

ARTICLES OF INCORPORATION

OF

THE RED FOX HILLS HOMEOWNERS ASSOCIATION, INC.

For the purpose of forming a non-profit corporation pursuant to the provisions of Title 7, Articles 20 through 29, inclusive, Colorado Revised Statutes 1973, the undersigned has made, signed and acknowledged the following articles:

ARTICLE I

Name

The name of the corporation shall be THE RED FOX HILLS HOMEOWNERS ASSOCIATION, INC.

ARTICLE II

Duration

The period of duration of the corporation shall be perpetual.

ARTICLE III

Purposes

The purposes for which the corporation is organized are as follows;

A. To be and constitute the Association to which reference is made in the Declaration of Covenants, Conditions and Restrictions of Red Fox Hills (herein called the "Declaration") executed by Red Fox Hills Co., and recorded in the office of the County Clerk and Recorder of Boulder County, Colorado, relating to a project (herein called "The Project"), to be created on land in Boulder County, Colorado, described as:

Red Fox Hills,
according to the recorded plat thereof.

B. To perform the obligations and duties, and exercise the rights and powers of the Association under the aforesaid Declaration.

C. To provide an entity for the furtherance of the interests of all or any group of the Owners of Lots in The Project.

D. To establish and maintain The Project as a prime residential project of the highest quality and value, and to enhance and protect its value, desirability and attractiveness.

E. To make and collect assessments against members of the corporation for the purpose of defraying the costs, expenses and any losses of the corporation.

F. To enforce covenants, restrictions or conditions affecting any property to the extent this corporation may be authorized under any covenants, restrictions or conditions.

G. To exercise all of the powers conferred upon corporations not for profit by the common law and the statutes of the State of Colorado in effect from time to time.

H. The purposes specified in each of the paragraphs and subparagraphs of this Article are independent purposes, not to be restricted by reference to or inference from the terms of any other paragraph, subparagraph or provision of this Article except to the extent specifically stated in this Article.

ARTICLE IV

Memberships

This corporation shall be a membership corporation without certificates or shares of stock. There shall be one membership in the corporation for each of the "Owners" of a "Lot" as those terms are defined in the Declaration. No person or entity other than the Owner of a Lot may be a member of this corporation.

The Association shall have two classes of voting membership:

Class A. Class A members shall be all those members with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot in which they hold the interest. When more than one person holds such 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.

Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to three votes for each Lot in which it holds the interest required for membership, provided that the Class B membership shall cease and be converted to a Class A membership when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership or June 1, 1990, whichever is sooner.

The corporation may suspend the voting rights of a member for failure to comply with any obligations of the Owners of a Lot under the Declaration.

A membership in the corporation shall not be assigned, encumbered or transferred in any manner except as an appurtenance to the title of the Lot to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a Lot as further security for a loan secured by a lien on such Lot. A transfer of membership shall occur automatically upon transfer of title to the Lot to

and requirements with respect to recording such transfers on the books and records of the corporation.

The Bylaws may contain provisions, not inconsistent with the foregoing, setting forth the rights, privileges, duties and responsibilities of the members.

ARTICLE V

Board of Directors

The business and affairs of the corporation shall be conducted, managed and controlled by a Board of Directors.

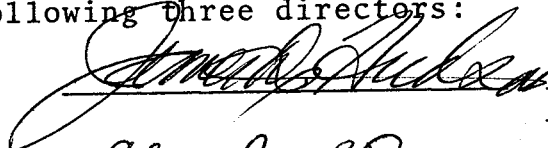
The initial Board of Directors shall consist of the following three members, who shall serve until the first annual meeting of shareholders or until their successors be elected and qualified. The number of directors may be increased or decreased from time to time by amendment to the Bylaws of the corporation; but no decrease shall have the effect of shortening the term of any incumbent director. Any directorship to be filled by reason of an increase in the number of directors shall be filled by the affirmative vote of the majority of the directors then in office, though less than a quorum of the Board of Directors.

Cumulative voting shall not be permitted in the election of directors.

Members of the Board of Directors shall be elected at the annual meeting of the Members in the manner provided in the Bylaws, subject to the rights reserved to the Declarant in the Declaration.

The Board of Directors, by resolution adopted by a majority of the directors in office, may create an Executive Committee of the Board. The number of members of the Executive Committee and the persons who shall be members thereof shall be determined by the Board of Directors consistent with applicable law. Except to the extent limited by the Bylaws, by resolution of the Board or applicable law, the Executive Committee shall have and exercise all the authority of the Board of Directors.

The initial Board of Directors shall consist of the following three directors:

	<u>James D. Hudson</u> <u>1200 28th Street Boulder, Co. 80303</u>
	<u>Edward S. Bayne</u> <u>1200 28th Street Boulder, Co. 80303</u>
	<u>Dennis C. Hudson</u> <u>1200 28th Street Boulder, Co. 80303</u>

ARTICLE VI

Initial Registered Office and Agent

The initial registered office of the corporation shall be 1200 28th Street, Boulder, Colorado 80303
The initial registered agent at such address shall be
James D. Hudson.

ARTICLE VII

Incorporator

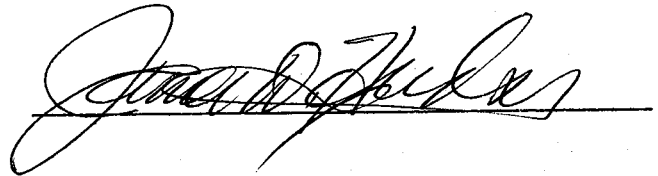
The incorporator of this corporation is James D.
Hudson.

ARTICLE VIII

Amendments

Amendments to these Articles of Incorporation shall be adopted, if at all, in the manner set forth in the Bylaws; provided, however, that no amendment to the Articles of Incorporation shall be contrary to or inconsistent with any provision of the above-referenced Declaration.

SIGNED in duplicate originals this 3rd day of
September, 1985.

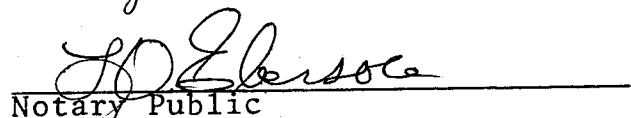


STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me
this 3rd day of September, 1985, by James D. Hudson.

Witness my hand and official seal.

My commission expires: May 22, 1988


Notary Public

NOTARY
SEAL