

# ARTICLES OF INCORPORATION

OF

## CASTLE VALLEY RANCH PUD HOMEOWNERS ASSOCIATION (A Colorado Not-For-Profit Corporation)

The undersigned, acting as incorporator, establishes a corporation pursuant to the provisions of the Colorado Nonprofit Corporation Act.

### ARTICLE I. NAME

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SECRETARY OF STATE  
03-15-96 12:22

The name of the Corporation is CASTLE VALLEY PUD HOMEOWNERS ASSOCIATION.

### ARTICLE II. PERIOD OF DURATION

The Corporation shall have perpetual existence.

### ARTICLE III. PROPERTY SUBJECT TO ASSOCIATION

The property which shall be subject to and included within the Corporation is described as follows:

Castle Valley Ranch, A Planned Unit Development, according to the plat thereof recorded as Reception No. 344590:

Amended Final Plat, Castle Valley Ranch, Portions of  
Filing No. 1  
Block 3  
Block 4  
Block 2  
Lots 33 through 44  
Block 8  
Lots 15 through 36

**COMPUTER UPDATE COMPLETE**  
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Block 9  
Lots 14 through 19

The above-described property shall hereinafter be referred to as "Property."

**ARTICLE IV.  
PURPOSES AND POWERS**

A. **Purposes.** The purposes for which the Corporation is organized are:

1. To protect and maintain the Property.
2. To hold the title to any lands or interest therein, including, but not limited to, common lands, green belts, roads, paths, trails and any utilities deemed necessary or desirable to fulfill the purposes of the Corporation.
3. To lease, purchase, sell, convey and deal with lands, structures and improvements, all as may be necessary or desirable in carrying out the purposes of the Corporation.
4. To build, operate, improve, maintain and beautify roads, bridle paths, trails, bridges, utility lines and easements, common lands, recreational facilities and other things of like nature.
5. To arrange for or provide any services necessary or desirable to promote and advance the general welfare of the persons residing on the Property.
6. To establish, maintain and enforce all necessary and reasonable rules and regulations concerning the use and maintenance of the facilities under its jurisdiction.
7. To charge and collect such fees, charges and assessments as may be set or charged by the Board of Directors of the Corporation in carrying out its functions hereunder and to create liens upon personal property for the purpose of enforcing the collection of such fees, charges and assessments, all to the end of carrying out the purposes and powers of the Corporation.
8. To act as the Architectural Control Committee (ACC) pursuant to Article III of the Declaration of Covenants, Conditions and Restrictions recorded in the office of the Clerk and Recorder of Garfield County, Colorado, as Reception No. 344748 in Book 632 at Page 961. The authority to so act shall be evidenced by the written delegation of such authority by the existing ACC pursuant to Section 8 of Article III of said Declaration recorded in the office of the Clerk and Recorder of Garfield County, Colorado, subsequent to date hereof.

B. **Powers.** The Corporation shall have and may exercise all of the rights, powers and privileges now or hereafter conferred upon non-profit corporations organized under the laws of Colorado. The Corporation shall have and may exercise all powers necessary or convenient to affect any of the purposes for which the Corporation has organized.

## **ARTICLE V. MEMBERSHIP**

A. **Initial Members.** The initial members of this Corporation shall be those persons or entities who own title in fee to a lot or unit within the Property.

B. **Additional Members.** As each additional filing is made within Castle Valley Ranch PUD, those persons or entities who acquired title in fee to a lot or unit shall become members of the Association.

C. **Membership Qualification.** There shall be one (1) regular membership in the Corporation for each lot or unit, which regular membership shall be appurtenant to the fee simple title of each such lot or unit and shall automatically pass with the transfer of title. Each owner of a lot or unit shall be entitled to the benefits and be subject to the burdens relating to such membership.

D. **Membership Voting.** If fee simple title is held by more than one (1) person or entity, the regular membership appurtenant to that lot or unit shall be shared by all such persons or entities in the same proportionate interest and by the same type of ownership as fee simple title to the lot or unit is held.

## **ARTICLE VI. DIRECTORS**

A. **Initial Directors.** The names and addresses of the persons who are to serve as the initial directors until the first annual meeting of members and until their successors are elected and qualified are:

Eric Williams  
0981 County Road 245  
New Castle, CO 81647

Shirley Williams  
0981 County Road 245  
New Castle, CO 81647

Garry L. Buzick  
1338 Grand Avenue  
Glenwood Springs, CO 81601.

**B. Election of Directors.** The business, affairs and property of the Corporation shall be managed by a Board of Directors who shall be elected at the annual meetings of the members by plurality vote. Each director shall be elected to serve until the next succeeding annual meeting and until his successor shall be elected and shall qualify.

**C. Number of Directors.** The Board of Directors shall consist of from three (3) to five (5) persons as shall be determined by the Bylaws of the Corporation.

**D. Composition of Board.** Subsequent to the sale of all lots and units in Castle Valley Ranch PUD, all directors must be lot or unit owners within the subdivision. The composition of the Board of Directors shall be as provided in the Bylaws of the Corporation.

**E. Vacancies.** Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors. A director elected to fill a vacancy shall be elected from the unexpired term of his predecessor in office.

#### **ARTICLE VII. LIMITATION OF LIABILITY**

**A. Breach of Fiduciary Duty.** 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.

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

**C. Wanton and Willful Acts.** 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 VIII. DISSOLUTION**

This Corporation may be dissolved by fourth-fifths (4/5ths) of the votes entitled to be cast by its members and in accordance with the laws of the State of Colorado. Upon dissolution, the properties and assets of this Corporation shall be distributed to its members pro rata in the same proportion as the votes entitled to be cast by the members at the time of dissolution and in accordance with the laws of the State of Colorado.

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

The address of the initial registered office of the Corporation and the name of the initial registered agent at that address is:

Eric Williams  
0981 County Road 245  
New Castle, CO 81647.

**ARTICLE X.  
INCORPORATOR**

The name and address of the incorporator is:

Eric Williams  
0981 County Road 245  
New Castle, CO 81647.

DATED the 13 day of March, 1996.



**ERIC WILLIAMS**  
Incorporator

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Eric Williams hereby consents to the appointment as the initial registered agent for Castle Valley Ranch PUD Homeowners Association.



**ERIC WILLIAMS**  
Initial Registered Agent