

NONPROFIT

ARTICLES OF INCORPORATION
OF
RIVER RIM HOMEOWNERS ASSOCIATION, INC.

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For the purpose of forming a nonprofit corporation pursuant to the provisions of the Colorado Nonprofit Corporation Act, the undersigned, acting as incorporator, hereby adopts the following Articles of Incorporation for such corporation.

ARTICLE I
Name

The name of the corporation is RIVER RIM HOMEOWNERS ASSOCIATION,
INC.

ARTICLE II
Duration

The period of duration of this corporation shall be perpetual.

ARTICLE III
Purposes

The business, objects and purposes for which the corporation is formed are as follows:

A. To be and constitute the Association to which reference is made in certain Declaration of, Covenants, Conditions and Restrictions for RIVER RIM SUBDIVISION, recorded with the Gunnison County Clerk and Recorder, and to perform all obligations and duties of such Association and to exercise all rights and powers of such Association, as specified therein and herein.

B. To provide an entity for the furtherance of the interest of the lot owners with River Rim Subdivision.

C. To provide an entity for the acquisition, construction, management, maintenance and care of the property owned by or entrusted to such Association.

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ARTICLE IV
Powers

In furtherance of its purposes, but not otherwise, the corporation shall have the following powers:

A. All of the powers conferred upon nonprofit corporations by the common law and the statutes of the State of Colorado in effect from time to time.

B. All of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Association under the Protective Covenants, including without limitation, the following powers:

1. To make and collect assessments against members for the purpose of defraying the costs, expenses and any losses of the corporation, or of exercising its powers or of performing its functions as provided in the Declaration, including specifically imposing and collecting the late payment penalties.

2. To manage, control, operate, maintain, repair and improve property of the Association, as defined in the Declaration.

3. To enforce covenants, restrictions, or conditions affecting any property in the subdivision to the extent this corporation may be authorized under any such covenants, restrictions, or conditions, and to make and enforce rules and regulations for use of property in the subdivision.

4. To engage in activities which will actively foster, promote and advance the common ownership interests of owners in the subdivision.

5. Subject to the Declaration and the Bylaws of this corporation, to buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate and otherwise deal with and in real, personal and mixed property of all kinds, and any right or interest therein, for any purpose of this corporation.

6. To borrow money for any purpose of this corporation, limited in amount or in other respects as may be provided in the Bylaws of this corporation.

7. Subject to the Declaration and the Bylaws of this corporation, to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any

purpose of this corporation, with or in association with any person, firm, association, corporation, or other entity or agency, public or private.

8. To act as agent, trustee, or other representative of other corporations, firms and individuals, and, as such, to advance the business or ownership interests of such corporations, firms or individuals.

9. To adopt, alter, and amend or repeal such bylaws as may be necessary or desirable for the proper management of the affairs of this corporation; provided, however, that such bylaws may not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the Declaration.

10. 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.

11. The forgoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article IV are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of this Article IV.

ARTICLE V **Memberships**

This corporation shall be a membership corporation without certificates or shares of stock. There shall be two classes of membership, Class A Membership and Class B Memberships. There shall be one Class A Membership for each owner of a lot in one subdivision, with the exception of those lots owned by River Rim Corporation, the Declarant. There shall be one Class B Membership for each lot owned by the Declarant, or its officers. Each Class A members shall have one vote in all matters to come before one members, and each Class B member shall have ten (10) votes in all matters to come before the members. All Class B memberships shall terminate 10 years from August 2, 1994, or at the time each lot owned by a Class B Member is transferred by such member to anyone other than River Rim Corporation or its officers (and thereby converted to a Class A membership), whichever shall first occur. No person or entity other than an owner of a lot may be a member of the corporation. If title to any lot is held by a corporation or other association, the corporation or association shall from time to time designate to the Association, in writing, the name of a natural person or persons authorized to exercise the corporation's or association's membership rights, including voting and the holding of elective office, and if title to any lot is held by two or more individuals, one such owner shall be designated to exercise

all owners' membership rights, and in the absence of such designation, the Board of Directors may designate the sole voting member in any such case, or, meets discretion, disallow participation by such lot. The proxy system of voting shall be permitted.

Neither membership in the corporation nor any membership rights in the corporation may be assigned, encumbered, or transferred in any manner except as an appurtenance to transfer of title to the lot to which the membership pertains. A transfer of membership shall occur automatically upon the transfer of title to a lot to which the membership pertains; provided, however, that the Bylaws of the corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the corporation.

The Bylaws of the corporation may contain provisions, not inconsistent with the foregoing, or the Declaration setting forth the rights, privileges, duties and responsibilities of the members.

ARTICLE VI **Board of Directors**

The business and affairs of the corporation shall be conducted, managed and controlled by the Board of Directors.

The Board of Directors shall consist of not less than one (1) nor more than three (3) members, the specific number to be set forth from time to time in the Bylaws of the corporation. In the absence of any provision in the Bylaws, the Board shall consist of one (1) member.

Members of the Board of Directors shall be elected from the members of the corporation at its annual meeting in the manner determined by the Bylaws and shall serve for such terms as therein provided. In all events, however, the terms of at least one-third of the members of the Board of Directors shall expire annually.

The name and address of the sole member of the first Board of Directors who shall serve until his successor is duly elected and qualified is as follows:

Daniel P. Gallagher
2955 Valmont, Suite 310
Boulder, Colorado 80301

Directors may be removed and vacancies on the Board of Directors shall be filled in the manner to be provided in the Bylaws.

Any vacancies in the Board of Directors occurring before the first election of directors by members in the corporation shall be by the Incorporator.

ARTICLE VII
Officers

The Board of Directors may appoint a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as the Board believes will be in the best interests of the corporation. The officers shall have such duties as may be prescribed in the Bylaws of the corporation.

ARTICLE VIII
Conveyance and Encumbrances

Subject to the terms of the Declaration, Corporate property may be conveyed or encumbered by authority of the Board of Directors or such person or persons to whom such authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by instrument executed by the President and by the Secretary, or executed by such other person or persons to whom such authority may be delegated by the Board.

ARTICLE IX
Initial Registered Office and Agent

The initial registered office of the corporation shall be 2955 Valmont, Suite 310, Boulder, Colorado. The initial registered agent at such office shall be Daniel P. Gallagher. The Board of Directors may from time to time change such designated office or agent by accomplishing the necessary filings with the Colorado Secretary of State.

ARTICLE X
Incorporation

The name and address of the incorporator of this corporation is as follows:

Karl Ranous
304 West Tomichi Avenue, Suite 23
Gunnison, Colorado 81230

ARTICLE XI

Dissolution

In the event of the dissolution of this corporation either voluntarily by the members hereof, by operation of law, or otherwise, then the assets of this corporation shall be deemed to be owned by all the members in proportion to the number of lots of each member's ownership.

**ARTICLE XII
Amendment**

Amendments to these Articles of Incorporation shall be adopted, if at all, in the manner as set forth in the Colorado Nonprofit Corporation Act; provided, however, that no amendment to the Articles of Incorporation shall be contrary to or inconsistent with any provision of the Declaration.

Executed this 10th day of August, 1994.




Karl Ranous

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing instrument was acknowledged before me this 10th day of August, 1994, by Karl Ranous.

Witness my hand and official seal.

My commission expires: 8/9/94



Notary Public