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Page: 1 of 6
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ARTICLES OF INCORPORATION

OF

PIONEER PLAZA COMMERCIAL TOWNHOMES ASSOCIATION, INC.

Pursuant to §7-122-102, Colorado Revised Statutes (C.R.S.), the individual named below causes these Articles of Incorporation to be delivered to the Colorado Secretary of State for filing, and states as follows:

ARTICLE 1

NAME

The name of the nonprofit corporation is PIONEER PLAZA COMMERCIAL TOWNHOMES ASSOCIATION, INC. (herein the "Association").

ARTICLE 2

PRINCIPAL OFFICE

The initial principal office of the nonprofit corporation shall be 222 Elk Avenue, Crested Butte, CO 81224.

ARTICLE 3

DURATION

The nonprofit corporation shall have perpetual existence.

ARTICLE 4

REGISTERED AGENT AND ADDRESS

David Leinsdorf is hereby appointed the initial registered agent of the nonprofit corporation, and the address of the initial registered office shall be 215 Elk Avenue, Third Floor, Crested Butte, CO 81224 with a mailing address of P.O. Box 187, Crested Butte, CO 81224-0187.



555750

Page: 2 of 6
07/15/2005 01:16P
D 0.00

ARTICLE 5

PURPOSES AND POWERS OF THE ASSOCIATION

This nonprofit corporation does not contemplate pecuniary gain or profit to the members thereof. It is formed to:

5.1 Provide for maintenance and preservation of that project located on the property described on the Map ("Map") and in the Declaration of Pioneer Plaza Commercial Townhomes ("Declaration"), recorded in the Office of the Clerk and Recorder of Gunnison County, Colorado, and all amendments thereto; said Declaration is incorporated herein as if set forth at length; terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined; and any additions thereto as may be brought within the jurisdiction of the Association (herein the "Project");

5.2 Promote the interests of the residents within the Project;

5.3 Exercise all of the powers and perform all of the duties of the Association as set forth in the Association Documents and as required by the Colorado Common Interest Ownership Act, and the Colorado Revised Nonprofit Corporation Act;

5.4 Adopt and amend budgets for revenues, expenditures, and reserves, and fix, levy, collect and enforce payment, by any lawful means, of all charges and assessments pursuant to the terms of the Declaration and pay all expenses in connection therewith and all other expenses incident to the conduct of the business of the Association, including all licenses, taxes, or governmental charges levied or imposed against the Project, in its own name, in connection with the affairs of the Association;

5.5 Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, encumber, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property or interests therein, in its own name, in connection with the affairs of the Association upon receipt of any approval of Members as may be required in the Declaration.

5.6 Borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property or interests therein as security for money borrowed or debts incurred;

5.7 Engage in activities which will actively foster, promote and advance the common interests of all Members;

5.8 Hire and terminate Managers and other employees, agents, and independent contractors;

5.9 Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Project;



5.10 Enforce the Association Documents;

5.11 Enter into, make, perform or enforce contracts, licenses, easements, leases and agreements of every kind and description, incur liabilities, and do all other acts necessary, appropriate or advisable in carrying out any purpose of the Association with any person, firm, corporation or other entity or agency, public or private; provided, however, that the following contracts and leases, if entered into before the Executive Board elected by Owners takes office subsequent to termination of the Period of Declarant Control, may be terminated without penalty by the Association at any time after such date, upon not less than ninety (90) days' notice to the other party:

- A. Any management contract, employment contract, or lease of recreational or parking areas or facilities;
- B. Any other contract or lease between the Association and Declarant or an affiliate of a Declarant; or
- C. Any contract or lease that is not bona fide or was unconscionable to the Owners at the time entered into under the circumstances then prevailing; and

5.12 Adopt, alter and amend or repeal such Bylaws, and promulgate and publish such rules, regulations and restrictions, as may be necessary or desirable for the proper management of the affairs of this nonprofit corporation; provided, however, that they shall not be inconsistent with or contrary to any provision of these Articles of Incorporation, the Declaration, the Colorado Common Interest Ownership Act, the Colorado Revised Nonprofit Corporation Act or any Association Documents.

ARTICLE 6

MEMBERSHIP

6.1 The Association will have members. Every person or entity who is a record Owner of a fee or undivided fee interest in any Unit which is now or hereafter subject to assessment as provided in the Declaration, including contract sellers, shall be a Member of the nonprofit corporation. Acquisition by such Owner of an interest in a Unit shall be deemed such Owner's consent to admission as a Member, and such membership may not be terminated without divestiture of such interest in a Unit. Following termination of the Project, the membership shall consist of all former Owners entitled to distribution of proceeds under the Act or their heirs, personal representatives, successors or assigns. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Association.



6.2 A transfer of membership shall occur automatically upon the transfer of title to the Unit to which the membership pertains. The Association may suspend the rights of a Member in compliance with the provisions of the Declaration.

ARTICLE 7

VOTING RIGHTS

The Association shall have one class of membership consisting of all Owners of Units in Pioneer Plaza Commercial Townhomes. Except as otherwise provided for in the Declaration, each Member shall be entitled to vote in all matters affecting the Association. The total number of votes which may be cast in connection with any matter shall be determined in accordance with the provisions of the Declaration. During the Period of Declarant Control, except as may otherwise be provided in the Declaration, the Declarant or persons appointed by the Declarant may appoint and remove all Officers and members of the Executive Board. The Declarant may voluntarily surrender the right to appoint and remove Officers and members of the Executive Board before termination of the Period of Declarant Control; but, in that event, the Declarant may require, for the duration of the Period of Declarant Control, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

ARTICLE 8

EXECUTIVE BOARD

8.1 The affairs of the nonprofit corporation shall be managed by an Executive Board of three (3) Directors. Except for members of the Executive Board appointed by the Declarant during the Period of Declarant Control, all members of the Executive Board shall be Members of the Association, or in the event that a Member is an entity other than a natural person, such member of the Executive Board shall be an authorized representative of such entity Member. Upon expiration of the Period of Declarant Control, the Members shall elect all three directors to the Executive Board, one of whom shall serve for an initial term of one (1) year, one of whom shall serve for an initial term of two (2) years and one of whom shall serve for an initial term of three (3) years. After the initial terms, all members of the Executive Board shall serve for terms of two (2) years. The number of Directors may be changed by amendment of the Bylaws of the nonprofit corporation. The names and addresses of the persons who are to act in the capacity of the initial Directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>	<u>Initial Term</u>
Eric B. Roemer	P.O. Box 607, Crested Butte, CO 81224	3 years
William Oberling	P.O. Box 325, Crested Butte, CO 81224	2 years
James Michael Marra	P.O. Box 101, Crested Butte, CO 81224	1 year



8.2 The Association shall indemnify its Directors as provided in the Bylaws.

8.3 The personal liability of a Director, other than Declarant appointed Directors, to the nonprofit corporation or its members for monetary damages for breach of fiduciary duty as a Director is eliminated; except that this shall not eliminate or limit the liability of a Director to the Association or its members for monetary damages for: any breach of the Director's duty of loyalty to the nonprofit corporation or its members; wanton or willful acts or omissions; acts specified in Section 7-128-403 C.R.S., as now in effect or hereafter amended; or any transaction from which the Director derived an improper personal benefit; or any act or omission occurring prior to the date when this provision becomes effective.

ARTICLE 9

DISSOLUTION

9.1 The nonprofit corporation may be dissolved with the assent given in writing, and signed by Members holding not less than eighty percent (80%) of the votes in the Association.

9.2 Upon dissolution of the nonprofit corporation other than merger or consolidation, the assets, both real and personal, of the nonprofit corporation, shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the nonprofit corporation. If such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the Association.

ARTICLE 10

OFFICERS

The Executive Board may appoint a President, a Vice President, a Secretary, a Treasurer and such other officers as the Board, in accordance with the provisions of the Bylaws, believes will be in the best interests of the nonprofit corporation. The officers shall have such duties as may be prescribed in the Bylaws and shall serve at the pleasure of the Executive Board.



ARTICLE 11

AMENDMENTS

11.1 Amendment of these Articles shall require the assent given in writing, and signed by Members holding not less than eighty percent (80%) of the votes in the Association, in person or by proxy, at an annual meeting of the Members or at a special meeting called for this purpose; provided, however, that no amendment to these Articles of Incorporation shall be contrary to or inconsistent with any provision of the Declaration.

ARTICLE 12

INCORPORATION

12.1 The Incorporator of this corporation and his address are as follows:

David Leinsdorf
215 Elk Avenue, P.O. Box 187
Crested Butte, CO 81224

ARTICLE 13

INDIVIDUAL CAUSING ARTICLES TO BE FILED

13.1 The name and mailing address of individual who causes this document to be delivered for filing, and to whom the Secretary of State may deliver notice if filing of this document is refused, is David Leinsdorf, P.O. Box 187, Crested Butte, CO 81224.

13.2 The electronic mail and/or Internet address for this individual is: e-mail dleinsdorf@rmi.net.

13.3 The Colorado Secretary of State may contact the following authorized person regarding this document: David Leinsdorf, P.O. Box 187, 215 Elk Avenue, Crested Butte, CO 81224, phone (970) 349-6111, fax (970) 349-6243, e-mail dleinsdorf@rmi.net.