

**ARTICLES OF INCORPORATION  
OF  
JAY STREET COMMONS TOWNHOMES, INC.**

The undersigned Koch Development, LLC., whose address is 1426 Pierce St., Lakewood, CO 80214, being a natural person over the age of eighteen years desiring to organize a non-profit corporation under the Colorado Nonprofit Corporation Act, hereby submits the following Articles of Incorporation.

ARTICLE I

Name

The name of the corporation shall be JAY STREET OWNERS ASSOCIATION, INC. (The "Association").

ARTICLE II

Duration

The duration of the Association shall be perpetual.

ARTICLE III

Purposes and Powers

- 3.1 The Association shall operate the Common Interest Community known as Jay Street Commons, JAY STREET COMMONS, located in Jefferson County, Colorado (the "Community"), in accordance with the Colorado Common Interest Ownership Act and the Colorado Nonprofit Corporation Act, C.R.S. 1973, as amended (the "Acts"). Unless otherwise indicated, capitalized terms used herein are defined in the Acts.
- 3.2 The Association shall promote the health, safety, welfare and common benefit of the residents of the Community.
- 3.3 The Association shall do any and all permitted acts, and shall have and exercise any and all powers, rights, and privilege which are granted to a Common Interest Community Association under the Acts or which are granted to the Association by the Declaration, the Bylaws of the Association, any rules and regulations adopted by the Association, and other governing documents of the Association.

- 3.4 The foregoing statements of purpose shall be construed as statements of both purposes and powers. The purposes and powers stated in each clause shall not be limited or restricted by reference or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers.

#### ARTICLE IV

##### Nonprofit

The Association shall be a nonprofit corporation, without shares of stock.

#### ARTICLE V

##### Membership Rights and Qualifications

- 5.1 Any person who holds title to a Unit in the Community shall be a member of the Association. There shall be one membership for each Unit, which shall be automatically transferred upon the conveyance of that Unit. Voting shall be one vote per Unit. If a Unit is owned by more than one person, those persons shall agree among themselves how a vote on behalf of that Unit shall be cast; no fractional votes may be cast. A vote by a co-owner of a Unit shall be deemed to be pursuant to a valid proxy, unless another co-owner of the same Unit objects at the time the vote is cast, in which case the provisions of the Bylaws regarding such a situation shall govern.
- 5.2 The members shall be on one class, consisting of all Unit Owners. The Unit Owners shall elect all members of the Executive Board, following the period of Declarant control defined below.
- 5.3 Notwithstanding the foregoing, the Declarant of the Community shall have additional rights and qualifications as may be provided under the Acts and the Declaration, including the right to appoint members of the Executive Board as follows.
- a) During the period of Declarant control, the declarant (or persons designated by Declarant) may, subject to certain limitations set forth in the Acts, appoint and remove the officers of the Association and Directors of the Executive Board.
  - b) The period of Declarant control terminates no later than the earlier of the following dates: (i) the date 60 days after conveyance of 75% of the planned Units in the Community to Unit Owners other than the Declarant; and (ii) the second anniversary of the date on which the Declarant last conveyed a Unit in the ordinary course of business.

- c) A Declarant may voluntarily surrender the right to appoint and remove officers of the Association and Directors of the Executive Board 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 the Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

5.4 Not later than 60 days after conveyance of 25% of the planned Units in the Community to Unit Owners other than the Declarant, not less than one-fourth of the Directors of the Executive Board (and at least one Director) shall be elected by Unit Owners other than the Declarant. Not later than 60 days after conveyance of 50% of the planned Units in the Community to Unit Owners other than the Declarant, not less than one-third of the Directors of the Executive Board shall be elected by Unit Owners other than Declarant.

## ARTICLE VI

### Registered Agent for Service and Address

Forrest Scruggs, whose address is 1426 Pierce St., Lakewood, CO 80214, is hereby appointed the initial registered agent of the Association, and that address shall be the registered address of the Association. The registered agent hereby accepts such designation by his signature below:

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## ARTICLE VII

### Executive Board

The initial Executive Board shall consist of three Directors, subject to an increase in number pursuant to the Bylaws or any duly adopted amendment thereto. In no event shall the number of Directors be less than three. The names and addresses of the persons who shall serve as Directors until their successors shall be elected and qualified are as follows:

Karl Koch  
1426 Pierce St.  
Lakewood, CO 80214-1941

ARTICLE VIII

Amendment

Amendment of these Articles shall require the assent of at least two-thirds of the members of the Association, unless a greater proportion is required by any provision of the Acts.

IN WITNESS WHEREOF, the undersigned incorporator has signed these Articles of Incorporation in duplicate this \_\_\_\_ day of \_\_\_\_\_, 1998.

\_\_\_\_\_

STATE OF COLORADO

CITY OF COUNTY OF DENVER

The foregoing instrument was acknowledged before me the \_\_\_\_ day of \_\_\_\_\_, 1998 by \_\_\_\_\_.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public