

ARTICLES OF INCORPORATION
OF
MS HOMEOWNERS ASSOCIATION, INC.
A NON-PROFIT CORPORATION

KNOW ALL MEN BY THESE PRESENTS, That the undersigned natural person more than eighteen (18) years of age and a resident of the State of Colorado, hereby establishes a corporation not for profit pursuant to the statutes of the State of Colorado and does hereby adopt the following Articles of Incorporation:

ARTICLE I

Name

The name of the corporation is MS HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association."

ARTICLE II

Term of Existence

The Association shall have a perpetual existence.

ARTICLE III

Purposes and Powers

The nature, object and purposes for which the Association is formed are to provide for the social welfare and recreation of its members and guests, to maintain, preserve and control the parcels, roadways and common areas within that certain tract of property described on Exhibit "A" attached hereto and by this reference made a part hereof and to promote the health, safety, welfare and usage of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

a. Exercise all the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions of Morningside Subdivision, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Office of the Clerk and Recorder of Mesa County, Colorado, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

b. 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 all licenses, taxes or governmental charges levied or imposed against the property of the Association;

c. 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;

d. Borrow money and, with the assent of two thirds (2/3) of the members of the Association, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

e. Dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members or to transfer or convey all or any part of the common areas to one (1) or more domestic or foreign corporation, society or organization engaged in activities similar to those of the Association or otherwise distribute the common areas or any part thereof pursuant to a plan of distribution adopted as provided by the laws of the State of Colorado. No such dedication or transfer shall be effective unless an instrument signed by one half (1/2) of members of the Association agreeing to such dedication or transfer has been recorded;

f. Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and common areas, provided, that any such merger, consolidation or annexation shall have the assent of one half (1/2) of members of the Association as set out herein; and

g. Have and to exercise any and all powers, rights and privileges which a corporation organized under the non-profit corporation laws of the State of Colorado by law may now or hereafter have or exercise.

ARTICLE IV

Membership

Every person or entity who is a record owner of a fee or undivided fee interest in any lot, which is subject by covenants of record to assessment by the Association, including contract sellers, but excluding those having such interests merely as

security for the performance of an obligation, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

ARTICLE V

Voting Rights

Members shall all be owners and shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine but in no event shall more than one (1) vote be cast with respect to any lot.

ARTICLE VI

Board of Directors

The affairs of the Association shall be managed by a board of at least one (1) director who need be members of the Association. The number of directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

Paulla Tillman
2840 Morningside Court
Grand Junction, CO 81503

ARTICLE VII

Dissolution

The Association may be dissolved with the assent given in writing and signed by not less than two thirds (2/3) of the members. Upon dissolution of the Association, other than incident to a merger or consolidation, all or part of the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association is created. In the event that such dedication is refused acceptance, in whole or in part, such assets as are not accepted shall be granted, conveyed and assigned to one (1) or more domestic or foreign corporation, society or organization engaged in activities similar to those of the Association or shall otherwise be distributed pursuant to a plan of distribution adopted as provided by the laws of the State of Colorado.

ARTICLE VIII

Stock

The Association shall not have or issue stock. No dividend shall be paid, and no part of the income or profit of the Association shall be distributed to its members, directors or officers. However, the Association may pay compensation in a reasonable amount to its members, directors or officers for services rendered. No loans shall be made by the Association to its directors or officers.

ARTICLE IX

Registered Agent and Office

The name and address of the initial registered agent for service of process on the Association are PAULLA TILLMAN, 2840 Morningside Court, Grand Junction, Colorado 81503.

ARTICLE X

Initial Principal Office

The address of the initial principal office of the Association is 2840 Morningside Court, Grand Junction, Colorado 81503.

ARTICLE XI

Amendment

Amendment of these Articles of Incorporation shall require a fifty (50) percent vote of the members as their voting rights are set out in Article V.

ARTICLE XII

Incorporator

The name and address of the incorporator (the name and mailing address of the individual who causes this document to be

EXHIBIT "A"

Lots 1 through 31, inclusive, and
Outlots A and B,
MORNINGSIDE SUBDIVISION;

County of Mesa,
State of Colorado.