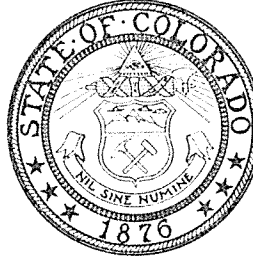


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STATE OF COLORADO

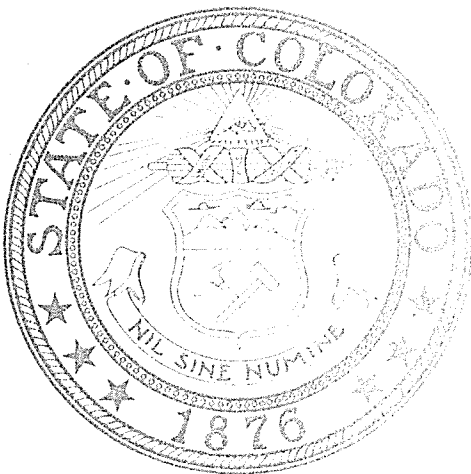


DEPARTMENT OF
STATE

CERTIFICATE

I, NATALIE MEYER, Secretary of State of the State of Colorado hereby certify that the prerequisites for the issuance of this certificate have been fulfilled in compliance with law and are found to conform to law.

Accordingly, the undersigned, by virtue of the authority vested in me by law, hereby issues A CERTIFICATE OF INCORPORATION TO SANDSTONE 70 CONDOMINIUM ASSOCIATION, INC., A NONPROFIT CORPORATION.



Natalie Meyer

SECRETARY OF STATE

DATED: APRIL 28, 1986

ARTICLES OF INCORPORATION
OF

SANDSTONE 70 CONDOMINIUM ASSOCIATION, INC.

FILED

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STATE OF COLORADO
DEPARTMENT OF STATE

The undersigned, acting as the Incorporator of a corporation under the Colorado Non-Profit Corporation Act, Article 20 of Title 7, Colorado Revised Statutes (1973), hereby adopts the following Articles of Incorporation for such corporation:

ARTICLE I - NAME

The name of this corporation shall be Sandstone 70 Condominium Association, Inc.

ARTICLE II - DURATION

The period of existence of the corporation shall be perpetual.

ARTICLE III - PURPOSES

The purposes and objective for which the corporation is organized are as follows:

1. To be and constitute the Association to which reference is made in the Condominium Declaration for Sandstone 70 Condominiums (hereinafter referred to as the "Condominium Declaration") executed by G-T Company, Inc., a Colorado corporation and recorded in the Office of the Clerk and Recorder of Eagle County, Colorado, relating to a condominium ownership project (hereinafter called the "Project"), created pursuant to the Colorado Condominium Ownership Act, in Eagle County, Colorado;

2. To perform the obligations and duties, and exercise the rights and powers of the Association under the aforesaid Condominium Declaration;

3. To maintain roads, streets, driveways and parking areas not maintained by governmental authority;

4. To make and collect assessments to be levied against members of the Association for the purposes of defraying the costs, expenses and any losses of the corporation;

5. To enforce any and all covenants, restrictions, and liens for the benefit of the corporation and agreements applicable to the properties, whether contained in the Condominium Declaration or not;

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6. To pay taxes, if any, on the common facilities;
7. To sue and be sued in its own name and sue on behalf of and in the name of any member or members of this Association;
8. To carry on and do generally any and all things necessary, proper, advisable or convenient for the accomplishment of the purposes hereinabove set forth and to do all other things incidental thereto;
9. To protect and maintain the area known as the Sandstone 70 Condominiums, as a desirable vacation and residential location; and,
10. Insofar as permitted by law, do any other thing that, in the opinion of the Board of Directors, will promote the social welfare, common good and general welfare of the residents and owners of the Condominium Units, protect the value and desirability and enhance the safety and habitability of the properties, or bring about civic betterment or social improvements, including without limitation:
 - a. representation before the Board of County Commissioners of Eagle County and any other political, civic or charitable division;
 - b. assessments and taxes of any nature in the Sandstone 70 Condominiums, located in the County of Eagle, or any other assessments and taxes of any nature to which any members of this Association and their Condominium Units may possibly become subject;
 - c. entering into contracts for the management of the Sandstone 70 Condominiums, and contracting for such insurance as may be deemed to be necessary;
 - d. securing and maintaining an adequate water supply for the needs of the members of this Association;
 - e. enforcement of any and all protective covenants of which this Association hereafter becomes the beneficiary and/or assignee;
 - f. to act for and on behalf of any and all members of this Association in amending, altering, or repealing any or all covenants to which the lands of the members of this Association are subject; and,
 - g. to act for the convenience of other persons in the ownership or management of property in any representative or fiduciary capacity.

ARTICLE IV - POWERS

Subject to any specific limitation imposed by these Articles of Incorporation, this Association shall have all those pow-

ers specified in the Colorado Non-Profit Corporation Act and permitted to non-profit corporations necessary, proper, convenient or desireable to carry out the purposes and objectives of this Association.

ARTICLE V - BOARD OF DIRECTORS

1. The general management of the affairs of this Association shall be exercised by a Board of Directors, which shall consist of not more than seven (7) nor less than three (3) directors; the specific number to be set forth from time to time in the By-Laws of the corporation; and the names and addresses of the persons who shall serve until the first election of the members and until their successors are elected and shall qualify, are:

Ross Davis, Jr.
P.O. Box 190
Vail, CO 81658

Diana Donovan
P.O. Box 601
Vail, CO 81658

Frederick P. Sackbauer III
P.O. Box 3267
Vail, CO 81658

No decrease in the number of directors shall have the effect of shortening the term of any incumbent director. In the absence of any provision in the By-Laws, the Board of Directors shall consist of three (3) members. Members of the Board of Directors shall be elected at the annual meeting of the members in the manner provided in the By-Laws. In all elections for directors cumulative voting shall be required.

2. The Board of Directors shall adopt By-Laws and shall have the power to make, alter, amend or repeal such By-Laws by the affirmative vote of a majority of the members of the Board of Directors as then constituted as they may deem proper and advisable for the management and operation of the membership and affairs of the Association, provided that any of such By-Laws may be altered, amended or repealed by the affirmative vote of a majority of the members of this Association constituting a quorum at any meeting.

3. No contract or other transaction between the Association and its directors, officers or members, or between the Association and any firm in which one (1) or more of its directors, officers or members are employed or interested shall be invalid solely because of the fact of such employment or interest, if the fact of such employment or interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize, approve and ratify such contract or transaction by a vote of a majority of the directors present, such interested director or directors to be counted in determining whether a quorum is present, but not be counted in calculating the

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majority necessary to carry such vote and not to be permitted to vote upon such question. This section shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

ARTICLE VI - MEMBERSHIPS

This corporation shall be a membership corporation without certificates or shares of stock. There shall be one (1) membership in the corporation for each of the Thirty-six (36) Condominium Units (as defined in the Condominium Declaration, which is consistent with the definition in the Colorado Condominium Act) existing in the Project. No person or entity other than an Owner of a Condominium Unit may be a member of the corporation.

The rights of all members of the Association shall be identical, with each membership being entitled to one (1) vote, all of which is prescribed and defined in the Condominium Declaration. The Owner or Owners of a Condominium Unit shall hold and share the membership related to that Condominium Unit in the same proportionate interests and by the same type of tenancy in which the title to the Condominium Unit is held.

The corporation may suspend the voting rights of a member for failure to comply with rules or regulations of the corporation or with any other obligations of the owners of a Condominium Unit under the Condominium Declaration.

A membership in the corporation and the share of a member in the assets of the corporation shall not be assigned, encumbered or transferred in any manner except appurtenant to transfer of title to the Condominium Unit to which the membership pertains; provided, however, that the rights of other security instrument on a Condominium Unit as further security for a loan secured by a lien on such Condominium Unit. Membership may be assigned to the holder of a mortgage, deed of trust, or a transfer of membership shall occur automatically upon transfer of title to the Condominium Unit to which the membership pertains; provided, however, that the By-Laws of the corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the corporation.

Members shall have no preemptive right to the purchase of other Condominium Units or the memberships appurtenant thereto.

The By-Laws may contain provisions, not inconsistent with the foregoing, setting forth the rights, privileges, duties and responsibilities of the members.

ARTICLE VII - LIMITATIONS

1. The Association shall be prohibited from engaging in any regular business or activity of a kind ordinarily carried on for profit, and no part of the income or net earnings shall inure

to the benefit of, or be distributable to, any member, director or officer of the Association or to any other private individual (except that reasonable compensation may be paid for services rendered to or for the Association in effecting one (1) or more of its purposes, and reimbursement may be made for any expenses incurred for the Association by any officer, director, member, agent or employee, or any person or corporation, pursuant to and upon authorization of the Board of Directors).

2. No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding the any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income taxation under the provisions, applicable to this corporation, of Section 501(c) of the Internal Revenue Code of 1954, as amended (or the corresponding provision of any future United States or Colorado law).

3. In the event of dissolution of the corporation, the property and assets thereof remaining, after providing for all obligations and liabilities of the corporation, shall then be disposed of exclusively for the purposes of the corporation in such manner, or to such organization or organizations exempt from taxation under Section 501(c) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States or Colorado law), as shall be determined by the Board of Directors.

ARTICLE VII - INITIAL REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Association is 108 S. Frontage Rd., West, Suite 307, P.O. Box 190, Vail, Colorado 81657; and the name of the initial registered agent of the Association at such address is Ross Davis, Jr.

ARTICLE IX - AMENDMENTS

The Association reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation by a vote of two-thirds (2/3) of the members present and constituting a quorum at any regular or special meeting of the shareholders and members; provided, however, that no amendment to the Articles of Incorporation shall be contrary to or inconsistent with any provision of the Condominium Declaration.

ARTICLE X - INCORPORATOR

The name of address of the Incorporator of the Association is: Ross Davis, Jr., 108 S. Frontage Rd., West, Suite 307, Vail, Colorado 81657.

EXECUTED in duplicate original form, this 24th day of April, 1986, by the undersigned Incorporator.

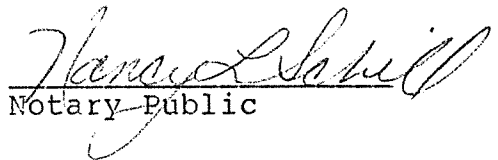


Ross Davis, Jr.

STATE OF COLORADO)
) ss.
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me on this 24th day of April, 1986, by Ross Davis, Jr.

Witness my hand and official seal. My commission expires: May 7, 1986.



Notary Public