



STATE OF COLORADO

DEPARTMENT OF
STATE

CERTIFICATE

I, *DONETTA DAVIDSON*, SECRETARY OF STATE OF THE STATE OF
COLORADO HEREBY CERTIFY THAT

ACCORDING TO THE RECORDS OF THIS OFFICE

CASTLE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.
(COLORADO NONPROFIT CORPORATION)

FILE # 20011209455 WAS FILED IN THIS OFFICE ON October 31, 2001
AND HAS COMPLIED WITH THE APPLICABLE PROVISIONS OF THE
LAWS OF THE STATE OF COLORADO AND ON THIS DATE IS IN GOOD
STANDING AND AUTHORIZED AND COMPETENT TO TRANSACT BUSINESS
OR TO CONDUCT ITS AFFAIRS WITHIN THIS STATE.

Dated: November 01, 2001

Donetta Davidson

SECRETARY OF STATE

FILED - CUSTOMER COPY
DONETTA DAVIDSON
COLORADO SECRETARY OF STATE

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\$ 100.00

SECRETARY OF STATE

10-31-2001 12:50:25

ARTICLES OF INCORPORATION
OF
CASTLE HIGHLANDS HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of the Colorado Revised Nonprofit Corporation Act, Articles 121 to 137, Title 7, C.R.S., as amended, the undersigned, of full age, has this day, for the purpose of forming a non-profit corporation, certified as follows:

ARTICLE I
NAME

The name of the corporation is CASTLE HIGHLANDS HOMEOWNERS ASSOCIATION, INC., hereafter called the "Association."

ARTICLE II
PRINCIPAL OFFICE

The principal office of the Association is c/o Pulte Home Corporation, 7475 South Joliet Street, Englewood, Colorado 80112.

ARTICLE III
REGISTERED AGENT

Rick J. Rubin, Esq., whose address is c/o Lottner Rubin Fishman Brown & Saul, P.C., 633 Seventeenth Street, Suite 2700, Denver, Colorado 80202, is hereby appointed the initial registered agent of this Association, and such address shall be the registered address 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 certain property and improvements within the property described on Exhibit A to the Declaration (as hereinafter defined), and any additions thereto as may hereafter be brought within the jurisdiction of this Association (hereinafter called the "Community"), and to promote the health, safety and

welfare of the residents within the Community, and for the following purposes to:

1. exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Community Declaration for Castle Highlands Homeowners Association, Inc., hereinafter called the "Declaration," applicable to the Community and recorded or to be recorded in the Office of the Clerk and Recorder of Douglas County, Colorado, as the same may be amended and supplemented from time to time, said Declaration being incorporated herein as if set forth at length (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined);

2. adopt and amend budgets for revenues, expenditures, and reserves, and fix, levy, collect and enforce payment of, by any lawful means, all charges and assessments pursuant to the terms of the Declaration; 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;

3. acquire (by gift, purchase, or otherwise), own, hold, improve, encumber, maintain, convey, sell, lease, transfer or otherwise dispose of real or personal property, in its own name, in connection with the affairs of the Association; provided, however, that portions of the Common Elements may be conveyed or subjected to a Security Interest by the Association only if Persons entitled to cast at least sixty-seven percent (67%) of the votes in the Association, including sixty-seven percent (67%) of the votes allocated to Lots not owned by a Declarant, agree to that action;

4. borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its personal property as security for money borrowed or debts incurred; provided, however, that portions of the Common Elements may be conveyed or subjected to a Security Interest by the Association only if Persons entitled to cast at least sixty-seven percent (67%) of the votes in the Association, including sixty-seven percent (67%) of the votes allocated to Lots not owned by a Declarant, agree to that action;

5. hire and terminate managing agents and other employees, agents, and independent contractors;

6. 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 Community;

7. impose reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid assessments;

8. provide for the indemnification of its officers and members of its Board of Directors, and maintain directors' and officers' liability insurance;

9. participate in mergers and consolidations with other nonprofit corporations organized for the same or similar purposes; provided that any merger or consolidation, other than as may be done by Declarant as a Special Declarant Right, shall have the assent of the Owners of Lots to which at least two-thirds (2/3) of the votes in the Association are allocated;

10. manage, control, operate, maintain, repair and improve its property and other property as provided in the Declaration;

11. enforce covenants, restrictions, and conditions affecting any property to the extent this Association may be authorized to do so under the Declaration;

12. engage in activities which will actively foster, promote and advance the common interests of Owners;

13. enter into, make, perform, or enforce contracts, licenses, 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 this Association, with or in association with any Person, firm, association, corporation, or other entity or agency, public or private; provided, however, that the foregoing rights with respect to contracts and leases shall be subject to the express limitations, if any, contained in the Act;

14. promulgate, adopt, alter, amend, repeal, and publish Association Bylaws (the "Bylaws") and rules and regulations, as may be necessary or desirable for the proper management of the affairs of this Association; provided, however, that such Bylaws and Association rules and regulations shall not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the Declaration;

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

16. regulate the use, maintenance, repair, replacement and modification of Common Elements;

17. cause additional improvements to be made as part of the Common Elements;

18. impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements;

19. exercise any powers enumerated in the Bylaws and exercise any other powers necessary and proper for the governance and operation of the Association.

The Board of Directors may not act on behalf of the Association to amend the Declaration, to terminate this Community or to elect members of the Board of Directors or determine the qualifications, powers and duties, or terms of office of members of the Board of Directors, but the Board may fill vacancies in its membership for the unexpired portion of any term.

ARTICLE V MEMBERSHIP

The Owners of each Lot which is now or hereafter subject to assessment as provided in the Declaration, including contract sellers, shall be a Member of the Association. Following termination of the Community, 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 Lot which is subject to assessment by the Association.

A transfer of membership shall occur automatically upon the transfer of title to the Lot to which the membership pertains. The Association may suspend the voting rights of a Member for a period not to exceed sixty (60) days for any infraction of its published rules and regulations or the Bylaws, or for any period during which any assessment against such Owner's Lot remains unpaid. All Members shall be entitled to vote on all matters except any Members who are in default in any obligations to the Association. Cumulative voting is prohibited.