations of the Association shall be paid and discharged, or adequate provisions shall be made therefore.

B. Assets held by the Association on condition requiring return, transfer, or conveyance which condition occurs by reason of the dissolution, shall be returned, transferred, or conveyed in accordance with such requirement.


C. The balance of assets of the Association shall be distributed to the Members in accordance with their Allocated Interests as that term is defined in the Declaration.

ARTICLE XIV
Incorporator

The name, street address and zip code of the Incorporator of the Association is as follows:

Michael J. Herron
Garfield & Hecht, P.C.
601 East Hyman Avenue
Aspen, Colorado 81611

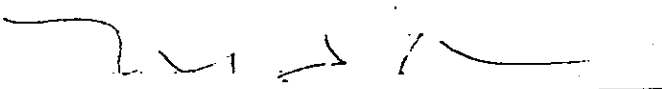
IN WITNESS WHEREOF, the undersigned, being the Incorporator herein of these Articles of Incorporation, has executed them this 23 day of October, 1995.



Michael J. Herron

The undersigned hereby accepts its appointment as Resident Agent of the Association.

GARFIELD & HECHT, P.C.

By: 

Michael J. Herron