

ARTICLES OF INCORPORATION

OF

THE MAJORCA CONDOMINIUMS ASSOCIATION, INC.

2151

For the purposes of forming a nonprofit corporation pursuant to the provisions of the Colorado Nonprofit Corporation Act, the undersigned hereby associate themselves together and have made, signed and acknowledged the following articles:

ARTICLE I

Name

The name of the corporation shall be: THE MAJORCA CONDOMINIUMS ASSOCIATION, INC.

ARTICLE II

Duration

The period of duration of this corporation shall be perpetual.

ARTICLE III

Purposes

The business, objectives and purposes for which the corporation is formed are as follows:

A. To be and constitute the Association to which reference is made in the Declaration of Covenants, Conditions and Restrictions of The Majorca Condominiums (herein sometimes called the "Declaration") recorded or which will be recorded in the office of the Clerk and Recorder of the City and County of Denver, State of Colorado, relating to a condominium ownership project (herein sometimes called the "Condominium Project") in the City and County of Denver, State of Colorado, and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association, as specified therein.

B. To provide an entity for the furtherance of the interest of the Owners of Units, as defined in the Declaration in the Condominium Project.

ARTICLE IV

Powers

In furtherance of its purposes, but not otherwise, the corporation shall have the following powers:

A. All of the powers conferred upon nonprofit corporations by the common law and the statutes of the State of Colorado in effect from time to time.

B. All of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Association under the above-referenced Declaration (terms which

are defined in the Declaration shall have the same meanings herein unless otherwise defined, including, without limitation, the following powers:

1. To make and collect assessments against members for the purpose of defraying the costs, expenses and any losses of the corporation, or of exercising its powers or of performing its functions.
2. To manage, control, operate, maintain, repair, and improve the General Common Elements.
3. To enforce covenants, restrictions and conditions affecting any property to the extent this corporation may be authorized under any such covenants, restrictions or conditions and to make and enforce rules and regulations for use of property in the Condominium Project.
4. To engage in activities which will actively foster, promote and advance the common ownership interests of Owners of Units.
5. To buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate and otherwise deal with and in, real, personal and mixed property of all kinds, and any right or interest therein, for any purpose of this corporation
6. To borrow money and secure the repayment of monies borrowed for any purpose of this corporation, limited in amount or in other respects as may be provided in the By-Laws of this corporation or in the Declaration.
7. To enter into, make, perform, or enforce contracts of every kind and description, including, without limitation, a contract for management services, and to do all other acts necessary, appropriate or advisable in carrying out any purpose of this corporation, with or in association with any person, firm, association, corporation or other entity or agency, public or private.
8. To act as agent, trustee or other representative of other corporations, firms and individuals and as such to advance the business or ownership interests of such corporation, firms or individuals.
9. To adopt, alter, and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the affairs of this corporation, provided, however, that such By-Laws may not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the Declaration.
10. The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article IV are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provisions of this Article IV.

C. Notwithstanding the above, unless at least seventy-five percent (75%) of the first Mortgagees of Units (based upon one vote for each first Mortgage owned or held) have given their prior written approval, the Association shall not be empowered or entitled to:

1. by act or omission, seek to abandon or terminate the Condominium Project;

- 2. partition or subdivide any Unit;
- 3. by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any of the General or Limited Elements;
- 4. use hazard insurance proceeds for loss to the improvements for other than repair, replacement or reconstruction of such improvements.

ARTICLE V

Memberships

This corporation shall be a membership corporation without certificate 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 Unit.

All members shall be entitled to vote on all matters, with one vote per Unit except any members who are in default in any obligations to this corporation. Cumulative voting is prohibited. If title to any Unit shall be held by two or more co-tenants, then each such co-tenant shall be a member of this corporation and shall be entitled to a vote equal in weight to such co-tenant's percentage of ownership of the Unit. The co-tenant's percentage of ownership of a Unit shall be as determined by the properly recorded title document of such Unit; in the absence of specific limitation, co-tenants shall be presumed to have equal undivided interests. No person or entity other than an Owner of a Unit may be a regular member of the corporation.

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 Unit to which the membership pertains, provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a Unit as further security for a loan secured by a lien on such Unit.

A transfer of membership shall occur automatically upon the transfer of title to the Unit to which the membership pertains, provided, however, that the By-Laws of the corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the corporation.

The corporation may suspend the voting rights of a member for failure to comply with rules and regulations or the By-Laws of the corporation or with any other obligations of the Owners of a Unit under the Declaration, or agreement created pursuant thereto.

The By-Laws may contain provisions not inconsistent with the foregoing, setting forth the rights, privileges, duties, and responsibilities of the members.

ARTICLE VI

Board of Directors

The business and affairs of the corporation shall be conducted, managed and controlled by a Board of Directors.

The Board of Directors shall consist of not less than three (3) nor more than ten (10) members, the specified number to be set forth from time to time in the By-Laws of the corporation. In the absence of any provision in the By-Laws, the Board shall consist of three (3) members. In all events, however, the terms of at least one-third (1/3) of the members of the Board shall expire annually.

Members of the Board of Directors shall be elected in the manner determined by the By-Laws. All persons comprising the Board of Directors shall be Owners of Units, except as provided herein.

Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided in the By-Laws.

The initial Board of Directors shall consist of three (3) persons and the names and addresses of the members of the initial Board of Directors who shall serve until the first election of Directors by the members and until their successors are duly elected and qualified, are as follows:

| <u>Name</u> | <u>Address</u> |
|-----------------|--|
| K. M. O'DONNELL | 3250 - 5th Street Boulder, CO 80302 |
| TERRY O'DONNELL | 3250 - 5th Street Boulder, CO 80302 |
| JOHN W. PARKS | 3250 - 5th Street Boulder, CO 80302 |

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

Notwithstanding anything to the contrary provided for herein, however, until P. & O. CONDOS, INC. has sold eighty percent (80%) of the Units, the members of the Board of Directors of the Association shall be appointed by said company, its successor or assign, unless such right is relinquished earlier.

ARTICLE VII

Officers

The Board of Directors may appoint a President, one or more Vice-Presidents, a Secretary, a Treasurer, and such other offices as the Board, in accordance with the provisions of the By-Laws, as it believes will be in the best interests of the corporation. The officers shall have such duties as may be prescribed in the By-Laws of the corporation and shall serve at the pleasure of the Board of Directors.

ARTICLE VIII

Conveyances and Encumbrances

Corporate property may be conveyed or encumbered by authority of the corporation and the Board of Directors. Conveyances or encumbrances shall be by instrument executed by the President or a Vice-President and by the Secretary or the Treasurer or an Assistant Secretary or Assistant Treasurer or executed by such other person or persons to whom such authority may be delegated by the Board.

ARTICLE IX

Initial Registered Office and Agent

The initial registered office of the corporation shall be 1150 Delaware Street, Denver, Colorado 80204. The initial registered agent at such office shall be Mark Lee Levine.

ARTICLE X

Incorporation

The incorporators of this corporation and their addresses are as follows:

(names on following page)

(incorporators)

| <u>Name</u> | <u>Address</u> |
|-----------------|--|
| K. M. O'DONNELL | 3250 - 5th Street Boulder, CO 80302 |
| TERRY O'DONNELL | 3250 - 5th Street Boulder, CO 80302 |
| JOHN W. PARKS | 3250 - 5th Street Boulder, CO 80302 |

ARTICLE XI

Dissolution

In the event of the dissolution of this corporation, either voluntarily by the members hereof, by operation of law, or otherwise, then the assets of this corporation shall be deemed to be owned by the members at the date of dissolution in proportion to each member's ownership of the General Common Elements of the Project.

ARTICLE XII

Amendments

Amendments to these Articles of Incorporation shall be adopted, if at all, in the manner as set forth in the Colorado Nonprofit Corporation Act provided, however, that no amendment to the Articles of Incorporation shall be contrary to or inconsistent with any provision of the declaration.

Executed this 1 day of Sept, 1978.

RECORDED

ROLL 431

SECRETARY OF STATES OFFICE

K. M. O'Donnell
K. M. O'DONNELL

Terry O'Donnell
TERRY O'DONNELL

John W Parks
JOHN W. PARKS

STATE OF COLORADO
CITY AND COUNTY OF DENVER

The foregoing instrument was acknowledged before me this day of Sept, 1978, by K. M. O'DONNELL, TERRY O'DONNELL, and JOHN W. PARKS. WITNESS my hand and official seal.

My commission expires: July 15, 1982

(SEAL)

Lyman M. ...
Notary Public