

(City) *(State)* *(Postal/Zip Code)*

(Province - if applicable) *(Country - if not US)*

9. If the corporation's period of duration is less than perpetual, state the date on which the period of duration expires:

(mm/dd/yyyy)

10. (Optional) Delayed effective date:

(mm/dd/yyyy)

11. Name(s) and address(es) of incorporator(s): (if an individual)

Orcutt Nancy N.
(Last) *(First)* *(Middle)* *(Suffix)*

OR (if a business organization)

Berenbaum Weinshienk & Eason, P.C.
(Street name and number or Post Office Box information)
370 - 17th St., #4800
Denver CO 80202
(City) *(State)* *(Postal/Zip Code)*
United States
(Province - if applicable) *(Country - if not US)*

(if an individual)

(Last) *(First)* *(Middle)* *(Suffix)*

OR (if a business organization)

(Street name and number or Post Office Box information)

(City) *(State)* *(Postal/Zip Code)*
United States
(Province - if applicable) *(Country - if not US)*

(if an individual)

(Last) *(First)* *(Middle)* *(Suffix)*

OR (if a business organization)

(Street name and number or Post Office Box information)

(City) *(State)* *(Postal/Zip Code)*
United States
(Province - if applicable) *(Country - if not US)*

(If more than three incorporators, mark this box and include an attachment stating the names and addresses of all incorporators.)

- 12. The nonprofit corporation is formed under the Colorado Revised Nonprofit Corporation Act.
- 13. The corporation will **OR** will not have voting members.
- 14. A description of the distribution of assets upon dissolution is attached.
- 15. Additional information may be included pursuant to §7-122-102, C.R.S. and other organic statutes. If applicable, mark this box and include an attachment stating the additional information.

Notice:

Causing this document to be delivered to the secretary of state for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the secretary of state, whether or not such individual is named in the document as one who has caused it to be delivered.

- 16. Name(s) and address(es) of the individual(s) causing the document to be delivered for filing:

Orcutt	Nancy	N.
<i>(Last)</i>	<i>(First)</i>	<i>(Middle)</i>
Berenbaum Weinshienk & Eason, P.C.		
<i>(Street name and number or Post Office Box information)</i>		
370 - 17th St., #4800		
Denver	CO	80202
<i>(City)</i>	<i>(State)</i>	<i>(Postal/Zip Code)</i>
	United States	
<i>(Province - if applicable)</i>	<i>(Country - if not US)</i>	

(The document need not state the true name and address of more than one individual. However, if you wish to state the name and address of any additional individuals causing the document to be delivered for filing, mark this box and include an attachment stating the name and address of such individuals.)

Disclaimer:

This form, and any related instructions, are not intended to provide legal, business or tax advice, and are offered as a public service without representation or warranty. While this form is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form. Questions should be addressed to the user's attorney.

ATTACHMENT TO
ARTICLES OF INCORPORATION
OF
THREE SPRINGS RESIDENTIAL ASSOCIATION

ARTICLE A-1
PURPOSES AND POWERS

This Association does not contemplate pecuniary gain or profit to the Members thereof. The specific purposes for which it is formed are to provide for maintenance, preservation, and architectural control of the Common Elements and Units on or associated with the Three Springs Development located in the County of La Plata, Colorado (the "Property"), and to promote the health, safety and welfare of the residents within the Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association. For these purposes, the Association is authorized to:

(a) exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Residential Declaration for Three Springs ("Declaration"), applicable to the Property, or a portion thereof, and recorded in the Office of the Clerk and Recorder of the County of La Plata, 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 (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined herein);

(b) manage, control, operate, maintain, repair, and improve those portions of the Property for which the Association is responsible under the Declaration;

(c) enforce covenants, restrictions, and conditions affecting any property to the extent this Association may be authorized under the Declaration;

(d) engage in activities which will actively foster, promote, and advance the common ownership interests of Owners;

(e) enter into, make, perform, or enforce contracts of every kind and description, and do all other acts necessary, appropriate or advisable in carrying out any purpose of this Association, with or in association with any person, firm, association, corporation, or other entity or agency, public or private;

(f) adopt, alter, and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the affairs of this Association; provided, however, that such Bylaws may not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the Declaration; and

(g) have and exercise any and all powers, rights, and privileges now or hereafter permitted under the Colorado Non-Profit Corporation Act, and the Colorado Common Interest Ownership Act.

ARTICLE A-II

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot or Unit, which is Assessable Property, that is now or hereafter subject by the Declaration, shall be a

Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Assessable Property that is subject to assessment by the Association.

A transfer of membership, including all rights of an Owner with respect to the Common Elements, shall occur automatically upon the transfer of title to the Assessable Property to which the membership pertains. The Association may suspend the voting rights and any and all rights to use any Common Element (other than access to and from such Owner's Assessable Property) for any period during which any Association assessment against such Owner or against such Owner's Assessable Property remains unpaid, and, for any period not to exceed sixty (60) days (for each such failure) for failure to comply with the Declaration, these Articles, the Bylaws, or written rules and regulations of the Association. All Members, except those Members in default of any obligations to the Association, shall be entitled to vote on all matters. Cumulative voting is prohibited.

ARTICLE A-III

VOTING RIGHTS

Every Owner (including the Declarant) of a Lot or Unit, which is Assessable Property shall be a Member of the Association. Each such Owner shall have the following number of Memberships: (a) One Membership for each Lot or Unit (excluding Rental Apartments) owned by the Member; (b) One Membership for each completed Rental Apartments owned by a Member; and (c) In the case of the Owner of a Lot or Unit restricted to Apartment Development use, but as to which construction has not been completed, one Membership for each Rental Apartments permitted under the Master

Development Plan, the number of such Dwelling Units to be determined on the assumption that the number of Dwelling Units within a density classification on the Master Development Plan will be spread evenly over all land within the density classification. If a final plan for a Lot or Unit is subsequently approved by the Design Review Committee and the City for a number of Dwelling Units or Rental Apartments different from the number of Dwelling Units or Rental Apartments permitted under the Master Development Plan, the number of Memberships shall be adjusted, as to the portion of the Lot or Unit covered by the final plan and effective as of the date of adjustment, to reflect the actual number of Dwelling Units or Rental Apartments authorized by the final plan.

When more than one person holds an interest in the same Assessable Property, all such Owners shall be Members and the vote for such Assessable Property shall be cast as the Owners thereof agree, but in no event shall more than one vote be cast for each such Assessable Property. If the Owners of the Assessable Property do not agree as to the manner in which their votes should be cast when called upon to vote, then they shall be treated as having abstained.

Notwithstanding the foregoing provisions of this Article, during the period of Declarant's control as described in the Declaration, the Declarant has the right to appoint and remove all members of the Board of Directors and all officers of the Association, with such right phasing out as to some directors prior to such termination as provided in the Declaration.

ARTICLE A-IV

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors that shall initially have three members. Directors shall be Members which, in the case of corporate or partnership Members, shall include the general partners, officers and directors of each such corporate or partnership Member; provided that during the period of Declarant's control (as provided for in the Declaration), Declarant may appoint any person as a Director. The number of Directors may be changed by the Board as long as the number remains within the range set forth in the Bylaws of the Association. The names and addresses of the initial Board of Directors are:

<u>Name</u>	<u>Address</u>
Patrick Vaughn	160 Rock Point Drive, Suite E, Durango, CO 81301
Tim Zink	160 Rock Point Drive, Suite E, Durango, CO 81301
Bob Wolfe	160 Rock Point Drive, Suite E, Durango, CO 81301

ARTICLE A-V

OFFICERS

The Board of Directors of the Association will appoint a President, a Secretary and a Treasurer, and may appoint one or more vice presidents and such other officers as the Board, in accordance with the provisions of the Bylaws, believes will be in the best interests of the

Association. The officers shall have such duties as may be prescribed by the Bylaws of the Association, and shall serve at the pleasure of the Board of Directors. Notwithstanding the foregoing provisions of this Article, the Declarant shall have the right to appoint officers during the period of Declarant's control as described in the Declaration.

ARTICLE A-VI

DIRECTOR'S LIABILITY

To the extent permitted by applicable law, a Director of this Association shall not be liable to this Association or its Members for monetary damages for breach of his fiduciary duty as a Director.

ARTICLE A-VII

INDEMNIFICATION

The Association shall indemnify any Director against any liability asserted against or incurred by him in such capacity or arising out of his status as a Director to the maximum extent permitted by law. "Director," for purposes of this Article, shall mean any individual who is or was a Director of the Association and any individual who, while a Director of the Association, is or was serving at the Association's request as a member of any architectural control board or committee, as described above. The Association will pay for or reimburse the reasonable expenses (including attorneys' fees) incurred by a Director who is a party to a proceeding in advance of final disposition to the maximum extent permitted by law. The Association shall have the power to indemnify and advance expenses to any officer, employee, or agent who is not a Director as may be authorized by the Board of Directors (in their discretion) or when required by applicable law. The Association may purchase and maintain insurance on behalf of any individual who is or was a Director, officer, employee,

fiduciary, or agent of the Association, or who, while a Director, officer, employee, fiduciary, or agent of the Association, is or was serving at the request of the Association as a Director, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against or incurred by him in such a capacity or arising out of his status as such, whether or not the Association would have had the power to indemnify him against such liability under applicable law.

ARTICLE A-VIII

DISSOLUTION

The Association may be dissolved by resolution of the Board of Directors approved by Members holding at least 67% of all votes in the Association. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency or another non-profit corporation to be used for purposes similar to those for which this Association is created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE A-IX

AMENDMENTS

These Articles of Incorporation may be amended by resolution of the Board of Directors approved by a vote of Members holding at least sixty-seven percent (67%) of all votes in the Association; provided, however, that no amendment to these Articles shall be contrary to or

inconsistent with any provision of the Declaration or the laws of the State of Colorado. No amendment to these Articles or the Bylaws of the Association shall affect the voting rights of any Member without the approval of Members holding at least sixty-seven percent (67%) of all votes in the Association.

ARTICLE A-X

MISCELLANEOUS

Except as to a change in the number of Directors made by amendment to the Bylaws, whenever a provision of the Articles of Incorporation is inconsistent with a by-law, the provision of the Articles of Incorporation shall be controlling. Whenever a provision of the Articles of Incorporation is inconsistent with the Declaration, the provisions of the Declaration shall be controlling.