STATE OF COLORADO

DEPARTMENT OF
STATE

CERTIFICATE

I, NATALIE MEYER, Secretary of State of the State of Colorado hereby certify that the prerequisites for the issuance of this certificate have been fulfilled in compliance with law and are found to conform to law.

Accordingly, the undersigned, by virtue of the authority vested in me by law, hereby issues A CERTIFICATE OF INCORPORATION TO THE VILLAS AT SINGLETREE CONDOMINIUM ASSOCIATION, A NONPROFIT CORPORATION.

Dated: JUNE 22, 1989

Natalie Meyer

SECRETARY OF STATE

NONPROFIT

ARTICLES OF INCORPORATION

OF

THE VILLAS AT SINGLETREE CONDOMINIUM ASSOCIATION

FILED
JUN 22 1989
STATE OF COLORADO
DEPARTMENT OF STATE

The undersigned, desiring to establish a nonprofit corporation pursuant to the Colorado Nonprofit Corporation Act, hereby certifies:

ARTICLE I

The name of the corporation shall be: THE VILLAS AT SINGLETREE CONDOMINIUM ASSOCIATION.

ARTICLE II

The corporation shall have perpetual existence.

ARTICLE III

(a) Purposes. The objects and purposes of the corporation shall be: (i) to provide for the care, upkeep and supervision of The Villas At Singletree Condominiums in Eagle County, Colorado (the "Premises"), as further described in a condominium declaration recorded in the Eagle County real property records and all amended and supplemental declarations filed from time to time (the "Declaration") including the general common elements and all recreational facilities maintained thereon from time to time (if any); (ii) to regulate and control the relationships between the owners (the "Owners") of condominium units ("Units") on the Premises in connection with their ownership of the Units; (iii) to provide for the pleasure and recreation of the Owners; and (iv) to promote the best interests of the Owners for the purpose of securing for them the fullest utilization and enjoyment of the Premises.

(b) Powers. In furtherance of the foregoing purposes, but not otherwise, the corporation (which is sometimes hereinafter called the Association) shall have and may exercise all of the following powers:

(i) Real and Personal Property. To acquire, by gift, purchase, trade or any other method, own, operate, build, manage, sell, develop, encumber, and otherwise deal in and with real and personal property of every kind and character, tangible and intangible, wherever located, and interests of every sort therein; however, the Association may not seek to abandon, partition, subdivide, encumber, sell or transfer any general or limited common elements (as defined in the Declaration) without the prior written consent by the

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owners and first lienors of 75.0% or more of the general common elements, except that the Association may grant rights of use by easement, lease, license or permit as provided for in the Declaration.

(ii) Borrowing. To borrow funds or raise monies in any amount for any of the purposes of the Association and from time to time to execute, accept, endorse and deliver as evidences of such borrowing, all kinds of instruments and securities, including, but without limiting the generality of the foregoing, promissory notes, drafts, bills of exchange, warrants, bonds, debentures, property certificates, trust certificates and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment and performance of such securities by mortgage on, or pledge, conveyance, deed or assignment in trust of, the whole or any part of the assets of the Association, real, personal or mixed, including contract rights, whether at the time owned or hereafter acquired.

(iii) Contracts. To enter into, make, amend, perform and carry out, or cancel and rescind, contracts, leases, permits and concession agreements for any lawful purposes pertaining to its business.

(iv) Guaranties. To make any guaranty respecting securities, indebtedness, notes, interest, contracts or other obligations created by any individual, partnership, association, corporation or other entity, and to secure such guaranties by encumbrance upon any and all assets of the Association, to the extent that such guaranty is made in pursuance of the purposes herein set forth.

(v) Loans. To lend money for any of the purposes above set forth; to invest its funds from time to time and take and hold real and personal property as security for payment of funds so loaned or invested.

(vi) Assessments. To levy annual assessments and special assessments against the Owners for common expenses, to charge interest on unpaid assessments and to collect dues, fees, late charges and interest and to enforce liens given as security for such assessments, dues, fees, charges and interest, all as provided for in the Declaration.

(vii) General Powers. To do everything necessary, suitable or proper for the accomplishment of any of the purposes, the attainment of any of the

objects, or the furtherance of any of the powers above set forth, either alone or in connection with other corporations, firms or individuals, either as principal or agent, and to do every act or thing incidental or appurtenant to, or growing out of, or connected with any of the aforesaid objects, purposes or powers.

(viii) Rule Making. To make and enforce rules and regulations with regard to the management and operation of the Premises.

(ix) Management, Maintenance and Repair. To provide for the management, maintenance and repair of the Premises.

(x) Mortgage Purchasers. To take any action or enter into any agreement that may be required as a condition to allow any first lienor to sell his interest in any Unit to the Federal National Mortgage Association, the Governmental National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Department of Housing and Urban Development.

(xi) Powers Conferred By Law. The foregoing enumeration of specific powers shall not limit or restrict in any manner the general powers of the Association and the enjoyment and exercise thereof as now or hereafter conferred by the laws of Colorado.

(c) Restrictions Upon Purposes and Powers. The foregoing purposes and powers of the Association are subject to the following limitations:

(i) That the Association shall be organized and operated exclusively for pleasure, recreational and other non-profitable purposes as set forth in Section 501(c)(7) of the Internal Revenue Code of 1986, as it is now or may hereafter be amended, or in any corresponding provisions of any future law of the United States of America providing for exemption of similar organizations from income taxation; and

(ii) That no part of the net earnings of the Association shall inure to the benefit of any member.

(d) Dividends, Distributions, etc. The Association shall not pay any dividends. No distribution of the corporate assets to members, as such, shall be made until all corporate debts are paid, and then only upon final dissolution of the Association by the affirmative vote of at least 75% of the votes of all of the members at any regular or special meeting called for that purpose at which a quorum shall be represented. Upon such dissolution

and distribution, the assets remaining after payment of all debts shall be distributed among the members of the Association in accordance with the Owners' "Sharing Ratio" as defined in the Declaration.

ARTICLE IV

The operations of the Association shall be conducted at such places within or outside of the United States as may from time to time be determined by the board of directors. The address of the initial registered and principal office of the corporation is 23698 U. S. Highway 24, P. O. Box 388, Vail, Colorado 81658. The name of its initial registered agent at such address is Carl M. Dietz.

ARTICLE V

(a) Members. Any individual, corporation, partnership, association, trust or other legal entity or combination of entities owning an undivided fee simple interest in a Unit, shall automatically be a member of the Association. Such membership shall be continuous throughout the period that such ownership continues. Except for the Declarant membership, as defined hereinbelow, a membership shall terminate automatically without any Association action whenever such individual, organization or group ceases to own a Unit. Termination of membership shall not relieve or release any former member from any liability or obligation incurred by virtue of or in any way connected with ownership of a Unit, or impair any rights or remedies which the Association or others may have against such former Owner and member arising out of or in any way connected with such ownership or membership.

(b) Classes of Membership. The Association shall have the following classes of membership:

(i) Individual Membership. Any individual acquiring such an interest in a Unit shall automatically become an individual member of the Association.

(ii) Organizational Membership. Any corporation, partnership, association, trust or other legal entity acquiring such an interest in a Unit shall automatically become an organizational member of the Association. Each organizational member shall from time to time designate one or more individuals who may represent it at meetings and vote on behalf of such member. The secretary of the Association shall maintain a list of the persons entitled to vote on behalf of such member, and until the Association is notified to the contrary, any action taken by such

persons purporting to act on behalf of the organizational member shall be binding on such member.

(iii) Declarant Membership. "Declarant", as defined in the Declaration, shall be a member of the Association until such time as no additional part of the "Additional Property", as defined in the Declaration, may by right, be made subject to the Declaration or until all of the Additional Property has been made subject to the Declaration and 90% of all of the Units constructed on the Premises and the Additional Property have been sold and conveyed by Declarant, whichever first occurs. Declarant shall, from time to time, designate one or more individuals who may represent it at meetings and vote on its behalf.

(iv) Number of votes. So long as the Declarant is a member by reason of the Declarant membership, the total number of votes of all members shall be equal to the total number of Units plus one. At such time as the Declarant membership has terminated, the total number of votes of all members shall be equal to the total number of Units. Each member shall be entitled to cast one vote at any meetings of members. Each member who is a co-owner of a Unit (including a joint tenant) shall have the right to vote only a number of votes equal to the product of his undivided interest in a Unit multiplied by the total number of votes appurtenant to the Unit. For purposes of this Paragraph, each joint tenant of a Unit shall be deemed to own an undivided interest in his Unit equal to 100 percent divided by the total number of joint tenants.

(d) Amendment. This Article V may be amended only by the unanimous vote of all members.

ARTICLE VI

(a) Board of Directors. The control and management of the affairs of the Association and the disposition of its funds and property shall be vested in a board of directors. So long as Declarant is a member by reason of the Declarant membership, the number of directors shall be three. Two of the directors shall be denominated as Class A directors and one of the directors as a Class B director. The Declarant shall have the sole right to vote for and elect both Class A directors and to remove any Class A director with or without cause at any time and to fill all vacancies of all Class A directors. The Class B director shall be elected by a majority vote of the members other than Declarant entitled to vote at a meeting at which directors are to be elected. At such time as the Declarant membership has

terminated, the board of directors shall no longer be denominated by classes and the number of directors (which may not be less than three), their terms of office and the manner of their selection or election shall be determined according to the bylaws from time to time in effect. Cumulative voting shall not be allowed in the election of directors or for any other purpose. The names and addresses of those comprising the first board of directors, to serve until their successors shall be duly elected, are as follows:

CLASS A DIRECTORS

Carl M. Dietz	P. O. Box 388 Vail, Colorado 81658
Gail Dietz	P. O. Box 388 Vail, Colorado 81658

CLASS B DIRECTOR

Jay K. Peterson	P. O. Box 3149 Vail, CO 81658

(b) Executive Committee. The board of directors may by resolution designate two or more of their number to constitute an executive committee which shall have and exercise all of the power of the board of directors in the management of the business and affairs of the Association or such lesser authority as may be set forth in such resolution. No such delegation of authority shall relieve the board of directors or any member of the board from any responsibility imposed by law.

(c) Liability of Directors. A director of the Association shall have no personal liability to the Association or its members for monetary damages for breach of fiduciary duty as a director; provided, however, that this provision shall not eliminate or limit the liability of a director resulting from (i) any breach of the director's duty of loyalty to the Association or to its members, (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) acts specified in Section 7-24-111 (C.R.S.), or (iv) any transaction from which the director derived an improper personal benefit.

(d) Amendment. This Article VI may be amended only by the unanimous vote of all members.

ARTICLE VII

The Association shall have such officers as may from time to time be prescribed by the bylaws. Their terms of office and the

manner of their designation or selection shall also be determined according to the bylaws from time to time in effect.

ARTICLE VIII

The board of directors shall have power to appoint a manager, which may be a corporation, to carry on day-to-day maintenance, repair and service functions for the Association. The Association may enter into a contract with such manager if the contract may be terminated by the Association without cause or payment of a termination fee on 90 days or less written notice and such contract has a term of not more than three years (including all renewals) and with such other provisions as the board of directors may approve.

ARTICLE IX

Authority to covey or encumber the property of the Association and to execute any deed, contract or other instrument on behalf of the Association for itself or as attorney-in-fact for one or more of the members is vested in the president or any vice president. All instruments conveying or encumbering such (whether or not executed as such attorney-in-fact) shall be executed by the president or a vice president and attested by the secretary or an assistant secretary of the Association.

ARTICLE X

The following provisions are inserted for the management of the business and for the conduct of the affairs of the Association, and the same are in furtherance of and not in limitation or exclusion of the powers conferred by law:

(a) Board of Directors To Exercise General Power. All corporate powers except those by law or by these articles expressly require the consent of the members shall be exercised by the board of directors or the executive committee.

(b) Compensation of Directors and Members. The board of directors is hereby authorized to make provision for reasonable compensation to its members and to members of the Association for their services, and to reimburse such members for expenses incurred in connection with furthering the purposes of the Association. The board of directors shall fix the basis and conditions upon which such compensation and reimbursement shall be paid. Any director of the Association may also serve in any other capacity and receive compensation and reimbursement for such other work.

first duly sworn, severally declared that he was the person who signed the foregoing documents as incorporator and that the statements therein contained are true.

Nancy L Estes

Notary Public
My commission expires: 5/7/90