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SECRETARY OF STATE
STATE OF COLORADO

ARTICLES OF INCORPORATION

OF

CREEKSIDE I HOMEOWNERS' ASSOCIATION

(A Colorado Nonprofit Corporation)

The undersigned natural person, who is more than 18 years of age, hereby establishes a nonprofit corporation pursuant to the Colorado Nonprofit Corporation Act, as amended, and adopts the following Articles of Incorporation:

I.

NAME

1.1 The name of the Corporation is:

CREEKSIDE I HOMEOWNERS' ASSOCIATION

II.

DURATION

2.1 The Corporation shall have perpetual existence.

III.

PURPOSE AND POWERS OF THE ASSOCIATION

3.1 General Purpose: The general purpose of this Association is to provide for maintenance, preservation and architectural control of the residents' lots and common area within a certain subdivided tract of property known as Creekside, according to the recorded plat thereof, Boulder County, Colorado, and to promote the health, safety and welfare of the residents of the said Creekside and any additions thereto as may hereafter be brought within the jurisdiction of this Association.

3.2 Ancillary Purposes: The Association may do those things necessary, proper, advisable or convenient to accomplish the purposes hereinabove set forth, and may do all other things incidental thereto or connected therewith which are not forbidden by law or these Articles of Incorporation.

3.3 Powers: To carry out the foregoing purposes, the Association shall have all powers accorded to nonprofit corporations under the Colorado Nonprofit Corporation Act, as amended, and specifically shall have the power and authority 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 "Declaration of Covenants, Conditions and Restrictions", hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the office of the Clerk and Recorder of Boulder County, Colorado, and as the same may be amended from time to time as therein provided;

b. Fix, levy, collect and enforce payment by any lawful means, of all charges or assessments of, by or for members of the Association pursuant to the terms of the Declaration, the Association Bylaws or these Articles, in order 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 a two-thirds vote of approval, mortgage, pledge, encumber, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

e. Dedicate, sell or transfer all or any part of the Common Area (as defined in the Declaration) to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been approved by a two-thirds vote.

f. Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall be presented at a meeting of the members called for such purpose and be approved by a two-thirds majority of those votes present and entitled to vote.

g. Perform all acts and do all things necessary or incidental to the foregoing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the lot owners.

h. Enforce any and all conditions, covenants, restrictions, terms, declarations and agreements applicable to Creekside and any additional residential lots or property in common areas, the owners which become members of this association pursuant to Article 3.3f.

3.4 Restrictions on Powers. The Association is not organized to secure any direct or indirect pecuniary gain to its members. All assets of the Corporation, together with any earnings thereon shall be used exclusively for the purposes set forth herein. No part of the Corporation assets or

earnings shall inure to the benefit of any officer or director of the Corporation, or to any other private individual, except that reasonable compensation may be paid for, and reimbursement may be made for reasonable expenses incurred in connection with, services rendered to or for the Corporation in furthering one or more of its purposes.

IV.

MEMBERSHIP AND VOTING RIGHTS

4.1 Members: 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, 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 lot which is subject to assessment by the Association.

4.2 Voting Rights: The Association shall have two classes of voting membership:

Class A: Class A members shall be all owners with the exception of the Declarant and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

Class B: The Class B member shall be the Declarant (as defined in the Declaration), and shall be entitled to four votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the tenth anniversary date of the Declaration, or in such earlier times as the Class B member voluntarily converts its Class B membership to Class A membership in the Association.

The Association may suspend the voting rights of a member who fails to comply with the Association's Bylaws, rules and regulations or any other obligation contained in the Declaration.

V.

MANAGEMENT OF THE ASSOCIATION

5.1 Board of Directors: The business and affairs of the Association shall be managed by a Board of Directors which shall exercise all of the powers of the Association, except as otherwise provided by law or by these Articles of Incorporation. The Board of Directors shall consist of three persons, or such other number as shall be fixed by the Bylaws, or from time to time by amendment of the Bylaws, but no decrease in the number of Directors shall shorten the term of any incumbent Director. In no event shall the number of Directors be decreased to less than three. Board members need not be members of the Association. At the first annual meeting of members, the

members shall elect three directors, one of whom shall be elected and shall serve for a one year term, one for a two year term and one for a three year term. At each annual meeting thereafter, the members shall elect one director for three term. The members of the Association may, with or without cause, remove any director from the Board by a majority vote of the members of the Association, and the members shall then elect a successor to serve the remainder of the term of the Director who was removed. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by the affirmative vote of a majority of the Directors then in office, though less than a quorum of the Board of Directors. Cumulative voting shall not be permitted in the election of Directors.

5.2 Initial Board of Directors: The names and addresses of the persons who shall serve as Directors until the first annual election of Directors, or until their successors be elected and qualified, are:

<u>Name</u>	<u>Address</u>
Wallace H. Grant	515 Kimbark Street P.O. Box 978 Longmont, Colorado 80501
Douglas Grant	13625 E. County Line Road Longmont, Colorado 80501
Henry Braly	3600 Highway 52 Erie, Colorado 80506

5.3 Exemption of Directors from Liability: No director shall be liable to the Corporation or its members for monetary damages resulting from any acts or omissions in breach of such directors' fiduciary duty to the corporation: provided, however, a director shall not be absolved of liability to the corporation or its members in any case in which (i) the director has breached his duty of loyalty to the corporation; (ii) the director's acts or omissions were not in good faith, or involved intentional misconduct or knowing violation of law; (iii) the director assents to or participates in any loan between the corporation and any of its officers or directors; or (iv) the director has engaged in any transaction from which he/she derived an improper personal benefit.

VI.

REGISTERED OFFICE AND REGISTERED AGENT

5.1 The registered office of the Association in the State of Colorado is 515 Kimbark Street, P.O. Box 978, Longmont, Colorado 80501. The registered agent at that address is Wallace H. Grant.

VII.

DISSOLUTION

7.1 The Association may be dissolved in the manner provided in the Colorado Nonprofit Corporation Act, as amended. 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 to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. No such disposition of Association property shall be effective to divest or diminish any right or title of any member vested in him or her under the recorded covenants and deeds applicable to any lots within the subdivision.

VIII.

AMENDMENT OF ARTICLES

8.1 The right is reserved from time to time to amend, alter or repeal any provisions of, or to add to these Articles of Incorporation in any manner now or hereafter prescribed or permitted by the laws of Colorado, upon approval of a two-thirds vote of the members entitled to vote.

IX.

INCORPORATOR

9.1 The name and address of the Incorporator is:

<u>Name</u>	<u>Address</u>
Brett J. Lambert	515 Kimbark Street P.O. Box 978 Longmont, Colorado 80501

IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation this 13th day of December, 1989.

Brett J. Lambert
Brett J. Lambert

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 13th day of December 1989, by Brett J. Lambert.

Witness my hand and official seal. My commission expires 4-13-93.

Lynne C. Gehring
Notary Public

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