

**ARTICLES OF INCORPORATION
PEREGRINE POINT CONDOMINIUMS
PROPERTY OWNERS ASSOCIATION, INC.
(A NONPROFIT CORPORATION)**

Pursuant to C.R.S. §7-122-102 and C.R.S. §7-90-301, *et seq.* these Articles of Incorporation are delivered to the Colorado Secretary of State for filing.

ARTICLE I

The name of the corporation shall be **Peregrine Point Condominium Property Owners Association, Inc.** ("Association").

ARTICLE II

This Association shall have perpetual existence.

ARTICLE III

Purposes and Powers of Association

3.1 The Association shall operate the Common Interest Community known as the Peregrine Point Condominiums, located in the County of La Plata, Colorado, in accordance with the Colorado Common Interest Ownership Act ("CCIOA") of the Colorado Revised Statutes, as amended, and the Colorado Nonprofit Corporation Act, as amended.

3.2 The Association shall promote the health, safety, welfare, and common benefit of the residents of the Common Interest Community.

3.3 The Association shall do any and all permitted acts, and shall have and exercise any and all powers, rights, and privileges which are granted to a Common Interest Community Association under the laws of the State of Colorado and the Declaration, Bylaws, Rules and Regulations, and other governing documents of the Association.

3.4 The foregoing statements of purpose shall be construed as a statement of both purposes and powers. The purposes and powers stated in each clause shall not be limited or restricted by reference to 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 The classes, rights and qualifications and the manner of election or appointment of members are as follows. Any person who holds title to a Unit in the Common Interest Community shall be a member of the Association. There shall be one membership for each Unit owned within the Common Interest Community. This membership shall be automatically transferred upon the conveyance of that Unit. Voting shall be one (1) vote per Unit, and the vote to which each membership is entitled is the vote assigned to its Unit in the Declaration of the Common Interest Community. If a Unit is owned by more than one (1) person, those persons shall agree among themselves how a vote for that Unit's membership is to be cast. Individual co-owners may not cast fractional votes. A vote by a co-owner for the entire Unit's membership interest 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 such membership's vote shall not be counted.

5.2 The members shall be one (1) class, being Unit Owners who own Units as defined in the Declaration. These Unit Owners shall elect all members of the Board of Directors (defined by CCIOA as "Executive Board"), following the period of Declarant control defined below.

5.3 Notwithstanding the foregoing, the Declarant of the Common Interest Community shall have additional rights and qualifications as may be provided under the Colorado Common Interest Ownership Act and the Declaration, including the right to appoint members of the Executive Board as follows. During the period of Declarant control, the Declarant, or persons designated by Declarant, subject to certain limitations, may appoint and remove the officers and members of the Executive Board. The period of Declarant control terminates no later than the earlier of: (a) sixty (60) days after conveyance of seventy-five percent (75%) of the Units that may be created by Declarant; (b) two (2) years after Declarant has last conveyed a Unit in the ordinary course of business; or (c) two (2) years after any right to add new Units was last exercised. A Declarant may voluntarily surrender the right to appoint and remove officers and members 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 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 sixty (60) days after conveyance of twenty-five percent (25%) of the Units that may be created by Declarant, at least one (1) member, and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Owners other than a Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units that may be created by Declarant, not less than thirty-three and one-third percent (33 and 1/3%) of the members of the Executive Board must be elected by Unit Owners other than Declarant.

5.5 Except as otherwise provided above, not later than the termination of any period of Declarant control the Unit Owners shall elect an Executive Board of three (3) members, a majority of whom shall be Unit Owners. The Executive Board shall elect the officers. The Executive Board

members and officers shall take office upon election.

5.6 Notwithstanding any provision of the Declaration or Bylaws to the contrary, following notice under C.R.S. §38-33.3-308 of the CCIOA, the Unit Owners, by a vote of sixty-seven percent (67%) of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any member of the Executive Board other than a member appointed by the Declarant, with or without cause.

ARTICLE VI

Registered Agent for Service and Address

The initial registered agent of the Association shall be J. Douglas Shand. The initial registered office and principal place of business shall be 150 East 9th Street, Durango, Suite 400, P.O. Box 2790, Durango, Colorado 81302.

ARTICLE VII

Executive Board

The initial Executive Board shall consist of three (3) persons. This number may be changed by duly adopted amendment to the Bylaws, except that in no event may the number of Directors be fewer than three (3). The initial Executive Board shall be elected at the Association's organizational meeting.

ARTICLE VIII

Incorporator

The name and address of the incorporator is:

J. Douglas Shand
Shand, Newbold & Chapman, P.C.
150 East 9th Street, Suite 400
P.O. Box 2790
Durango, Colorado 81302

ARTICLE IX

Amendment

Amendment of these Articles shall require the assent of at least sixty-seven percent (67%) of the members of the Association as provided in the Colorado Nonprofit Corporation Act.

ARTICLE X

Liability

A member of the Executive Board shall not be liable for monetary damages for breach of fiduciary duties, except that this provision shall not eliminate or limit the liability of a member of the Executive Board for monetary damages for breach of duty of loyalty to the Association and its members; acts or omissions not in good faith or which involve intentional misconduct or violation of law; acts specified in C.R.S. §7-24-111; or any transaction from which the member of the Executive Board derives an improper personal benefit.

ARTICLE XI

Dissolution

Upon dissolution of the Association, the Executive Board shall, after paying or making provision for the payment of all of the liabilities of the Association, dispose of any assets it may have to the owner or owners of each Unit within Peregrine Pointe Condominiums, with the owner or owners of each Unit to hold an undivided interest based both upon the number of Units in the Peregrine Point Condominiums and the number of Units each owner or owners own. The owners shall hold title, as tenants in common in such assets, subject to any liens, encumbrances or easements of record. Any such assets not disposed of shall be disposed of by the District Court of La Plata County in such manner as to carry out the purposes of the Association and the Declaration.

ARTICLE XII

Name and Address of Person Causing Document to Be Filed

The name and mailing address of any one or more of the individuals who cause this document to be delivered for filing, and to whom the Secretary of State may deliver notice, if filing of this document is refused, is: J. Douglas Shand, Shand, Newbold & Chapman, P.C., 150 East 9th Street, Suite 400, P.O. Box 2790, Durango, Colorado 81302.

IN WITNESS WHEREOF, the above-named organizer signed these Articles of Incorporation this 24th day of October, 2007.



J. Douglas Shand