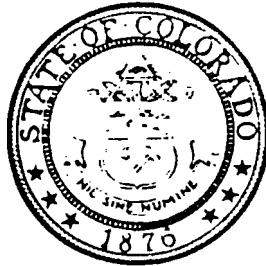


STATE OF COLORADO



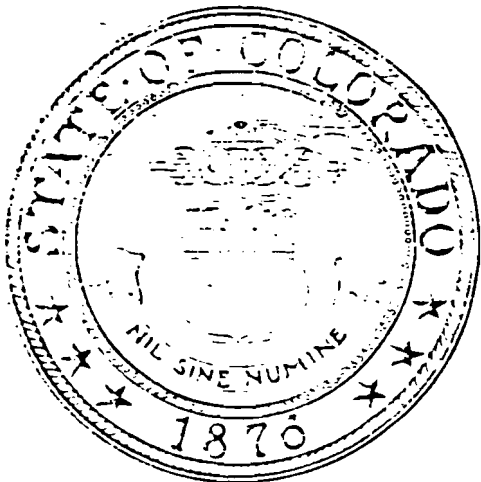
DEPARTMENT OF
STATE

CERTIFICATE

I, MARY ESTILL BUCHANAN, 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

FOR THE PURPOSES OF THE STATE NONPROFIT CORPORATION ACT



Mary Estill Buchanan

SECRETARY

DATED AUGUST 17, 1991

NOT FOR PROFIT

401

FILED

ARTICLES OF INCORPORATION

13 AUG '81

OF

HIGHLANDS VILLAS ASSOCIATION, INC.

STATE OF COLORADO
DEPT. OF STATE

The undersigned, acting as the incorporator of a corporation under the Colorado Non-Profit Corporation Act, Article 20 of Title 7, Colo. Rev. Stat. 1973, hereby adopts the following Articles of Incorporation for such corporation:

FIRST: The name of the corporation is: HIGHLANDS VILLAS ASSOCIATION, INC.

SECOND: The period of its duration is perpetual.

THIRD: The corporation does not contemplate pecuniary gain or profit, direct or indirect, to its members. The purposes for which it is formed are primarily to promote the common good and general welfare of the community, and in particular, of the property platted as Lot 10, Aspen Highlands Subdivision Filing No. 2, Pitkin County, Colorado, hereinafter referred to as the "Properties", to bring about civic betterment and social improvements, and for these purposes to:

a. Own, acquire, build, improve, operate and maintain the "common facilities", as more particularly described in a document entitled "Condominium Declaration For Highlands Villas Association, Inc." (the "Declaration"), recorded in the office of the County Clerk and Recorder of Pitkin County, Colorado;

b. Maintain roads, streets, driveways and parking areas not maintained by governmental authority;

- c. Fix assessments to be levied against the properties;
- d. Enforce any and all covenants, restrictions, and liens for the benefit of the corporation and agreements applicable to the properties, whether contained in the Declaration or not;
- e. Pay taxes, if any, on the common facilities; and,
- f. Insofar as permitted by law, do any other thing that, in the opinion of the Board of Directors, will promote the social welfare, common good and general welfare of the residents and owners of the Properties, protect the value and desirability and enhance the safety and habitability of the Properties, or bring about civic betterment or social improvements.

FOURTH: Provisions for the regulation of the internal affairs of the corporation, including provisions for the distribution of assets on dissolution or final liquidation, are:

1. Members and Voting. The membership of the corporation shall consist of such classes of members as may be provided for in the By-Laws and/or the Declaration. The rights, priorities and obligations of members shall be such as prescribed by the By-Laws and the Declaration. Cumulative voting of members in the election of directors shall not be allowed.

2. Management. The affairs of the corporation shall be managed by its Board of Directors, as provided in the By-Laws and/or the Declaration.

3. Prohibited Activities. No part of the income or

net earnings of the corporation shall be distributable to or inure to the benefit of its members, directors, officers, or any individual; provided, however, that reasonable compensation may be paid for any services rendered to the corporation, and payments and distributions may be made in furtherance of the purposes set forth in Article Third hereof. 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 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 provision, 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).

4. Distribution of Assets. 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.

5. By-Laws. The By-Laws of the corporation shall govern its internal affairs. The By-Laws shall conform to law and the provisions of these Articles of Incorporation.

FIFTH: The address of the initial registered office of the corporation is 600 E. Hopkins, Suite 101, Aspen, Colorado 81611; and the name of its initial registered agent at such office is Ashley Anderson.

SIXTH: The number of directors constituting the initial Board of Directors of the corporation is three and the names and addresses of the persons who are to serve as the initial directors are:

Scotty Cathcart
Box 9974
Aspen, Colorado 81612

John J. Jordan
Box 4732
Aspen, Colorado 81612

Billy Tomb
Box 3276
Aspen, Colorado 81612

A change in the number of directors may be made by the corporation's By-Laws, as amended from time to time.


SEVENTH: The name and address of the incorporator is:

Ashley Anderson

600 E. Hopkins, Suite 101

Aspen, Colorado 81611

DATED: August 10, 1981.



Ashley Anderson

