

**COMPOSITE
ARTICLES OF INCORPORATION
OF
MOUNTAIN VALLEY HOMEOWNERS, INC.
ALSO KNOWN AS
MOUNTAIN VALLEY HOMEOWNERS ASSOCIATION
A COLORADO CORPORATION NOT FOR PROFIT**

[These Articles of Incorporation are a composite consolidation of Articles of Incorporation of the Mountain Valley Homeowners Association filed in the real estate records of Pitkin County on April 19, 1982 in Book 425 at Page 278 as Reception No. 240705 and the Articles of Incorporation of Mountain Valley Homeowners, Inc. filed with the Colorado Secretary of State on May 2, 1983. These Articles of Incorporation integrate and correct typographical errors in the two sets of Articles of Incorporation of the Mountain Valley Homeowners, Inc., also known as Mountain Valley Homeowners Association. As of the date hereof there are no separate Bylaws for this Corporation, all such matters being contained in the Articles of Incorporation.]

August 2, 2013

**RECEPTION#: 602226, 08/02/2013 at
04:05:14 PM,
1 OF 12, R \$66.00 Doc Code ART INC
Janice K. Vos Caudill, Pitkin County, CO**

ARTICLE I NAME

The name of the Corporation is Mountain Valley Homeowners, Inc. also known as the Mountain Valley Homeowners Association, hereinafter called the "Association" and sometimes also referred to herein as the "Corporation." ¹

ARTICLE II LOCATION

The principal office of the Association is located at P.O. Box 11153, Aspen, Colorado 81612, or at such other place or places as the Board of Directors may from time to time determine or the business of the Association may require.

ARTICLE III REGISTERED OFFICE AND REGISTERED AGENT

The Association shall have and continuously maintain in Colorado a registered office, which may be the same as its principal office and a registered agent whose business office is identical to that of the registered office.

ARTICLE IV PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation, and architectural control of the residence lots and any area within that certain tract of property described as Mountain Valley:

Whereas, declarant is the owner of certain property in Filings I, II, or III, Mountain Valley Subdivision as recorded in the county records of Pitkin County, Colorado.

and to promote the health, safety, and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and to govern the affairs of the Mountain Valley residential subdivision located in Pitkin County, Colorado, and to fulfill the obligations set forth in the Articles of Incorporation and By-Laws approved on April 16, 1982, and recorded in the real estate records of Pitkin County, Colorado, at Book 425, Page 276 as Reception No. 240705, as amended by that Amendment recorded in the Pitkin County real estate records on May 1, 2013 as Reception No. 599155 and the Colorado Secretary of State on May 1, 2013.

¹ See the notes that appear at the end of this document for an explanation of the purpose of this document.

Section 1. Specific Purposes

The purpose or purposes for which the Corporation is organized are:

(a) To promote and encourage the participation of all members of this organization in aiding and helping better, improve, and develop the properties in any of the filings within the Mountain Valley Filings, as a desirable rural residential area, and to do all things and perform all acts necessary or desirable in connection with said purpose.

(b) To prevent nuisances; to prevent the impairment of the attractiveness of the properties, and thereby to secure each individual owner the full benefit and enjoyment of his home and/or property with no greater restrictions upon the free and undisturbed use of his property than is necessary to insure the same advantage to other similar property owners; and, to insure the lasting beauty and investment value of the properties.

(c) To control the building and structures placed in the Subdivision upon proper authority granted by the "Declaration of Protective Covenants" for Mountain Valley Subdivision, First Filing (B-214, PGS 392-394); Second Filing (B-241, PGS 362); Third Filing (B-253, PGS-631) or by any succeeding modifying covenants approved in the future upon proper authority.

(d) To control Subdivision appearance, including the elimination of street parking, clearing of trees, control of commercial vehicle, refuse and rubbish, signs, animals, clotheslines, exterior tanks, and all other matters pertaining to the general appearance of the Subdivision.

(e) To enforce, either in its own name upon proper authority, or in the name of the owner or owners of the property above described, any or all building restrictions which may have been heretofore, or may hereafter be, imposed upon any of the said above described property, either in the form as originally placed thereof or as modified subsequently thereto; provided, however, that this right of enforcement shall not serve to prevent the right of the owner or owners of any Lot or parcel of land above described to enforce said building restrictions in the event they or any one of them elects so to do, or prevent such changes, releases, or modifications as are permissible in the deeds, contracts, declarations, agreements, or plats in which such restrictions and reservations are set forth; nor wherever and whenever such right of assignment exists. The expenses and costs of any such proceedings instituted by the Mountain Valley Homeowners Association shall be paid out of the general fund of said Association.

(f) To exercise all other and further rights, powers, and authority permitted by the laws of the State of Colorado governing non-profit corporations.

Section 2. Specific Authority and Powers.

The corporation shall have all of the common law and statutory powers of a non-profit corporation which are not in conflict with the terms of these Articles or Bylaws duly adopted, and shall have all of the lawful powers and duties reasonably necessary to govern the Mountain Valley Homeowners Association, including, but not limited to, the following, for which specific authority is granted to:

(a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded to the Office of the County Clerk and Recorder, Pitkin County, Colorado, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as set forth at length.

(b) To make and collect assessments against members of the Corporation; fix, levy, collect, and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association; including all licenses, taxes, or governmental charges levied or imposed against the property of the Association; to use the proceeds of assessments in the exercise of its powers and duties.

(c) Acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association.

(d) Borrow money, and with the assent of two-thirds (2/3) of the members voting in person or by proxy, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(e) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that such merger, or consolidation shall have the assent of two-thirds (2/3) of the members voting in person or by proxy.

(f) Employ personnel to perform the services required for proper operation of the Association.

(g) Engage in activities which may now or hereafter be allowed or permitted by law to actively foster, promote and advance the common interests of the members of the Corporation.

Section 3. Funds and Properties.

All funds and the title of all properties acquired by the Corporation and the proceeds thereof shall be held in trust for the members of the Corporation in accordance with the provisions of these Articles and any Bylaws of the Corporation.

ARTICLE V MEMBERSHIP

1. The Corporation shall be a membership corporation without certificates of shares of stock.

2. The members of the Corporation shall consist of owners of real property in the Mountain Valley Subdivision. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by current covenants of record and control (recorded for first filing 8-6-65; second filing 5-28-69; third filing 209-71, Pitkin County, Colorado) of the Architectural Control Committee so prescribed, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to the Declaration of Protective Covenants for lands included within Mountain Valley Filings I, II, and III.

3. The share of a member in the funds and assets of the Corporation cannot be assigned, hypothecated or transferred without the prior written consent of the Board of Directors of the Corporation.

ARTICLE VI VOTING RIGHTS

The cumulative system of voting shall not be used for any purpose. Each member shall be entitled to one vote for each lot owned, in person, or by proxy executed in writing by such member or by his duly authorized attorney in fact; provided, however, that no such proxy shall be valid after eleven months from the date of its execution, unless the proxy provides for a longer period.

The owner of a duplex lot shall be entitled to vote as follows: If a lot designated as duplex is in one separate ownership, the owner shall be entitled to two votes and the property shall be assessed as two lots. Where a lot designated as duplex is listed in the Pitkin County Assessor's records as constructed units under separate ownership, each separate constructed unit shall be deemed to be one lot and shall be entitled to a vote.

When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

When a quorum is present at any meeting, the vote of a majority of the members' votes present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provisions of the laws of Colorado, or these Articles of Incorporation or the Protective Covenants for Mountain Valley, a different vote is required, in which case the express provision shall govern and control the decision of such question.

ARTICLE VII BOARD OF DIRECTORS

Section 1. Composition and Election

(a) The affairs of this Association shall be managed by a Board of nine (9) Directors, who must be members of the Association. The number of Directors may be changed by amendment of the Articles of the Association.

(b) From and after the date the Articles were filed in the Pitkin County real property records and at the next annual meeting thereafter the members elected three (3) Directors for a term of one (1) year; three (3) Directors for a term of two (2) years; and three (3) Directors for a term of three (3) years; and at each annual meeting thereafter the members shall elect three (3) Directors for a term of three (3) years. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

(c) Architectural responsibilities for Mountain Valley, Filings I, II, and III are hereby specifically delegated to the Board of Directors of the Mountain Valley Homeowners Association by authority and procedures established in Paragraph 2, respectively of the Declaration of Protective Covenants for Mountain Valley Subdivisions: First Filing July 26, 1965; Second Filing May 20, 1969; Third Filing July 2, 1970. The Board of Directors of Mountain Valley Homeowners Association, also known as Mountain Valley Homeowners, Inc., thereby is the Architectural Control Committee for Mountain Valley, Pitkin County, Colorado, and shall have and exercise all of the powers, duties, and responsibilities set forth in the Declaration of protective covenants identified above or as the covenants may be amended. The Board of Directors may or may not, as they determine, redesignate part or all of their authority to a sub-committee on Architectural Control appointed by the Board of Directors.

Section 2. Guidance and Procedures

(a) After each annual election of Directors, the Board of Directors shall meet for the purpose of organization, the election of officers, and the transaction of any other business.

(b) Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board.