

**ARTICLES OF INCORPORATION
OF
THE SPRINGS AT MARIANA HOME OWNERS ASSOCIATION, INC.**

In compliance with the requirements of the Colorado Revised Nonprofit Corporation Act, Section 7-121-101 through 7-137-301, CRS, as amended, the incorporator, of full age, has this day, for the purpose of forming a non-profit corporation, certified as follows:

ARTICLE I

NAME

The name of the corporation is THE SPRINGS AT MARIANA HOME OWNERS ASSOCIATION, INC., hereinafter called the "Association."

ARTICLE II

PRINCIPAL OFFICE

The address of the principal office of the Association is c/o Timber Wind Land, LLC, 2085 Quillan Gulch Road, Loveland, CO 80537.

ARTICLE III

REGISTERED AGENT

Gregory P. Muhonen, whose address is c/o Timber Wind Land, LLC, 2085 Quillan Gulch Road, Loveland, CO 80537, is hereby appointed the initial registered agent of this Association, and such address shall be the registered address of this Association.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

Section 4.01

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 certain property and improvements within the property described on Exhibit A to the Declaration (as hereinafter defined), and any additions thereto as may hereafter be brought within the jurisdiction of this Association (hereinafter called the "Community"), and to promote the health, safety, and welfare of the residents within the Community, and to:

- (a) exercise all the power and privileges and perform all of the duties and obligation of the Association as set forth in that certain Declaration of Covenants, Conditions, Restrictions, and Easements for The Springs at Mariana, hereinafter called the "Declaration," applicable to the Community and recorded in the Office of the Clerk and Recorder of Larimer County, Colorado, as the same may be amended, clarified and supplemented from time to time, said

Declaration being incorporated herein as if set forth at length (terms which are defined the Declaration shall have the same meanings herein unless otherwise defined);

- (b) have and exercise any and all powers, rights, and privileges which a corporation organized under the Colorado Revised Nonprofit Corporation Act by law may now or hereafter have or exercise;
- (c) exercise any powers enumerated in these Articles of Incorporation or in the Bylaws of the Association; and
- (d) exercise any other powers incidental to the governance and operation of the Association, including without limitation those powers granted in CCIOA.

ARTICLE V

MEMBERSHIP

The Owners of each Lot which is now or hereafter subject to Assessments as provided in the Declaration, including contract sellers, shall be a Member of the Association. Following termination of the Community, the membership shall consist of all former Owners entitled to distribution of proceeds under CCIOA or their heirs, personal representative, successors, or assigns. The foregoing is not intended to include persons or entities that 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 Assessments. A transfer of membership shall occur automatically upon the transfer of title to the Lot to which the membership pertains.

ARTICLE VI

VOTING RIGHTS

Section 6.01

All Members shall have voting rights as more fully provided in the Declaration, the Articles of Incorporation, and Bylaws of the Association, but subject to any limitations or restrictions contained therein.

Section 6.02

Cumulative voting is prohibited

ARTICLE VII

EXECUTIVE BOARD

The affairs of this Association shall be managed by an Executive Board of between three (3) and seven (7) Directors who shall be Members of the Association or the delegates of Members appointed by proxy as provided for in the Bylaws. The number of the Executive Board shall be established from time to time by amendment to the Bylaws. The initial number of members of the Executive Board shall be three (3). The Directors shall be Members of the Association

which, in the case of any Members who are not natural persons, may include the officers, directors, partners, employees, members, or authorized agents of each such Member. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

| | |
|--------------------|---|
| Gregory P. Muhonen | 2085 Quillan Gulch Road Loveland, CO 80537 |
| Michael G. Muhonen | 7 Augusta Coto de Caza, CA 92679 |
| Mark L. Vaughn | 5615 Mountain Iris Ct Loveland, CO 80537 |

The successors to the initial and subsequent Executive Board shall be appointed or elected in the manner set forth in the Bylaws.

ARTICLE VIII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by the Owners to which at least sixty-seven percent (67%) of the votes in the Association are allocated. Upon dissolution of the Association other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE IX

OFFICERS

The officers of the Association (who shall be elected from among the members of the Executive Board) shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer. The officers shall be elected by an affirmative vote of a majority of the members of the Executive Board, shall have such duties as may be prescribed in the Bylaws, and shall serve at the pleasure of the Executive Board. One (1) person may hold two (2) offices, except that no person may simultaneously hold the offices of President and Secretary.

ARTICLE X

DURATION

The Association shall exist perpetually.

ARTICLE XI

LIMITED LIABILITY OF DIRECTORS AND OFFICERS; INDEMNIFICATION

Section 11.1

There shall be no personal liability, either direct or indirect, of any director or officer of the Association to the Association or its Members, for monetary damages for any breach(es) of fiduciary duty as a director or officer; except that this provision shall not eliminate the liability of a director or officer, to the Association or its Members, for monetary damages for any breach, act, omission, or transaction as to which the Colorado Revised Nonprofit Corporation Act (as in effect from time to time) expressly prohibits the elimination of liability. This provision is effective on the date of incorporation of the Association, and shall not eliminate or limit the liability of a director or officer to the Association or to its Members for monetary damages for any act or omission occurring prior to such date. However, this provision shall not limit the rights of directors or officers of the Association for indemnification or other assistance from the Association. Also, the provision shall not restrict or otherwise diminish the provision of Section 13-21-116(2)(b), Colorado Revised Statutes, as amended, or any other law that would limit or eliminate liabilities. Any repeal or modification of the foregoing provision of this Article by the Members, or any repeal or modifications of the provisions of the Colorado Revised Nonprofit Corporation Act which permits the limitation or elimination of liability of directors or officers, shall not adversely affect any elimination of liability, or any right or protection, for any breach, act, omission, or transaction that occurred prior to the time of such repeal or modification.

Section 11.2

The Association shall indemnify its directors and officers as now or hereafter required by the Colorado Revised Nonprofit Corporation Act or CCIOA, and may indemnify its directors, officers, and employees as otherwise permitted by law or as the Executive Board may deem appropriate from time to time.

ARTICLE XII

AMENDMENT

Section 12.1

Amendment(s) of these Articles shall be approved if the votes cast by Members favoring the amendment exceed the votes cast by Members opposing the amendment at an annual or special meeting of the Members at which a quorum is present in person or by proxy; provided, however, that no amendment to these Articles of Incorporation shall be contrary to or inconsistent with any provision of the Declaration. In addition to the foregoing, these Articles of Incorporation may be amended by a vote of Members by written ballot as provided in the Bylaws of the Association.

Section 12.2

Notwithstanding the foregoing, the Executive Board may at any time amend these Articles of Incorporation, without Member action, as provided in the Colorado Revised Nonprofit Corporation Act (Section 7-130-102 or other applicable section(s)).

Section 12.3

Notwithstanding anything to the contrary contained in this Article, the written approval of HUD or VA shall be required for any amendments enacted during the 75% Control Period if, at the time such amendment is enacted, HUD has insurance or VA has guarantee(s) on one or more Security Interests and HUD or VA requires such approval.

ARTICLE XIII

CONFLICT OF PROVISIONS

In the case of any conflict between the Declaration and these Articles of Incorporation, the Declaration shall control. In the case of any conflict between these Articles of Incorporation and the Bylaws of the Association, these Articles of Incorporation shall control.

ARTICLE XIV

INCORPORATOR

Gregory P. Muhonen, whose address is c/o Timber Wind Land, LLC, 2085 Quillan Gulch Road, Loveland, CO 80537, is the incorporator of this Association. For the purpose of forming this corporation under the laws of the State of Colorado, these Articles of Incorporation have been executed this 7th day of January, 2004.

ARTICLE XV

FILER INFORMATION

The name and the mailing address of any one or more of the individuals who cause this document to be delivered for filing, and to whom the Secretary of State may deliver notice if filing of this document is refused are: Gregory P. Muhonen c/o Timber Wind Land, LLC, 2085 Quillan Gulch Road, Loveland, CO 80537.

CONSENT OF THE INITIAL REGISTERED AGENT

The undersigned hereby consents to the appointment by the Corporation as its Initial Registered agent.

Gregory P. Muhonen
Initial Registered Agent

