

Attachment to Articles of Incorporation of
Forest Meadows Residential Community Association, Inc.

ARTICLE I
Purposes

The business, objectives and purposes for which Forest Meadows Residential Community Association, Inc., sometimes referred to as the "Association", 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 Forest Meadows Residential Community and any amendment or supplement thereto (hereinafter called the "Declaration" and the definitions and provisions thereof are incorporated herein by this reference as if set forth at length) which is recorded in the records of El Paso County Clerk and Recorder, Colorado, on April 19, 2007, at Reception 207052635, as the same may be amended and/or restated from time to time, and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association. Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Declaration.

(b) To provide an entity for the furtherance of the interests of all of the Owners, including the Declarant named in the Declaration, of Lots within the Community and maintaining those Lots and any Common Elements as a project of quality and value; enhancing and protecting its value, desirability and attractiveness; and providing for certain maintenance, preservation and architectural control of the Lots within said Community.

ARTICLE II
Powers

For the furtherance of its purposes, this Association shall have all of the powers conferred upon a non-profit corporations by the statutes and common law of the State of Colorado in effect from time to time, and shall have all of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Association under the Declaration which shall include, but shall not be limited to, the following:

(a) To 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 in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including without limitation all licenses, taxes or governmental charges levied or imposed against the Association or its property;

(b) To 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;

(c) To borrow money and to mortgage, pledge, or grant security in the Association's property for money of borrowed or debts incurred;

(d) To dedicate, sell or transfer all or any part of the Common Elements, to the extent the Common Elements are owned by the Association, to any public agency, authority or utility; except as provided in the Declaration, no such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of the Members, agreeing to such dedication sale or transfer;

(e) To participate in mergers and consolidations with other non-profit corporations organized for the same purposes and to annex additional areas and Lots into the Declaration or withdraw areas from the Declaration subject to the requirements and restrictions and conditions contained in the Declaration;

(f) To manage, control, operate, maintain, insure, repair and improve the Common Elements;

(g) To enforce the covenants, restrictions and conditions contained in the Declaration as provided therein;

(h) To engage in activities which will actively foster, promote and advance the common ownership interests of Owners of Lots, including the interest of Builders and of the Declarant during its marketing of the Community;

(i) To enter into, make, perform or enforce contracts of every kind and description and to 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;

(j) To adopt, alter, and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the affairs of the Association; provided, however that such Bylaws may not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the Declaration;

(k) To hire, manage, compensate and discharge a management company or companies to perform the day-to-day management duties set forth herein and in the Declaration.

ARTICLE III

Membership

(a) This Association shall be a membership corporation without certificates or shares of stock. As more fully provided in the Declaration, every person or entity, who is a record Owner of a fee or undivided fee interest in any Lot, which is subject to assessment under the Declaration, including contract sellers, shall be a member of the Association, provided that each Lot shall have one (1) membership, and there is only one (1) Member per Lot, even if the Lot is owned by multiple Owners. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

(b) A membership in this Association and the share of a Member in the assets of this Association shall not be assigned, encumbered or transferred in any manner except as appurtenant to the transfer of title to a Lot 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 Lot as further security for a loan secured by a lien on such Lot.

(c) A transfer of membership shall occur automatically upon the transfer of title to a Lot which the membership pertains; provided however that the Bylaws of this Association may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of this Association.

(d) A Member shall have the right to purchase other Lots and to exercise the membership rights appurtenant thereto as provided in the Declaration.

(e) This Association may suspend the voting rights of a Member for failure to comply with rules and regulations or the Bylaws of the Association or with any other obligations of the Owners of a Lot under the Declaration. All Members shall be entitled to vote on all matters, except any Members who are in default in any obligation to the Association, including default in the payment of Assessments or other Association dues. Cumulative voting is prohibited.

(f) The Bylaws may contain additional provisions setting forth the rights, privileges, duties and responsibilities of the Members; provided however, the provisions of these Articles of Incorporation and Bylaws shall be subject to the covenants, terms and provisions of the Declaration which shall control in the event of any conflict.

ARTICLE IV

Voting Rights

(a) One vote is allocated to each Lot and Members shall have one vote for each Lot owned.

(b) Notwithstanding anything herein to the contrary, the Declarant shall have the right to appoint the Board of Directors and to control the Association as follows: During the Period of Declarant Control, the Declarant, or persons designed by it, subject to certain limitations, may appoint and remove the officers and members of the Board of Directors. The Period of Declarant Control shall terminate no later than the earlier of: (i) Sixty (60) days after conveyance of ninety percent (90%) of the Lots that May be Included to Owners other than a Declarant or any Builder; or (ii) Two (2) years after the last conveyance of a Lot by Declarant or any Builder in the ordinary course of business, or (iii) April 19, 2017. A Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board of Directors before termination of the Period of Declarant Control, but in that event, the Declarant may require, for the duration of the Period of Declarant Control, that specified actions of the Association or Board of Directors, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

(c) Not later than sixty (60) days after the conveyance of twenty-five percent (25%) of the Lots to Owners, other than a Declarant or a Builder, at least one (1) member and not less than twenty-five percent (25%) of the members of the Board of Directors must be elected by the Members other than a Declarant, provided that the Declarant reserves the right to appoint the majority of the Board of Directors. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots that May be Included to Owners other than a Declarant or a Builder, not less than one-third (1/3) of the members of the Board of Directors must be elected by Owners other than the Declarant, provided that the Declarant reserves the right to appoint a majority of the Board of Directors.

(d) Except as otherwise provided above, not later than the termination of any Period of Declarant Control, the Owners shall elect a Board of at least three (3) and no more than five (5) Members, at least a majority of whom must be Owners other than the Declarant or designated representatives of Owners other than the Declarant. The Board shall elect the officers. These Board members and officers shall take office upon the expiration of the Period of Declarant Control.

(e) Notwithstanding any provisions of these Declarations or Bylaws to the contrary, the Members, by a sixty-seven percent (67%) vote of all Members present and entitled to vote at any meeting of the Members at which a quorum is present, may remove any member of the Board of Directors with or without cause, other than a member appointed by the Declarant.

ARTICLE V

Board of Directors

(a) The business and affairs of the Association shall be conducted, managed and controlled by a Board of Directors. The initial Board of Directors shall consist of three Directors, whose names and addresses is shown in subparagraph (b) of this Article. Upon the expiration of the Period of Declarant Control, the Board of Directors shall consist of at least (3) and no more than five (5) members. A change in the number of Directors may be made by amendment to the Bylaws of the Association. Directors shall be Owners as defined in the Declaration. Notwithstanding anything herein to the contrary, the Declarant shall have the right to appoint the Board of Directors and to operate the Association in accordance with Articles VI above. Directors appointed by the Declarant need not be Owners of Lots.

(b) The names and addresses of the Members of the initial Board of Directors who shall serve until the first annual meeting and until their successors are duly elected and qualified are as follows:

<u>NAME</u>	<u>ADDRESS</u>
James F. Morley	20 Boulder Crescent, 2 nd Floor Colorado Springs, CO 80903
Paul Rubley	20 Boulder Crescent, 2 nd Floor Colorado Springs, CO 80903
Jon C. Snapp	20 Boulder Crescent, 2 nd Floor Colorado Springs, CO 80903

(c) The Bylaws of the Association shall set forth the terms of office and the procedures for election, removal and filling of vacancies in the Board of Directors.

(d) Directors shall be indemnified for actions taken in good faith on behalf of the Association in accordance with C.R.S. § 7-129-101, *et. seq.*

ARTICLE VI

Offices/Officers

The Board of Directors shall appoint a President, one or more Vice-Presidents, a Secretary, a Treasurer and such other officers as the Board believes will be in the best interest of the Association. The Officers shall have such duties as may be prescribed in the Bylaws of the

Association and shall serve at the pleasure of the Board of Directors. A person may serve in more than one office simultaneously.

ARTICLE VII

Amendment

Amendments to these Article of Incorporation shall require the assent of at least two-thirds (2/3) of the Members provided, however, that no amendment to these Articles of Incorporation shall be contrary to or inconsistent with the provisions of the Declaration.

ARTICLE VIII

Dissolution, Merger or Consolidation

The Association may be dissolved, merged or consolidated as provided under the applicable provisions of the Colorado Revised Statutes governing non-profit corporations. Upon dissolution of the Association other than incident to a merger or consolidation, the assets of the Association shall be distributed and transferred as the Members may direct, subject to the requirements, limitations and other provisions of the Declaration or applicable law. In such event, the assets may be granted, conveyed and assigned to any public agency, non-profit corporation, association, trust or other organization to be devoted to purposes similar to those for which this Association was created.