

ARTICLES OF INCORPORATION

OF

NONPROFIT

CORONADO SUBDIVISION HOMEOWNERS ASSOCIATION

In compliance with the requirements of the Colorado Nonprofit Corporation Act, 1973 CRS 7-20-100 through 7-29-106, the undersigned, who is a resident of the State of Colorado and of full age, hereby establishes a corporation not for profit and adopts the following Articles of Incorporation:

ARTICLE I

The name of the corporation is Coronado Subdivision Homeowners Association, hereafter called the "Association."

ARTICLE II

The registered office of the Association is located at Prudential Monument Realty, Property Management, 759 Horizon Drive, Grand Junction, Colorado, 81506.

ARTICLE III

Dean Pfannenstiel, whose address is 759 Horizon Drive, Suite E, Grand Junction, Colorado, 81506, is hereby appointed the initial registered agent 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 the residence Lots and Common Area within the certain tract of property described as:

Coronado Subdivision,
Block 1, Lots 1-15,
Block 2, Lots 1-5,
Block 3, Lots 1-8

and common area described as Parcel A and Parcel B,
Mesa County, Colorado;

and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

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A. Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the office of the Clerk and Recorder of Mesa County, Colorado, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

B. Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to 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;

C. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

D. Borrow money, and with the assent of two thirds of each class of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

E. Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two thirds of each class of members, agreeing to such dedication, sale or transfer;

F. Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two thirds of each class of members;

G. Have and to exercise any and all powers, rights and privileges which a corporation organized under the Colorado Nonprofit Corporation Act by law may now or hereafter have or exercise.

ARTICLE V

Membership

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract

sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to an may not be separated from ownership or any lot which is subject to assessment by the Association.

ARTICLE VI

Voting Rights

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant (as defined in the Declaration), and shall be entitled to three votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- A. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- B. On July 1, 1983.

ARTICLE VII

Board of Directors

The affairs of this Association shall be managed by a Board of not less than three nor more than seven Directors, who need not be members of the Association. The initial Board of Directors shall consist of 3 members. Commencing with the First Annual Meeting, the Board of Directors shall consist of five members. The number of directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Raymond L. Quimby	16478 Beach Boulevard, #110 Westminister, CA 92683
Frank R. Castelli	23 Lawrence Street Cranston, Rhode Island 02920

Francis W. Doyle

15 Crestridge Drive
East Greenwich, RI 02818

At the first annual meeting the members shall elect one director for a term of one year, two directors for a term of two years and two directors for a term of three years; and at each annual meeting thereafter the members shall elect directors for a term of three years to replace those whose term has expired.

ARTICLE VIII

Dissolution

The Association may be dissolved with the assent given in writing and signed by not less than two thirds of each class of members. 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

Duration

The corporation shall exist perpetually.

ARTICLE X

Amendments

Amendment of these Articles shall require the assent of seventy-five percent of the entire membership.

ARTICLE XI

FHA/VA Approval

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

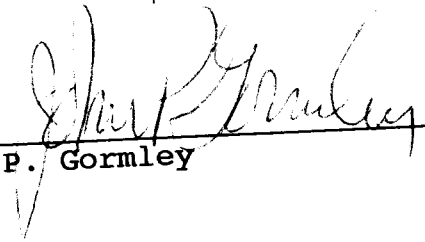
ARTICLE XII

Incorporator

The incorporator of this corporation and his address is as follows:

John P. Gormley
P.O. Box 338
Grand Junction, CO 81502

Executed this 17th day of April, 1991.



John P. Gormley

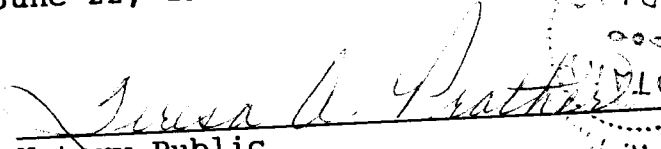
VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

I, Teresa A. Prather, a notary public hereby certify that on the 17th day of April, 1991, personally appeared before me John P. Gormley, who being by me first duly sworn, declared that he was the person who signed the foregoing document as incorporator and that the statements therein contained are true. The above incorporator also acknowledged before me that he executed the foregoing Articles of Incorporation.

WITNESS my hand and official seal.

My commission expires: June 22, 1993.



Notary Public

