

**ARTICLES OF INCORPORATION  
OF  
THE RAPIDS ON THE COLORADO HOMEOWNERS ASSOCIATION**

**ARTICLE I.  
NAME**

The name of this Corporation shall be THE RAPIDS ON THE COLORADO HOMEOWNERS ASSOCIATION.

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**ARTICLE II.  
DURATION**

The term of existence of this Corporation is perpetual.

**ARTICLE III.  
PURPOSES**

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

1. To be and constitute the Homeowners Association to which reference is made in the Protective Covenants for The Rapids on the Colorado Subdivision ("Subdivision") and any supplement thereto ("Declaration") recorded in the records of the Clerk and Recorder of the County of Garfield, Colorado, and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association.
2. To provide for maintenance and preservation of the Subdivision including the maintenance and repair, for the benefit of all members herein, all common open space areas contained within the Subdivision.
3. To operate and maintain the domestic water treatment and distribution system and all facilities appurtenant thereto
4. To promote, foster and advance the health, safety and welfare of residents within the Subdivision.
5. To enforce covenants, restrictions, conditions and equitable servitudes affecting the Subdivision.

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6. To make and enforce rules and regulations with respect to the use of lots within the Subdivision, as provided in the Declaration.

7. To establish and maintain the Subdivision as property of high quality and value and to enhance and protect its value, desirability and attractiveness.

#### **ARTICLE IV. POWERS**

The Association shall have all of the rights, privileges and powers now or subsequently conferred on non-profit corporations by the laws of Colorado. The Corporation shall have and may exercise all powers necessary or convenient to effect any of the purposes for which the Corporation was organized.

#### **ARTICLE V. MEMBERSHIP**

1. This Corporation shall be a membership Corporation without certificates or shares of stock. Every owner of a subdivision lot, including the Developer, shall be a member.

2. Each lot within the Subdivision shall have one (1) vote. When more than one (1) person holds a membership, they may appoint one (1) of their co-members as proxy to cast the vote for that membership. Such vote shall be cast as the owners thereof agree, but in no event shall more than one (1) vote per question be cast with respect to any one (1) lot. If the co-members cannot agree as to the manner in which their vote should be cast when called upon to vote, then they will be treated as having abstained.

3. 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 as appurtenant to the transfer of title to the lot to which the membership pertains; provided, however, the rights of membership may be assigned to the holder of a mortgage, deed of trust or other security instrument on a lot as further security for the loan secured by a lien on such lot.

4. A transfer of membership shall occur automatically upon the transfer of title to the lot to which the membership pertains; provided, however, 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.

5. The Corporation may suspend the voting rights of a member for failure to comply with the rules and regulations of the Corporation or with any other obligations of the owners of any lot under the Declaration.

6. The Bylaws may contain provisions setting forth the rights, privileges, duties and responsibilities of the members.

## **ARTICLE VI. BOARD OF DIRECTORS**

1. The business and affairs of the Corporation shall be conducted, managed and controlled by a Board of Directors. The Board of Directors shall consist of not less than two (2) nor more than five (5) members, the specific number to be set forth from time to time in the Bylaws of the Corporation. The duties, qualifications, term of office and the manner of their election, appointment and removal shall be as set forth in the Bylaws.

2. The names and addresses of the members of the first Board of Directors who shall serve until the first election of Directors and until their successors are duly elected and qualified are as follows:

Gene R. Hilton  
2102 W. Arapahoe Dr.  
Littleton, CO 80120

Mary J. Hilton  
2102 W. Arapahoe Dr.  
Littleton, CO 80120

Any vacancies in the Board of Directors occurring before the first election of Directors shall be filled by the remaining Director.

## **ARTICLE VII. OFFICERS**

The Board of Directors shall elect from among them a president and secretary, and may also elect, but not necessarily from among them, one (1) or more vice-presidents, a treasurer and such other offices as the Board believes will be in the best interest of the corporation. The officers shall have such duties and serve for such terms of office as shall be prescribed in the Bylaws of the Corporation.

## **ARTICLE VIII. INDEMNIFICATION OF DIRECTORS**

The Corporation shall indemnify its directors and officers to the full extent permitted by Colorado law.

**ARTICLE IX.  
LIMITATION OF LIABILITY**

1. The personal liability of a director to the Corporation or its members for monetary damages for breach of fiduciary duty as a director is limited to the full extent provided by Colorado law.

2. The directors, officers, employees and members of the Corporation shall not, as such, be liable on its obligations.

3. Directors shall not be liable for actions taken or omissions made in the performance of corporate duties except for wanton and willful acts or omissions.

**ARTICLE X.  
CONVEYANCES AND ENCUMBRANCES**

Corporate property may be conveyed or encumbered by authority of the Board of Directors or by such person or persons to whom such authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by an instrument executed by the president or a vice-president and by the secretary or an assistant secretary, or executed by such other person or persons to whom such authority may be delegated by the Board.

**ARTICLE XI.  
DISSOLUTION**

Upon the dissolution of the Corporation, the Corporation shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes, as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue law), as the Corporation shall determine. Any of such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

**ARTICLE XII.  
AMENDMENTS**

Amendments to these Articles of Incorporation shall be adopted, if at all, in the manner set forth in the Bylaws; provided, however, no amendment to these Articles of Incorporation shall be contrary to or inconsistent with the provisions of the Declaration.

**ARTICLE XIII.  
GENERAL**

This Corporation is one which does not contemplate pecuniary gain or profit to the members thereof and is organized for nonprofit purposes.

**ARTICLE XIV.  
INITIAL REGISTERED OFFICE AND AGENT**

The initial registered office of the Corporation shall be located at 2102 West Arapahoe Drive, Littleton, CO 80120, the mailing address of such registered office is P.O. Box 1274, Littleton, CO 80160, and the name of the initial registered agent at such address is Gene R. Hilton. Either the registered office or the registered agent may be changed in the manner provided by law.

**ARTICLE XV.**

**INCORPORATOR**

The name and address of the organizer is:

Gene R. Hilton  
2102 W. Arapahoe Dr.  
Littleton, CO 80120

