

ARTICLES OF INCORPORATION
OF
THE CHAMBERTIN TOWNHOUSE HOMEOWNERS ASSOCIATION

The undersigned hereby signs and acknowledges, for delivery in duplicate to the Secretary of State of Colorado, these Articles of Incorporation for the purpose of forming a nonprofit corporation under the Colorado Nonprofit Corporation Act.

ARTICLE I
NAMES

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SECRETARY OF STATE
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The name of the corporation is The Chambertin Townhouse Homeowners Association, (hereinafter referred to as the "Association").

ARTICLE II
REGISTERED OFFICE AND REGISTERED AGENT

The registered office of the Association is located at Ste. 235, 41185 U. S. Highways 6 & 24, Avon, Colorado 81620 and the name of the registered agent at that address is Brian E. O'Reilly.

ARTICLE III
INITIAL PRINCIPAL OFFICE

The address of the Corporation's initial principal offices is c/o Florence Leroy, P. O. Box 1102, Avon, Colorado 81620.

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 in the Common Interest Community comprised of the lots or living units and common area within that certain tract of property described as :

The Chambertin Subdivision, Filing No. 1, a replat of Lots 46 and 47, Block 1, Benchmark at Beaver Creek, Amendment No. 4; Town of Avon, County of Eagle, Colorado, and property added thereto by supplement to the Declaration of Covenants, Conditions and Restrictions of the property (the "Project"),

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

(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 of The Chambertin Subdivision, First Filing, a replat of Lots 46 and 47, Block 1, Benchmark at Beaver Creek, Amendment No. 4, Town of Avon, county of Eagle, Colorado, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the office of the Clerk and Recorder of the County of Eagle, State of

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-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 three-fourths (3/4) of the members and not less than 75% of the holders of first mortgages, 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

ARTICLE V MEMBERSHIPS

This corporation shall be a membership corporation without certificates or shares of stock. There shall be one (1) membership in the Association for each of the Townhouse Units existing in the Project. No person or entity other than an Owner of a Unit may be a member of the corporation. The rights of all members of the Association shall be identical, with each membership being entitled to one (1) vote, all of which is prescribed and defined in the Declaration. When more than one person holds such interest or interests in any living Unit, all such persons shall be members and the vote for such living unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Unit.

Subject to the restrictions contained in the Declaration, the Association may suspend the voting rights of a member for failure to comply with rules or regulations of the corporation or with any other obligations of the owners of a Unit under the Declaration. 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 appurtenant to transfer of title to the Unit to which the membership pertains; provided, however, that the rights of other security instrument on a Unit as further security for a loan secured by a lien on such Unit. Membership may be assigned to the holder of a mortgage, deed of trust, or a transfer of membership shall occur automatically upon 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. Members shall have no preemptive right to the purchase of other Units or the memberships appurtenant 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 LIMITATIONS

(a) The Association shall be prohibited from engaging in any regular business or activity of a kind ordinarily carried on for profit, and no part of the income or net earnings shall inure to the benefit of, or be distributable to, any member, director or officer of the Association or to any other private individual (except that reasonable compensation may be paid for services rendered to or for the Association in effecting one (1) or more of its purposes, and reimbursement may be made for any expenses incurred for the Association by

any officer, director, member, agent or employee, or any person or corporation, pursuant to and upon authorization of the Board of Directors).

(b) No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding the any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income taxation under the provisions, applicable to this corporation, of Section 501(c) of the Internal Revenue Code of 1954, as amended (or the corresponding provision of any future United States or Colorado law).

(c) In the event of dissolution of the corporation, the property and assets thereof remaining, after providing for all obligations and liabilities of the corporation, shall then be disposed of exclusively for the purposes of the corporation in such manner, or to such organization or organizations exempt from taxation under Section 501(c) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States or Colorado law), as shall be determined by the Board of Directors.

ARTICLE VII BOARD OF DIRECTORS

(a) The general management of the affairs of this Association shall be exercised by a Board of Directors, which shall consist of not more than seven (7) nor less than three (3) directors; the specific number to be set forth from time to time in the by-laws of the corporation; and the names and addresses of the persons who shall serve until the first election of the members and until their successors are elected and shall qualify, are:

James E. Turley
9936 Boat Club Road
Ft. Worth, Texas 76179

Keith Spero
2 Bratenahl Place #5B
Bratenahl, Ohio 44108

Florence Leroy
P. O. Box 1102
Avon, Colorado 81620.

No decrease in the number of directors shall have the effect of shortening the term of any incumbent director. Members of the Board of Directors shall be elected at the annual meeting of the members in the manner provided in the by-laws.

(b) The Board of Directors shall adopt by-laws and shall have the power to make, alter, amend or repeal such by-laws by the affirmative vote of a majority of the members of the Board of Directors as then constituted as they may deem proper and advisable for the management and operation of the membership and affairs of the Association, provided that any of such by-laws may be altered, amended or repealed by the affirmative vote of a majority of the members of this Association constituting a quorum at any meeting.

(c) No contract or other transaction between the Association and its directors, officers or members, or between the Association and any firm in which one (1) or more of its directors, officers or members are employed or interested shall be invalid solely because of the fact of such employment or interest, if the fact of such employment or interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless authorize, approve and ratify such contract or transaction by a vote of a majority of the directors present, such interested director or directors to be counted in determining whether

a quorum is present, but not be counted in calculating the majority necessary to carry such vote and not to be permitted to vote upon such question. This section shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

ARTICLE VIII CUMULATIVE VOTING

Cumulative voting shall not be allowed in the election of directors, nor for any other purpose.

ARTICLE IX LIABILITY OF DIRECTORS

The Directors shall have no personal liability to the Association or to its members for monetary damages for breach of fiduciary duty as a director; except that this provision does not eliminate or limit the liability of a director for: any breach of the directors' duty of loyalty to the Association or its members; acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or any transaction from which the director derives an improper personal benefit.

This provision shall not affect the liability of a director for any act or omission occurring prior to the effective date of this provision.

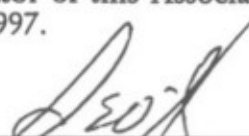
ARTICLE X DURATION

The corporation shall exist perpetually.

ARTICLE XI AMENDMENTS

Amendment of these Articles shall require the assent of seventy-five percent (75%) affirmative vote of the entire membership.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Colorado, I, the undersigned incorporator of this Association, have executed these Articles of Incorporation this 2nd day of April, 1997.



Brian E. O'Reilly
P. O. Box 5780
Avon, Colorado 81620
970/949-1636

The undersigned additionally consents to his appointment as the initial registered agent of The Chambertin Townhouse Homeowners Association.



Brian E. O'Reilly

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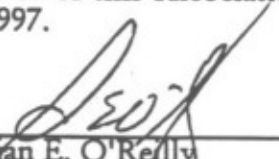
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