

ARTICLES OF INCORPORATION
OF
SERENITY RIDGE OWNERS ASSOCIATION

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The Incorporator designated below, a natural person at least 18 years of age, hereby verifies and acknowledges these Articles of Incorporation (these "Articles") for the purpose of forming a nonprofit corporation under the Colorado Revised Nonprofit Corporation Act (the "Act").

1 Name

The name of the corporation is Serenity Ridge Owners Association (the "Association").

2 Duration

The period of duration of the Association will be perpetual.

3 Purposes

The Association is organized to be and constitutes the "Association" to which the Declaration of Covenants, Easements, Conditions and Restrictions for Serenity Ridge (the "Declaration") refers. The Declaration has been or will be recorded in the real property records of Arapahoe County, Colorado. All initially capitalized terms used in these Articles have the same meanings as used in the Declaration, unless otherwise defined in these Articles.

4 Powers

Subject to any limitations imposed by the Bylaws of the Association or the Declaration, the Association has all of the powers that a nonprofit corporation may exercise under the Act and the laws of the State of Colorado in effect from time to time.

5 Registered Office and Agent and Principal Office

The street address of the initial registered office of the Association is c/o Neumann Homes of Colorado, LLC, 5670 Greenwood Plaza Blvd., Suite 100, Greenwood Village, Colorado, 80111. The initial registered agent of the Association at the registered office is Don Rosier.

The street address of the initial principal office of the Association is c/o Neumann Homes of Colorado, LLC, 5670 Greenwood Plaza Blvd., Suite 100, Greenwood Village, Colorado, 80111.

6 Board of Directors

The affairs of the Association will be managed by the Board of Directors. The duties, qualifications, number and term of the members of the Board of Directors and the manner of their election, appointment and removal will be as set forth in the Declaration and the Bylaws of the Association, provided that during the Declarant Control Period, Declarant under the Declaration shall have the right to appoint and remove all of the Directors, subject to the terms of the Declaration.

Initially, there are three members of the Board of Directors. The names and addresses of the persons who serve as the initial Board of Directors are:

<u>Name</u>	<u>Address</u>
Don Rosier	c/o Neumann Homes of Colorado, LLC 5670 Greenwood Plaza Blvd., Suite 100 Greenwood Village, CO 80111
Jim Niemczyk	c/o Neumann Homes of Colorado, LLC 5670 Greenwood Plaza Blvd., Suite 100 Greenwood Village, CO 80111
Dick Ker	c/o Neumann Homes of Colorado, LLC 5670 Greenwood Plaza Blvd., Suite 100 Greenwood Village, CO 80111

7 Members

The Association shall have voting Members. Each Person, or if more than one, all Persons collectively, constituting the Owner of a Lot is a Member of the Association. Each Membership is appurtenant to the fee simple title to a Lot. Membership in the Association automatically terminates when a Person ceases to be an Owner, whether through sale, intestate succession, testamentary disposition, foreclosure or otherwise, and the new Owner automatically succeeds to the Membership in the Association. The Association shall recognize a new Member upon presentation by a new Owner of satisfactory evidence of the sale, transfer, succession, disposition, foreclosure or other transfer of a Lot. Membership in the Association may not be transferred, pledged or alienated in any way, except to the new Owner upon conveyance of a Lot. Any prohibited transfer is void and shall not be recognized by the Association. The votes in the Association shall be allocated among the Members pursuant to the Declaration.

8 Proxy Voting

A Member may vote in person, as provided in the Bylaws, and may be authorized in the Bylaws to vote by proxy on any matters on which the Member is entitled to vote.

9 Cumulative Voting

Cumulative voting by Members in the election of members of the Board of Directors is not permitted.

10 Bylaws

The Board of Directors has the power to make, amend, repeal or restate the Bylaws, not inconsistent with these Articles, the laws of the State of Colorado or the Declaration, for the administration and regulation of the affairs of the Association. The Bylaws may not be amended by action of the Members.

11 Amendment of Articles

The Board of Directors may adopt, without approval of the Members, any amendment to these Articles of Incorporation permitted under the Act without Member approval. All other amendments to these Articles of Incorporation shall require Member approval pursuant to the Act. Notwithstanding the foregoing, no amendment shall be made to these Articles of Incorporation that is contrary to or inconsistent with any provision of the Declaration. In addition, during the Declarant Control Period, any amendment to these Articles of Incorporation shall require the consent of Declarant.

12 Dissolution

In the event of dissolution of the Association, the sale of any Common Elements and other property owned by the Association and the distribution of the proceeds from such sale shall conform with the provisions of the Act and the Declaration, and the proceeds of the sale of the Association's other assets will, after making the distributions set forth in Section 7-134-105 of the Act, be divided among the Owners in proportion to their respective liability for the Common Expenses of the Association according to the Declaration.

13 Indemnification and Limitation of Liability

13.1 Indemnification. The Association shall indemnify, to the maximum extent permitted by law, any person who is or was a Director or officer of the Association, and may indemnify any other person, against any claim, liability or expense arising against or incurred by the person made party to a proceeding because he or she is or was a director, officer, agent, fiduciary or employee of the Association or because

he or she is or was serving another entity as a director, officer, partner, trustee, employee, fiduciary or agent at the Association's request. The Association further may, to the maximum extent permitted by law, purchase and maintain insurance providing such indemnification, advance expenses to persons indemnified by the Association, and provide indemnification to any person by general or specific action of the Board of Directors, the Bylaws of the Association, contract or otherwise. The Association may obtain and maintain directors' and officers' insurance and such other insurance as deemed appropriate by the Board of Directors from time to time.

13.2 Limitation on Directors' and Officers' Liability. Subject to the applicable provisions of the Act, no Director or officer shall be liable for actions taken or omissions made in the performance of such Director's or officer's duties as such, except for wanton and willful acts or omissions. Subject to any applicable provisions of the Act, and without limiting the generality of the foregoing sentence, no Director shall have any personal liability to the Association or its Members for monetary damages for breach of fiduciary duty as a Director; except that the personal liability of such Director shall not be eliminated for: (i) any breach of the Director's duty of loyalty to the Association or its Members; (ii) acts or omissions by the Director not in good faith or that involve intentional misconduct or a knowing violation of the law; (iii) voting for or assenting to any unlawful distributions as defined under Section 7-128-403 of the Act, provided that the extent of liability for such vote or assent shall be determined pursuant to Section 7-128-403 of the Act; (iv) consenting to or participating in the making of any loan by the Association to any Director or officer, provided that the extent of liability for such consent or participation shall be determined pursuant to Section 7-128-501 of the Act; or (v) any transaction from which the Director directly or indirectly derived an improper personal benefit. No Director or officer shall be personally liable for any injury to person or property arising out of a tort committed by an employee of the Association unless such Director or officer was personally involved in the situation giving rise to the injury or unless such Director or officer committed a criminal offense in connection with such situation. Nothing contained in this Section 13.2 shall be construed to deprive any Director of his or her right to all defenses ordinarily available to a director or officer of a nonprofit corporation, nor shall anything herein be construed to deprive any Director or officer of any right he or she may have for contribution from any other Director, officer or other person.

14 Incorporator

The Incorporator's name and address is:

Name

Address

Keirstin K. Beck, Esq.

950 17th Street, Suite 1600 ✓
Denver, CO 80202

The Incorporator has verified these Articles and caused the same to be delivered to the Secretary of State for the State of Colorado as of June 25, 2004. The designated registered agent of the Association consents to serving as the initial registered agent of the Association.