

CHANGE OF NAME
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ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
PARADISE HILLS PROPERTY OWNERS ASSOCIATION
STATE OF COLORADO

OCT 27 1983

STATE OF COLORADO
DEPARTMENT OF STATE

Pursuant to the provisions of the Colorado Nonprofit Corporation Act, the undersigned Association adopts the following Articles of Amendment to its Articles of Incorporation:

NAME: The name of the Association is PARADISE HILLS PROPERTY OWNERS ASSOCIATION:

AMENDMENTS: The following amendments to the Articles of Incorporation were adopted by the Members of the Association at the Special Meeting of Members held on October 22, 1983, in the manner prescribed by the Colorado Nonprofit Corporation Act:

(1) Article First is repealed and a new Article First is adopted as follows:

FIRST: The name of the Association is LOOKOUT MOUNTAIN PARADISE HILLS HOMEOWNERS' ASSOCIATION.

(2) Paragraphs numbered 4 and 5 of Article Third are repealed and paragraph numbered 6 is renumbered as paragraph numbered 4.

(3) Article Fifth is repealed and a new Article Fifth is adopted as follows:

FIFTH: This Association shall be a membership association and each member of the Association shall be a record title holder, or the tenant of a leasehold of forty years or more, of a platted lot (other than a platted outlot) in Paradise Hills and there shall be three classes of membership as follows:

(a) A Class I member shall be a member upon whose lot a residence has been constructed;

(b) A Class II member shall be a member to whose lot without a residence access is available from an existing dedicated road;

(c) A Class III member shall be a member to whose lot without a residence no access is available from an existing dedicated road.

(4) Article Seventh is repealed and a new Article Seventh is adopted as follows:

SEVENTH: The number of Directors constituting the Board of Directors of the Association shall not be less than three (3) nor more than eleven (11), the exact number to be set in the By-Laws from time to time. 3-11

(5) A new Article Ninth is added as follows:

NINTH: The Association shall have the power to acquire the Paradise Hills water system, including all water mains and the appurtenant facilities and the water treatment plant (subject always to the rights of Paradise Hills, Inc. or its successors and assigns to extend the water main to undeveloped portions of Paradise Hills); provided, that if the existing water services or lines are inadequate to supply needs to additional lots not then served (New Development Lots), any costs associated with the New Development Lots shall not be at the expense of the Association or the members thereof, but shall be at the expense of the then owner(s) of the New Development Lots.

(6) A new Article Tenth is added as follows:

TENTH: The Association may bill the members of this Association to pay for the maintenance and operation of the Paradise Hills water system, including the water mains and the treatment plant, which provide water for all of the residents of Paradise Hills and may bill the members of this Association for all other costs incurred by the Association in connection with the carrying out of the purposes of this Association.

(7) A new Article Eleventh is added as follows:

ELEVENTH: The power of the Board of Directors to authorize annual dues payable by the members shall be limited to One Hundred Fifty Dollars (\$150.00) per lot on which a residence has been constructed. Any additional amount must be approved by a majority of the Class I members attending a duly held meeting of the Association.

(8) A new Article Twelfth is added as follows:

TWELFTH: Annual dues of Class II and Class III members shall not exceed Ten Dollars (\$10.00) per annum per lot and may be increased only with the consent of seventy-five percent (75%) of the Class II and Class III members.

(9) A new Article Thirteenth is added as follows:

THIRTEENTH: If an emergency repair to the water system owned by the Association is necessary to maintain adequate service, the Board of Directors may, as an emergency matter, repair the water system and if the cost of the repair is above and beyond the authorized annual budget for water repairs, a special charge may be imposed by the Board of Directors (without the vote of the membership) on Class I and Class II members, provided that the lots owned by Class II members have an approved water tap and front on an available water main.

(10) A new Article Fourteenth is added as follows:

FOURTEENTH: Each Class I member shall have one vote on all matters properly before the members of this Association; if there is more than one owner of a lot with a residence, there shall be only one vote between them, but fractional voting shall be permitted. Class II and Class III members shall vote only with respect to a proposed increase in annual dues to be imposed on lots without residences or amendment to the Articles of Incorporation. KOTIN V

(11) A new Article Fifteenth is added as follows:

FIFTEENTH: Each member shall pay (i) annual dues and (ii) special charges as determined by the Association. All of the dues and charges, together with interest thereon and cost of collection thereof, including reasonable attorneys' fees, shall be a charge on each building site and shall be a continuing lien upon the building site owned by the member who owes such dues and charges, subject to foreclosure in accordance with applicable law, but any such lien shall be subordinate to any valid mortgages or deeds of trust affecting such building site. Such dues and charges together with the interest thereon and cost of collection, including reasonable attorneys' fees, shall also be the personal obligation of the member. After notice, the Association shall have the right to terminate water service to any building site having a member owner who is thirty (30) days delinquent in payment of dues and charges.

(12) A new Article Sixteenth is added as follows:

SIXTEENTH: If any member shall fail or refuse to make any required payment of dues or charges when due, the amount thereof shall constitute a lien on the member's building site, and upon the recording of notice thereof by the Association in the office of the Clerk and Recorder of Jefferson

County, Colorado, the notice shall constitute a lien upon such member's interest prior to all of the liens encumbrances, recorded or unrecorded, except (i) taxes, special assessments and special taxes, theretofore or thereafter levied by any political subdivision or municipal corporation of the State of Colorado or for federal taxes, which by law are a lien on the interest of such member prior to pre-existing recorded encumbrances thereon and (ii) all sums unpaid on a first mortgage or first deed of trust of record, including all unpaid obligatory sums as may be provided by such encumbrances.

(13) A new Article Seventeenth is added as follows:

SEVENTEENTH: The Association shall send a notice, postage prepaid, certified mail, return receipt requested, to any encumbrancer whose encumbrance was recorded prior to the time of recording of the notice of lien provided for in the prior section, at the address shown on the recorded encumbrance; provided that if such encumbrancer has furnished the Association with another address, then such other address shall be used; and the Association shall not foreclose its lien until at least 30 days after the date of depositing such notice in the United States mail, postage prepaid, to the address of such encumbrancer.

14) A new Article Eighteenth is added as follows:

EIGHTEENTH: Any encumbrancer holding a lien on a building site may pay any liens for expenses payable with respect to such building site and, if so provided in an encumbrance, may add the amount of such payment to the unpaid balance secured by his lien, and such added amount shall have the same priority and lien rights as the unpaid balance to which it is added.

(15) A new Article Nineteenth is added as follows:

NINETEENTH: The lien in favor of the Association shall be for the benefit of all other building site owners and may be foreclosed by an action brought in the name of the Association in a like manner as a mortgage of real property. In any such foreclosure, the owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorneys' fees. The owners shall also be required to pay to the Association all dues for the building site during the period of foreclosure and the Association shall be entitled to a receiver to collect the

same. The Association acting on behalf of the building site owners, shall have the power to bid in the interest so foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to subrogate so much of its rights to such lien as may be necessary or expedient to an insurance company which will continue to give total coverage in spite of non-payment of such defaulting owners' portion of the premium.

(16) A new Article Twentieth is added as follows:

TWENTIETH: Nothing in these Amendments to the Articles of Incorporation shall prohibit the Association, or its Board of Directors from taking the necessary steps to enforce the collection of annual dues and/or special charges by such methods as the Board deems appropriate.

(17) A new Article Twenty-First is added as follows:

TWENTY-FIRST: The Association and its officers and directors shall not be liable or accountable in damages for any action taken pursuant to the provisions of these Articles of Incorporation.

ADOPTION: The foregoing amendments were adopted at a meeting of members held on *October 22*, 1983, at which a quorum was present and such amendments received at least two-thirds of the votes which members present at the meeting or represented by proxy were entitled to cast.

Dated: October 24, 1983.

PARADISE HILLS PROPERTY OWNERS ASSOCIATION

By: *John V. Gynn*
President

SEAL

Attest:

Norathy Lewis Reed
Secretary