

STATE OF COLORADO

DEPARTMENT OF
STATE

CERTIFICATE

I, *NATALIE MEYER*, Secretary of State of the State of Colorado hereby certify that the prerequisites for the issuance of this certificate have been fulfilled in compliance with law and are found to conform to law.

Accordingly, the undersigned, by virtue of the authority vested in me by law, hereby issues A CERTIFICATE OF INCORPORATION TO

PLATTE RIVER RANCH ESTATES WATER AND ROAD ASSOCIATION
A NONPROFIT CORPORATION

Dated: JUNE 10, 1994

Natalie Meyer

SECRETARY OF STATE

ARTICLES OF INCORPORATION
OF
PLATTE RIVER RANCH ESTATES WATER AND ROAD ASSOCIATION

In compliance with the requirements of Title 7, Articles 20 through 26 of the Colorado Revised Statutes, the undersigned, who is a natural person of full age, has this day voluntarily executed these Articles of Incorporation for the purpose of forming a non-profit corporation and does hereby certify as follows:

ARTICLE I
NAME

941066309 \$50.00
SOS 06-10-94 08:30

The name of the corporation is Platte River Ranch Estates Water and Road Association (hereafter referred to as the Association).

ARTICLE II
DURATION

The period of duration of the Association shall be perpetual.

ARTICLE III
PURPOSE

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

A. To promote the health, safety and welfare of the members who are owners of the portion of the hereinafter described real property hereafter designated on a recorded plat referred to as "Platte River Ranch Estates" hereinafter called the "Properties".

B. To be and constitute the Association to which reference is made in the Declaration of Covenants, Restrictions, Easements, Charges and Liens for Platte River Ranch Estates, which are to be recorded in the records of Park County, Colorado (hereinafter called the "General Declaration").

C. To assume and perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified in the aforesaid Declaration. This Association hereby assumes and accepts all such obligations and duties and hereby covenants with each person and entity who may own or hold a membership in this Association to perform and discharge all of said duties and obligations.

D. To provide an entity for the furtherance of the interests of all or any group of owners of the Properties, pursuant to the aforesaid General Declaration.

E. The Association shall take its water and supply the same to property owners within Platte River Ranch Estates through individual wells located on the subdivision in Park County, Colorado, as provided for in the Findings of Fact, Conclusions of Law, Judgment and Decree entered in the court proceedings in the District Court in and for Water District No. 1, State of Colorado, designated as Case No. 93CW071, entitled Concerning the Application for Water Rights of Beaver Ridge, Ltd.

The real property covered by said decree is described as follows:

The W1/2 SW1/4 and all of the W1/2 NE1/4 SW1/4 lying west of State Highway 9 in Section 18, T9S, R77W, 6th P.M.; and all of the W1/2 and W1/2 W1/2 E1/2 lying west of State Highway 9 and north of the County Road, except the NW1/4 NW1/4 NW1/4 and approximately 2 acres lying at the SE corner of said tract adjacent to the intersection of State Highway 9 and the County Road, in Section 19, T9S, R77W, 6th P.M.

A portion of this property has subsequently been subdivided into 22 parcels and will be recorded in Park County, Colorado under the name Platte River Ranch Estates.

F. To provide such other services and activities to the members of the Association (or any or some of them) as shall be desired by them and shall be undertaken on their behalf under contract with the Board of Directors.

G. To own, construct, maintain and manage the private roads within the Platte River Ranch Estates subdivision along with any and all commonly owned real property and other facilities.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

(a) Membership. Every person or entity who is the fee owner of a lot in Platte River Ranch Estate subdivision, or who is subject to assessment, either present or future, by the Association, pursuant to the provisions of any recorded instrument relating to such assessment, shall be a member of the Association. For the purpose of determining membership, such ownership will be deemed to have vested upon delivery of a duly executed deed to the grantee. Repossession for any reason of a lot shall terminate the membership. Beaver Ridge Ltd, a Colorado limited partnership, through Larson Land Company, a Colorado Corporation, its general partner or its successor in interest, (hereinafter the "Developer") shall also be a member so long as it owns any lots in the subdivision.

(b) Voting Rights. Voting members shall be all the owners as defined in the Membership paragraph of this Article, including the Developer. Members shall be entitled to one (1) vote for each lot in which they hold the interest required for membership by the Membership paragraph, as shown by the records of the Association as of the last day of the

third month preceding the next membership annual meeting. When more than one (1) person holds such interest, or interests, in any lot, all such persons shall be members, and the vote for such lot shall be exercised as they may among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such lot.

(c) Suspension of Membership Rights. The membership rights (including voting rights) of any Member may be suspended by action of the Board of Directors if such Member shall have failed to pay, when due, any assessment or charge lawfully imposed upon him or upon any property owned by him, or if the Member, his family, his tenants, or the guests of any of them shall have violated any rule or regulation of the Board regarding the use of any property or conduct with respect thereto.

ARTICLE V POWERS

Without limiting the generality of Article III of these Articles of Incorporation, the Association shall have all powers conferred upon it by law unless inconsistent with the provisions of these Articles of Incorporation, including, but not limited to, the following: to take and hold any property; to establish thereon and to administer and enforce covenants, conditions, restrictions, rules and regulations, reservations, servitude, profits, licenses, easements, liens or charges for the support and benefit of the Association and the welfare of the members of the Association; to construct, install, extend, operate, maintain, repair, and replace utilities, systems, services or other facilities on such property for the welfare of such members; to manage, regulate and control the common or community use and enjoyment of such property, services or facilities for the welfare of such members; to sell, convey, dispose of, or lease any such property; to lay out, open, construct, and maintain public streets and roads; to purchase, own, lease, and operate, for the benefit and use of the members, recreational, eating and lodging facilities; and to apply for and hold, sell, lease, or convey franchises or apply for the transfer of licenses issued by governmental agencies pertaining to such recreational, eating and lodging facilities, including the dispensing or sale of alcoholic beverages.

The Association shall have the power to own and to manage any water rights or reservoirs or other facilities which may be conveyed to it in order to implement the plan for augmentation for Platte River Ranch Estates subdivision so as to achieve the objectives of that plan.

The Association shall have the power to fix assessments, charges and liens upon all members of the association or upon any class of members of the association and shall have the full legal power to attach liens to the property of any member who has not timely paid such lien and enforce such lien by way of judicial foreclosure. The Developer however, with respect to all lots that it owns, either initially or regains by foreclosure or deed in lieu of foreclosure shall not be subject to dues of assessments of the Association.

The Association shall have the power to borrow money, to mortgage or hypothecate property

and to make assessments in amounts sufficient for it to exercise its powers.

The Association shall not be organized nor operated for profit, nor shall it participate or intervene, directly or indirectly, in any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE VI BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of Directors, who need not be members of the Association. The number of Directors after the first meeting shall be as stated in the By-laws of the Association, as amended from time to time.

The name and address of the sole initial Director is:

Duane S. Larson
501 Ash Street
Denver, CO 80220

He shall serve until the first annual meeting of the Association.

Directors shall be elected at the first annual meeting of the Association, and periodically thereafter as provided in the By-Laws or by the laws of the State of Colorado.

The following provisions are inserted for the management of the business and for the conduct of the affairs of the Association and in furtherance thereof, but not in limitation or exclusion of the powers conferred by law: No contract or other transaction of the Association with any other person, firm or corporation, or in which the Association is interested, shall be affected or invalidated by (1) the fact that any one or more of the Directors or officers of the Association is interested in or is a Director of another corporation; or (2) the fact that any Director or officer of the Association, individually or jointly with others, may be a party to or may be interested in any such contract or transaction. Each person who may become a Director or officer of the Association is hereby relieved of any liability that might otherwise arise by reason of the Association entering into a contract or other transaction with him or with any enterprise in which he is interested or of which he is a Director.

Directors shall have no personal liability to Platte River Ranch Estates or any of its members for any breach of duty as a director, except for:

- (a) any breach of the director's duty of loyalty to the Association or its members;
- (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;

(c) acts specified in C.R.S. § 7-24-111; or

(d) any transaction from which the director derived an improper personal benefit.

ARTICLE VII
INCORPORATOR

The name and address of the Association's incorporator is as follows:

Jerry R. Dunn
14 Inverness Drive East Building., D-100
Englewood, CO 80112

ARTICLE VIII
DISSOLUTION OR TERMINATION

Upon dissolution or other termination of the Association , no part of the property of the Association, nor any of the proceeds thereof, shall be distributed to the members of the Association as such, but all such property and proceeds shall, subject to the discharge of valid obligations of the Association, be distributed as directed by the members of the Association to the governing body of any community or communities for the welfare of which the Association shall have been operated; or to one or more special districts organized in whole or in part to fulfill the same or similar purposes as the Association; or to one or more corporations or other organizations not organized for profit and operated exclusively for the promotion of social welfare, and which do not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office. Any such dissolution shall comply with the requirements of CRS 7-26-104 as amended.

ARTICLE IX
REGISTERED AGENT AND OFFICE

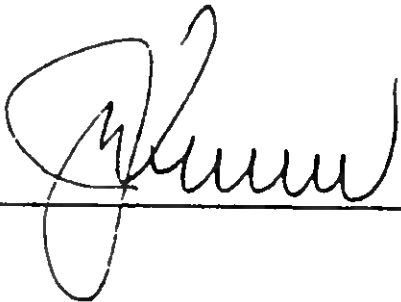
The Association's initial registered agent and initial registered office are as follows:

Duane S. Larson
501 Ash Street
Denver, CO 80220

ARTICLE X
AMENDMENTS

Amendment of these Articles of Incorporation shall require the approval of a majority of members entitles to vote at the time of the proposed Amendment.

IN WITNESS WHEREOF, for the purpose of forming this Corporation under the laws of the State of Colorado, the undersigned, constituting the Incorporator of the Association, has executed these Articles of Incorporation this 9th day of June, 1994.



VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF Arapahoe)

I, Marlene Manzanares, a Notary Public, hereby certify that on the 9th day of June, 1994, personally appeared before me Jerry R. Dunn, who, being by me first duly sworn, declared that he is over the age of eighteen (18) years, that he is the person who signed the foregoing document as Incorporator and that the statements therein contained are true.

Witness my hand and official seal.

My commission expires: 12/01/96

Marlene Manzanares
Notary Public