



STATE OF COLORADO

DEPARTMENT OF
STATE

CERTIFICATE

I, DONETTA DAVIDSON, SECRETARY OF STATE OF THE STATE OF
COLORADO HEREBY CERTIFY THAT ACCORDING TO THE RECORDS OF
THIS OFFICE,

SELLERS CREEK RANCH OWNERS ASSOCIATION, INC.
(COLORADO NONPROFIT CORPORATION)

BECAME INCORPORATED UPON FILING ARTICLES OF INCORPORATION
DATED April 23, 2001.

DATED: April 23, 2001

Donetta Davidson

SECRETARY OF STATE

ARTICLES OF INCORPORATION OF
SELLERS CREEK RANCH OWNERS ASSOCIATION, INC.
(A NONPROFIT CORPORATION)

Terms used herein shall have the meaning set forth in the Declaration of Protective Covenants for Sellers Creek Ranch (the "Declaration") and the Colorado Common Interest Ownership Act, as amended (the "CCIOA"). I, the undersigned, being a natural person of the age of eighteen (18) years or more, acting as the incorporator of a corporation under the Colorado Revised Nonprofit Corporation Act (the "Act"), state as follows:

ARTICLE I
NAME

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SECRETARY OF STATE
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The name of the corporation is Sellers Creek Ranch Owners Association, Inc. (the "Association").

ARTICLE II
PURPOSE

The purposes for which the Association is formed are as follows:

(a) To operate the Common Interest Community known as Sellers Creek Ranch, located in Douglas County, Colorado, in accordance with the requirements for an association of Owners charged with the administration of property under the CCIOA, as amended, and in accordance with the Declaration, to be recorded in the office of the Clerk and Recorder of Douglas County, Colorado, including the performance of the following acts and services on a not-for-profit basis:

(i) To acquire, construct, manage, supervise, care for, operate, maintain, renew and protect all buildings, structures, grounds, roadways, and other facilities, installations, and appurtenances thereto relating to the property of the Association; to provide maintenance for the Common Elements and Limited Common Elements, if any, within the Association; to maintain lands or trees; to enforce any and all covenants, restrictions, and agreements applicable to the Association; and, insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the residents of the Association.

(ii) To prepare estimates and budgets of the costs and expenses of performing these services, or contracting or entering into agreements for this performance, as provided for in or contemplated by this subparagraph; to apportion these estimated costs and expenses among the Parcels; to collect these costs and expenses from the Owners obligated to assume or bear the same; and to borrow money for the Association's purposes, pledging as security the income due from Owners and from others, the property of the Association and the Common Elements, if any, of the Association.

(iii) To enforce, on behalf of the Owners, rules made or promulgated by the Board of Directors with respect to the safe occupancy, reasonable use and enjoyment of the buildings, structures, grounds, and facilities of the Association, and, to levy fines to enforce compliance with these rules.

(iv) To perform, or cause to be performed, all other additional services and acts as are usually performed by managers or managing agents of real estate developments, including without limitation, keeping or causing to be kept, appropriate books and records, preparing and filing necessary reports and returns and making or causing to be made audits of books and accounts.

(b) To retain counsel, auditors, accountants, appraisers, and other persons or services that may be necessary for or incidental to any of the activities described in this document.

(c) To do and perform, or cause to be performed, all other necessary acts and services suitable or incidental to any of the foregoing purposes and objects to the fullest extent permitted by law, and to acquire sell, mortgage, lease, or encumber any real or personal property for these purposes.

(d) To promote the health, safety, welfare, and common benefit of the residents of the Common Interest Community.

(e) To do any and all permitted acts and to have and to exercise any and all powers, rights and privileges which are granted to a Common Interest Community Association under the Colorado Common Interest Ownership Act, the Declaration, the Bylaws, and the laws applicable to a nonprofit corporation of the State of Colorado.

The forgoing statements of purpose shall be construed as statements of both purpose and powers. The purposes and powers stated in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. The Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Association.

ARTICLE III DURATION

The duration of the Association shall be perpetual.

ARTICLE IV
CORPORATE OFFICE

The initial principal office of the Association shall be 823 South Perry Street, Suite 210, Castle Rock, CO 80104.

ARTICLE V
AGENT FOR SERVICE

The initial registered agent of the Association shall be Ernest F. Fazekas, II, whose address is 316 Wilcox Street, Castle Rock, Colorado 80104, whose written consent to appointment is provided in the attached accompanying document.

ARTICLE VI
BOARD OF DIRECTORS

The initial Board of Directors shall consist of three persons, designated by the Declarant, none of whom need be Owners.

ARTICLE VII
INCORPORATOR

The name and address of the incorporator are: Ernest F. Fazekas, II, 316 Wilcox Street, Castle Rock, Colorado 80104.

ARTICLE VIII
AMENDMENT

Amendment of these Articles shall require the assent of a majority of the Board of Directors and, if the amendment amends any provisions of the Declaration, such amendment shall comply with the Declaration.

ARTICLE IX
MEMBERSHIP CLASSES, RIGHTS AND QUALIFICATIONS

The Association will have voting members. The classes, rights and qualifications of members are set forth in the Declaration.

ARTICLE X
NOT FOR PROFIT

The Association shall be a nonprofit corporation, without shares of stock. No part of the net earnings of the Association shall inure to the benefit of or be distributable to its Members, trustees, officers or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of the Association shall be the carrying on of propaganda or otherwise attempting to influence legislation and the Association shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the Association shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code or corresponding section of any future tax code or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code or corresponding section of any future Federal Tax Code.

ARTICLE XI
LIMITATIONS ON LIABILITY

A Director of the Association shall not be personally liable to the Association or to its Members for monetary damages for breach of fiduciary duty as a Director, except as to liability (a) for any breach of the Director's duty of loyalty to the Association or to its Members; (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) acts specified in Section 7-128-403 of the Act relating to unlawful distributions; or (d) for any transaction from which the Director directly or indirectly derived an improper personal benefit. If the Act hereafter is amended to further eliminate or limits the liability of a Director, then a Director of the Association, in addition to the circumstances in which a Director is not personally as set forth in the preceding sentence, shall not be liable to the fullest extent permitted by the amended Act.

No Officer or Director of the Association shall be personally liable for any injury to person or property arising out of a tort committed by an employee, unless such Officer or Director was personally involved in the situation giving rise to the litigation or unless such Officer or Director committed a criminal offense. The protection afforded by the foregoing shall not restrict other common law protections and rights that such Officer or Director may have.

Unless otherwise specifically provided herein, in the Act, in the Declaration, or in CCIOA, no member of the Association's Board of Directors shall be held liable for actions taken or omissions made in the performance of his duties as a Board member except for wanton and willful acts or omissions.

A Director or Officer is not liable as such to the Association or its Members for any action taken or omitted to be taken as a Director or Officer performed in the duties of such position in compliance with Section 7-128-401(2).

Any repeal or modification of any of the foregoing paragraphs shall not adversely affect any right or protection of a Director or Officer of the Association existing at the time of such repeal or modification.

ARTICLE XII INDEMNIFICATION

The Association shall indemnify any person and his estate and personal representative against all liability and expense incurred by reason of the person being or having been a Director, Officer, employee, fiduciary, or agent of the Association to the full extent and in any manner that such persons may be indemnified under the Act, as in effect at any time. The Association shall also indemnify any person who is serving or has served the Association as Director, Officer, employee, fiduciary, or agent, and that person's estate and personal representative, to the extent and in the manner provided in any bylaw, resolution of the Directors, contract or otherwise, so long as such provision is legally permissible.

The Association may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee, fiduciary, or agent of the Association or who, while a Director, Officer, employee, fiduciary, or agent of the Association, is or was serving at the request of the Association as a director, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against or incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability, as provided in Section 7-129-108 of the Act.

ARTICLE XIII NO PRIVATE INUREMENT

No part of the net earnings of the Association shall inure to the benefit of any Director or Member of the Association, other than by acquiring, constructing, or providing management, maintenance, and care of such property of the Association qualifying as "association property" under Section 528(c)(4) of the Internal Revenue Code, and other than by a rebate of excess membership dues, fees, or assessments. The Association shall not pay any dividends.

ARTICLE XIV
NO LOANS

No loans shall be made by the Association to its Directors or Officers. Any Director or Officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of the loan until the repayment thereof.

ARTICLE XV
CONFLICTS OF INTEREST

No contract, transaction, or other financial relationship --

- (a) between the Association and one or more of its Directors,
- (b) between the Association and a party related to a Director (as defined in Section 7-128-501(5) of the Act), or

(c) between the Association and any other corporation, partnership, joint venture, association, trust or other entity in which a Director of the Association is a director or officer or has a financial interest, ("conflicting interest transaction") shall be void or voidable or be enjoined, set aside, or give rise to an award of damages or other sanctions in a proceeding by a Member of the Association or by or in the right of the Association, solely because the conflicting interest transaction involves a Director of the Association or a party related to a Director or an entity in which a Director of the Association is a director or officer or has a financial interest or solely because the Director is present at or participates in the meeting of the Association's Board of Directors or of the committee of the Board of Directors that authorizes, approves, or ratifies the conflicting interest transaction or solely because his vote is counted for such purposes if:

(i) The material facts as to his relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Directors, even though the disinterested Directors are less than a quorum;

(ii) The material facts as to his relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Members of the Association entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by vote of the Members;

(iii) The conflicting interest transaction is fair as to the Association; or

(iv) The laws of the State of Colorado in effect from time to time otherwise provided that the contract or transaction shall not be void or voidable because of such relationship, interest or other factor.

Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes, approves or ratifies such contract or transaction.

ARTICLE XVI
DISSOLUTION

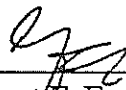
In the event of dissolution of the Association, the assets of the Association shall be distributed in accordance with C.R.S. §38-33.3-218.

Executed this 19th day of April, 2001, by the undersigned incorporator.



Ernest F. Fazekas, II

The undersigned, Ernest F. Fazekas, II, hereby consents to his appointment as the initial registered agent as provided in Article V above.



Ernest F. Fazekas, II