

STATE OF COLORADO

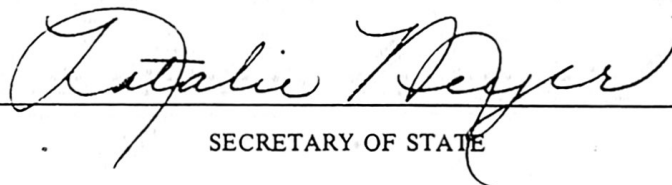
DEPARTMENT OF
STATE

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 R. R. HOMEOWNERS' ASSOCIATION, A NON-PROFIT CORPORATION.

Dated: MARCH 26, 1990



SECRETARY OF STATE

ARTICLES OF INCORPORATION

OF

R. R. HOMEOWNERS' ASSOCIATION

The undersigned, acting as incorporator of a corporation under the Colorado Non-Profit Corporation Act, adopts the following Articles of Incorporation for the corporation.

ARTICLE I

Name

The name of the corporation shall be: R. R. Homeowners' Association. This corporation shall be hereinafter referred to as "the Association".

ARTICLE II

Duration

The period of duration of the corporation is perpetual.

ARTICLE III

Non-Profit Purpose

The corporation is formed exclusively for purposes for which a corporation may be formed under the Colorado Non-Profit Corporation Act (hereinafter referred to as "Act") and not to distribute income or profit to its members, trustees, or officers except to the extent permitted under the Act.

ARTICLE IV

Purposes

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

A. To be and to constitute the Association referred to in the Declaration for River Ranch, a Subdivision (hereinafter referred to as "Declaration"), recorded in the office of the County Clerk and Recorder of Eagle County, Colorado and according to the subdivision plat map thereof (hereinafter "Plat"), which Declaration established a plan of ownership for certain real property situated within Eagle County, Colorado, described within the Declaration (this property hereinafter referred to as "the Project").

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B. To perform the obligations and duties and to exercise the rights and powers of the Association as set forth in the Declaration.

C. To purchase or otherwise acquire and own, hold, manage, develop, maintain, rehabilitate, improve and sell, lease, exchange, encumber or otherwise dispose of and deal in real property including the acquisition and conveyance of water rights, whether improved or unimproved, and any interest therein, of every kind and description, whether in connection with or incident or related to the foregoing purposes.

D. To purchase or otherwise acquire and own, hold, manage, maintain, rehabilitate, improve, develop and sell, lease exchange, encumber or otherwise dispose of and deal in personal property in connection with or incident or related to the foregoing purposes.

E. To provide an entity for the establishment and maintenance of the Project as a first class residential subdivision of the highest quality and value and further to do all things necessary and proper to enhance and protect its value, desirability and attractiveness.

ARTICLE V Powers

In furtherance of its purposes, the corporation shall have the following powers:

A. All those powers conferred on non-profit corporations under the Act.

B. All those powers necessary to perform obligations and duties and to exercise the rights and powers of the Association as set forth in the Declaration.

C. To do everything necessary, suitable or proper for the accomplishment of any of its non-profit corporate purposes, including, but without limitation thereto, the following:

1. To make and collect assessments whether annual, special or otherwise against members for the purpose of defraying the costs, expenses and losses, if any, of the Association.

2. To manage, control, operate, maintain, repair, and improve the common areas of the Project, as defined in the Declaration and as described on the Plat.

3. To enforce covenants, restrictions or conditions affecting any property of the Association to the extent the Association may be authorized under the Declaration or otherwise.

4. To make and enforce rules and regulations with respect to the use of the property in the Project.

5. To engage in activities and endeavors which may now or hereafter be allowed or permitted by law to actively foster, promote and advance the common interests of owners of lots within the Project.

ARTICLE VI Memberships

A. The Association shall be a membership corporation without certificates or shares of stock. There shall be one membership in the Association for each lot as defined in the Declaration so existing from time to time. Except as otherwise specified in the Declaration, no person or entity other than an owner as defined in the Declaration may be a member of the Association. There shall be one vote for each lot on all matters on which members are entitled to vote, unless otherwise specified in the Declaration.

B. The owner or owners of a lot shall hold and share a membership in the Association in the same proportional interest and by the same type of tenancy as the title to that lot so owned is held.

C. The Association may suspend any owner's voting rights in the Association during any period or periods which such Owner fails to comply with any rules or regulations of the Association or with any other obligation of the owner of the lot under the Declaration.

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

E. Members shall have no preemptive right to purchase other lots or the memberships appurtenant thereto, except as may be provided in the Declaration.

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

ARTICLE VII
Board of Trustees

A. The business and affairs of the Association shall be conducted, managed and controlled by the Board of Trustees.

B. The Board of Trustees shall consist of three (3) members. A change in these limits shall be made only by amendment to these Articles of Incorporation. No decrease in the number of trustees shall have the effect of shortening the term of any incumbent trustee.

C. Members of the Board of Trustees shall be elected at the annual meeting of the members in the manner provided by the By-Laws and subject to Declarant's rights to appoint the members of the Board as set forth in the Declarations.

D. The initial Board of Trustees shall consist of the following three (3) trustees:

Steven Conger
450 South Galena Street
Suite 202
Aspen, Colorado 81611

Michael Fuller
450 South Galena Street
Suite 202
Aspen, Colorado 81611

Richard Lewis
Post Office Box 1874
Aspen, Colorado 81612

The trustees shall serve for the period of time commensurate with the designated group as specified in the By-Laws and until their respective successors are duly elected and qualified.

E. The Board of Trustees shall have the power to adopt such prudent By-Laws and to alter the same as it may from time to time deem proper for the management of the affairs of the Association,

so long as they are not inconsistent with the provisions of these Articles of Incorporation or the Declaration.

ARTICLE VIII
Officers

The Board of Trustees may appoint a President, one or more Vice-Presidents, a Secretary, a Treasurer and any other officers as the Board of Trustees believes will be in the best interest of the Association. The officers shall have duties as may be prescribed in the By-Laws of the Association and shall serve at the pleasure of the Board of Trustees.

ARTICLE IX
Rights of Association

The Association reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation by a vote of three-fourths (3/4) of the members present and constituting a quorum at any regular or special meeting of the members.

ARTICLE X
Initial Registered Office and Agent

The initial registered office and mailing address of the Association is at 201 North Mill Street, Suite 203, Aspen, Colorado 81611. The initial registered agent at such address shall be Herbert S. Klein.

ARTICLE XI
Incorporator

The incorporator of the Association is Herbert S. Klein and his address is 201 North Mill Street, #203, Aspen, Colorado 81611.

ARTICLE XII
Contracts with Trustees

The following provision is inserted for the management of the business and for the conduct of the affairs of the Association and the same is in furtherance of and not in limitation or exclusion to any power conferred by these Articles or by the law. No contract or other transaction of the Association with any person, firm or corporation shall be affected or invalidated by: (i) the fact that any one or more of the trustees or officers of the

Association is interested in or is a trustee or officer of another corporation; or (ii) the fact that any trustee or officer, individually or jointly with others, may be a party to or may be interested in any such contract or transaction. Each person who may become a trustee or officer of the Association is hereby relieved from any liability that might otherwise arise by reason of his or her contracting with the Association for the benefit of himself or herself or any firm or corporation in which he or she may be in any way interested.

Signed this 7 day of March, 1990.

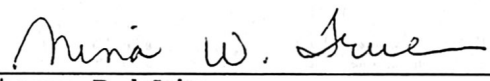

Herbert S. Klein

STATE OF COLORADO)
) ss.
COUNTY OF PITKIN)

The foregoing instrument was acknowledged before me this 7th day of March, 1990, by Herbert S. Klein.

Witness my hand and official seal.

My commission expires: 7/29/90


Notary Public

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