

FILED
DONETTA DAVIDSON
COLORADO SECRETARY OF STATE

NONPROFIT

ARTICLES OF INCORPORATION
OF
THE RIDGE AT TELLURIDE
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, as amended, the undersigned incorporator has signed and acknowledged the following articles:

ARTICLE I - NAME

The name of this nonprofit corporation shall be: The Ridge At Telluride Homeowners Association, Inc. (hereinafter in these Articles it will sometimes be called "the Association").

ARTICLE II - DURATION

The period of duration of this nonprofit corporation shall be perpetual.

ARTICLE III - PURPOSES

The business, objectives and the purposes for which this nonprofit corporation is formed, are as follows:

A. To be and constitute the Association to which reference is made in the Declaration for The Ridge At Telluride, (herein sometimes called the "Declaration"), a planned community development project of record, or which will be of record, in the office of the Clerk and Recorder of the County of San Miguel, Colorado, (herein sometimes called the "Project"), in the Town of Mountain Village, County of San Miguel, Colorado and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association specified therein, as well as those more fully set forth herein.

B. To provide an entity for the furtherance of the interests of the Owners of Units, as defined in the Declaration of the Project.

ARTICLE IV - POWERS

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

A. All Common Law and Statutory Powers. All of the powers conferred upon nonprofit corporations by the common law and statutes of the State of Colorado, in effect now and from time to time.

B. Powers needed to Effectuate the Declaration. All of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers of the Association under the above-referenced Declaration (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined herein) including but not limited to the following powers:

- 1) Assessments. To make and collect assessments against Members for the purpose of defraying the costs, expenses and any losses of the Association, or of exercising its powers or of performing its functions.
- 2) Common Elements. To manage, control, operate, maintain, repair and improve the Common Elements.
- 3) Enforce Restrictions, etc. To enforce covenants, restrictions and conditions affecting any property to the extent this Association may be authorized under any such covenants, restrictions or conditions and to make and enforce rules and regulations for use of property in the Project.
- 4) Advance Owners' Interests. To engage in activities which will actively foster, promote and advance the common ownership interests of Owners of Units.
- 5) Buy, Sell, Lease, etc. To buy or otherwise acquire, sell or otherwise dispose of, mortgage, grant easements and licenses, 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 Association.

6) **Borrow.** To borrow money and secure the repayment of monies borrowed for any purpose of this Association limited in amount or in other respects as may be provided in the Bylaws of this Association or in the Declaration.

7) **Contract.** To enter into, make perform or enforce contracts of every kind and description, including, without limitation, contracts for management services, and to 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.

8) **Represent Others.** To act as agent, trustee, attorney-in-fact or other representative of other corporations, firms and individuals and as much to advance the business or ownership interests of such corporations, firms or individuals.

9) **Bylaws.** To adopt, alter, 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, the Declaration, or applicable governmental statute or regulation.

10) **Powers Not Limited, Restricted.** The foregoing 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 provisions of this Article IV.

C. **Limits on Powers.** Without the consent of all the ownership interests in the Project, this Association shall have no power or authority to take any action which would cause it to be classified other than as a nonprofit corporation by either the Internal Revenue Service or the State of Colorado.

ARTICLE V - MEMBERSHIPS

A. **Shares, One Class.** This Association shall be a membership corporation without certificates or shares of stock. There shall be one class of membership, and there shall be one membership in the corporation for the aggregate ownership interests for each Unit.

B. **Voting.** All Members shall be entitled to vote on all matters, with one vote per Unit. The voting rights of any Members who are in default of any obligations to this Association may be suspended until such default is cured. Cumulative voting is prohibited. If title to any Unit shall be held by two or more co-tenants, then each such co-tenant shall be a Member of this Association. The vote for a given Unit shall be made by one person, who shall represent the Member or Members holding title to the respective Unit. No person or entity other than an Owner of a Unit may be a regular member of the Association.

C. **Membership Appertains to Unit.** A membership in the Association shall not be assigned, encumbered or transferred in any manner except as an appurtenance to transfer of title to the Unit to which the membership appertains, provided however, that the rights of membership may be assigned to the holder of a first mortgage on such Unit.

D. **Transfer.** A transfer of membership shall occur automatically upon the transfer of title to the Unit to which the membership appertains, provided, however, that the Bylaws of the Association may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the Association.

E. **Suspension of Voting Rights.** The Association may suspend the voting rights of a Member for failure to comply with rules, regulations or Bylaws of the Association or for failure to comply with any other obligations under the Declaration, rules or agreements created pursuant thereto.

F. **Bylaws Applicable to Members' Rights.** The Bylaws may contain provisions, not inconsistent with the foregoing, setting forth the rights, privileges, duties and responsibilities of the Members.

ARTICLE VI - BOARD OF DIRECTORS

The business and affairs of this Association shall be conducted, managed, and controlled by its Board of Directors.

A. Director Liability. The Corporation hereby elects to enact all of those protections provided by Colorado law which would limit or eliminate the personal liability of Directors to the Corporation or members in any and all cases with the exception of those statutory exceptions which do not eliminate or limit a Director's liability, including provisions for indemnification and unless otherwise set forth in the Condominium Declaration. This election incorporates by reference, without limitation, the provisions of Article 22 of the Colorado Nonprofit Corporation Act, including the provisions for indemnification and personal liability of directors, officers, employees and agents.

B. Initial Board. The names and addresses of the three natural persons over the age of twenty-one years who shall comprise the Initial Board of Directors are as follows:

<u>Name</u>	<u>Address</u>
John Horn	P.O. Box 518 Telluride, CO 81435
Lynn Sherlock	P.O. Box 518 Telluride, CO 81435
Stephen Cram	P.O. Box 518 Telluride, CO 81435

ARTICLE VII - OFFICERS

The Board of Directors shall, each year, at its annual meetings of the Directors, elect a President of the Association, a Secretary, a Treasurer and such other officers as the Board, in accordance with the provisions of the Bylaws, deems necessary. The Officers shall have such duties as may be prescribed in the Bylaws.

ARTICLE VIII - CONVEYANCES AND ENCUMBRANCES

Association property may be conveyed or encumbered and easements, leases and licenses granted by authority of its Board of Directors. Conveyances, easements, leases, licenses or encumbrances shall be by instrument and executed by the President or Vice President and by the Secretary or Treasurer or an Assistant Secretary or Assistant Treasurer or executed by such other person or persons to whom such authority may be specifically delegated by the Board.

ARTICLE IX - PRINCIPAL OFFICE AND INITIAL REGISTERED OFFICE AND AGENT

The initial registered office of the corporation shall be at 261 Country Club Dr. Mountain Village, Colorado 81435. The initial registered agent at such office shall be John Horn. The initial principal office of the corporation shall be at 261 Country Club Dr. Mountain Village, Colorado 81435.

ARTICLE X - INCORPORATOR

The following is the name and address of one natural person over the age of twenty-one years and of full, unimpaired legal capacity who is the incorporator of this corporation.

<u>Name</u>	<u>Address</u>
John Horn	P.O. Box 518 Telluride, CO 81435

ARTICLE XI - DISSOLUTION

In the event of the dissolution of this Association, either voluntarily by the Members hereof, by operation of law, or otherwise, then the assets of this Association shall be deemed to be owned by the Members at the date of dissolution by ownership expressed as a fraction, calculated as follows: 1 divided by the total number of Units in the Project.

ARTICLE XII - AMENDMENTS

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

Whose signatures are no longer required and the name and address of the individual causing the document to be delivered for filing is:

John J. Ham
P.O. Box 518
128 South Oak St.
Telluride, CO 81435