

**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
VILLAS AT CLAREMONT RANCH TOWNHOME OWNERS ASSOCIATION, INC.**

This document amends, restates and replaces the Articles of Incorporation for this Corporation. The undersigned person acting as incorporator and registered agent and person filing this document under the Colorado Revised Nonprofit Corporation Act (C.R.S. §7-121-101, et seq.) (the “Nonprofit Act”), hereby signs and acknowledges the following Articles of Incorporation for the following Corporation:

**ARTICLE I**  
Name

The name of this Corporation shall be VILLAS AT CLAREMONT RANCH TOWNHOME OWNERS ASSOCIATION, INC.

**ARTICLE II**  
Duration

The term of existence of this Corporation is perpetual.

**ARTICLE III**  
Purposes

The business, objects and purposes for which the Corporation is formed are as follows:

1. To be and constitute the owners association (hereinafter called the “Association”) to which reference is made in the Declaration of Covenants, Conditions and Restrictions for Villas at Claremont Ranch and any amendment or supplement thereto (hereinafter called the “Declaration” and the definitions and provisions thereof are incorporated herein by this reference as if set forth at length) which has been or will be recorded in the records of the Clerk and Recorder of the County of El Paso, Colorado, and to perform all obligations and duties of the Association and to exercise all rights and powers of the Association.

2. To provide an entity for the furtherance of the interests of all of the Owners, including the Declarant named in the Declaration, with the objectives of establishing and maintaining the Villas at Claremont Ranch (hereinafter called the “Community”) as a project of quality and value; enhancing and protecting its value, desirability and attractiveness; promoting the health and welfare of the residents of said project and providing for the maintenance, preservation and architectural control of the Lots, Limited Common Areas and Common Areas within said Community, together with any Improvements thereon.

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## ARTICLE IV

### Powers

In furtherance of its purposes, this Corporation shall have all of the powers conferred upon nonprofit corporations by the statutes and common law of the State of Colorado in effect from time to time, shall have all rights and powers conferred upon owners' associations by any statute, as now or hereafter enacted, including the Colorado Common Interest Ownership Act (C.R.S. §38-33.3-101, et. seq.) applicable to a planned community, and shall have all of the powers necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Association under the Declaration, which shall include the following, which shall be subject to the limitations, requirements, restrictions and provisions of the Declaration:

(a) To fix, levy, collect and enforce payment by any lawful means, all charges, fines, sums or assessments pursuant to the terms of the Declaration or as allowed by law or statute; 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 Association or its property;

(b) To 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 Corporation, subject to C.R.S. §38-33.3-312.

(c) To borrow money, and, subject to C.R.S. §38-33.3-312, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(d) To dedicate, convey, sell or transfer, subject to C.R.S. §38-33.3-312, all or any part of the Common Area;

(e) To participate in mergers, subject to C.R.S. §38-33.3-221, and consolidations with other nonprofit corporations organized for the same purposes;

(f) To manage, control, operate, maintain, repair and improve the Community, including the detention pond and other drainage facilities described in the Detention Basin Agreement, as described in the Declaration;

(g) To enforce the covenants, restrictions and conditions contained in the Declaration as provided therein and to have all rights, powers, duties, and interests of the Association pursuant to the Declaration;

(h) To engage in activities which will actively foster, promote and advance the common ownership interests of Owners of Lots, including the interest of the Declarant during its marketing of the Community;

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(i) To enter into, make, perform or enforce contracts of every kind and description and to do all other acts necessary, appropriate or advisable in carrying out any purposes of this Corporation, with any person, firm, association, corporation or other entity or agency, public or private, subject to the requirements of the Declaration and C.R.S. §38-33.3-305; and

(j) To adopt, alter and amend or repeal such Bylaws and Rules may be necessary or desirable for the proper management of the affairs of the Corporation; provided, however, that such Bylaws may not be inconsistent with or contrary to any provisions of these Articles of Incorporation or the Declaration. The Declaration, these Articles of Incorporation, the Bylaws and the Rules are collectively called the “Association Documents”.

## ARTICLE V Membership

1. This Corporation shall be a membership corporation without certificates or shares of stock. As more fully provided in the Declaration and Bylaws, every person or entity, who is a record owner of a fee or undivided fee interest in any Lot which is subject to the Declaration, including contract sellers, shall be a member of the Corporation as provided by the Declaration and the Association’s Bylaws. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

2. A membership in this Corporation and the share of a Member in the assets of this Corporation shall not be assigned, encumbered or transferred in any manner except as appurtenant to the transfer of title to 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; foreclosure of a membership interest shall not be considered a purchase of such interest under C.R.S. §7-126-303.

3. A transfer of membership shall occur automatically upon the transfer of title to the Lot to which the membership pertains; provided however, that the Bylaws of this Corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of this Corporation.

4. Members shall have the right to purchase other Lots and to exercise the membership rights appurtenant thereto as provided in the Declaration.

5. This Corporation may suspend the voting and other membership rights of a Member for failure to comply with the Rules or the Bylaws of the Corporation or with any other obligations of the Owners of a Lot under the Declaration. All Members shall be entitled to vote on all matters, except as otherwise provided in the Declaration or Bylaws and except any Members who are in default in any obligations to the Corporation, which shall also subject them to the remedies set forth in the Declaration or as provided by law or statute. Cumulative voting is prohibited.

Members who are not in good standing shall not be counted for quorum or approval percentages under the Declaration, Articles of Incorporation and Bylaws.

6. The Bylaws may contain additional provisions setting forth the rights, privileges, duties and responsibilities of the Members; provided however, the provisions of these Articles of Incorporation and the Bylaws shall be subject to the covenants, terms and provisions of the Declaration which shall control in the event of any conflict, and the provisions of these Articles of Incorporation shall control over any conflicting provisions in the Bylaws.

## ARTICLE VI Voting Rights

1. Except as provided in the Declaration, which may specify voting rights of Owners and the Declarant, each Lot shall have the voting rights based upon the Owner's Proportionate Interests as set forth in the Declaration, and the affirmative vote of a majority based upon all Owners' Proportionate Interests of those Lots voting shall be required for decisions and actions by the Association, unless otherwise provided herein or in the Association's Declaration or Bylaws. If only one of the multiple Owners of a Lot is present at a meeting of the Association, such Owner is entitled to cast the vote allocated to that Lot. Alternatively, if more than one person holds an interest in a Lot, they may appoint one of their co-owners as proxy to cast the vote for that Lot. The vote for such Lot shall be cast as the Owners holding a majority interest in thereof agree, but in no event shall they cast more than the Proportionate Interest allocated to that Lot on any one question. If such Owners of such Lot cannot agree as to the manner in which their vote shall be cast when called upon to vote, then they will be treated as having abstained; during any such period, each Owner shall retain all other rights and obligations of membership in the Corporation.

2. Notwithstanding anything herein to the contrary, the Declarant as defined in the Declaration shall have the rights set forth in the Declaration to exercise all membership rights during the Period of Declarant Appointment as defined in the Declaration, including the right to appoint and remove the Officers and the members of the Board; the Declarant's right to appoint or remove the Board members shall terminate no later than the earlier of either: (i) sixty (60) days after conveyance of seventy-five (75%) percent of the Lots, which may be created, to Owners other than a Declarant; (ii) two (2) years after the last conveyance of Lot by the Declarant in the ordinary course of business; or (iii) two (2) years after any right to add new Lots was last exercised. A Declarant may voluntarily surrender the right to appoint and remove Officers and Directors of the Board before termination of the Period of Declarant Appointment, but in that event, the Declarant shall require that specified actions of the Association or Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective. Notwithstanding any provision of these Articles or the Bylaws to the contrary, the Owners, by a vote of Members representing at least sixty-seven percent (67%) of the Lots present and entitled to vote at any meeting of the Owners at which a quorum is present, may remove any member of the Board with or without cause, other than a member appointed by the Declarant.

3. Not later than sixty (60) days after conveyance of twenty-five (25%) percent of the Lots, which may be created, to Owners other than the Declarant, at least one member, and not less than twenty-five (25%) percent of the members of the Board shall be elected by the Owners, other than the Declarant. Not later than sixty (60) days after conveyance of fifty (50%) percent of the Lots, which may be created, to Owners other than a Declarant, not less than one-third (1/3) of the members of the Board must be elected by the Owners other than the Declarant.

4. Except as otherwise provided in Paragraphs 2 and 3 of this Article, upon the termination of any Period of Declarant Appointment, the Owners shall elect a Board of at least three (3) members, at least a majority of whom must be Owners other than the Declarant or designated representatives of Owners other than the Declarant. The Board shall elect the Officers. The Board members and Officers shall take office upon election or appointment as provided herein.

5. Notwithstanding any provision of these Articles or the Bylaws to the contrary, the Owners, by a vote of Members holding at least sixty-seven percent (67%) of the Proportionate Interests present and entitled to vote at any meeting of the Owners at which a quorum is present, may remove any member of the Board with or without cause, other than a member appointed by the Declarant.

## ARTICLE VII Board of Directors

1. The business and affairs of the Corporation shall be conducted, managed and controlled by a Board of Directors. Except as to the rights or provisions of the Association Documents regarding the Declarant, any decision of the Board shall be conclusively presumed to be valid and in accordance with the Association Documents and the Board's interpretation of the Association Documents shall be final and binding upon all Members and other parties, except the Declarant. The initial Board of Directors shall consist of three (3) Directors, but after the termination of the Period of Declarant Appointment, the number of Directors may be increased or decreased by a majority vote of Members at any annual meeting, provided however, the number of Directors shall not be less than three (3) nor more than nine (9). Except for Directors appointed by the Declarant, Directors shall be Owners as defined in the Declaration and shall meet any other qualifications as set forth in the Bylaws. The Declarant has reserved the right to appoint and remove Directors during the Period of Declarant Appointment.

2. Directors shall be elected, replaced and removed and vacancies of the Board of Directors shall be filled in the manner and for the terms as provided in the Declaration and the Bylaws.

## ARTICLE VIII

### Officers

The Board of Directors may appoint a President, one or more Vice-Presidents, a Secretary, a Treasurer and such other Officers as the Board believes will be in the best interest of the Corporation. The Officers shall have such duties as may be prescribed in the Bylaws of the Corporation and shall serve at the pleasure of the Board of Directors.

## ARTICLE IX

### Dissolution, Merger or Consolidation

The Corporation may be dissolved, merged or consolidated as provided by C.R.S. §38-33.3-221 and the Nonprofit Act, but subject to the provisions of the Declaration. Upon dissolution of the Corporation other than incident to a merger or consolidation, the assets of the Corporation shall be distributed and transferred as the Members may direct, subject to the requirements, limitations and other provisions of the Declaration. In such event, the assets may be granted, conveyed and assigned to any public agency, nonprofit corporation, association, trust or other organization to be devoted to purposes similar to those for which this Corporation was created.

## ARTICLE X

### Initial Registered Office and Agent and Address of Initial Principal Office

The street address of the initial registered office of the Corporation shall be 200 West City Center Drive, #200, Pueblo, CO 81003. The initial registered agent, and person causing this document to be filed, shall be Paul M. Broussard, whose street address is the same as the initial registered office and whose consent is shown by signature of these Articles of Incorporation. The street address of the Corporation's initial principal office is the same as the initial registered office.

## ARTICLE XI

### Amendment

1. Except as provided in Paragraph 2 below of this Article XI, amendments to these Articles of Incorporation shall require the approval, at a meeting duly called under the Bylaws, of Members representing at least sixty-seven per cent (67%) of the Proportionate Interests as defined in the Declaration, present in person or by proxy at any meeting of Owners at which a quorum is present, provided however, that no amendment to these Articles of Incorporation shall be contrary to or inconsistent with the provisions of the Declaration and the Declarant shall have the right to amend these Articles of Incorporation as provided in the Declaration and shall be entitled to approve or reject any and all amendments during the Period of Declarant Rights.

2. Notwithstanding any contrary provisions of these Articles of Incorporation or any other Association Document, the Declarant hereby reserves the right, but without approval or vote of the Members or Mortgagees, to amend these Articles of Incorporation and/or the Bylaws, as may be necessary to exercise Declarant's rights under the Declaration, the Association's Articles

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of Incorporation, Bylaws or Rules, or to correct typographical errors or make clarifications or as may be approved in writing by any lender or financial institution, and each Owner and Mortgagee by accepting a deed, mortgage or other instrument affecting a Lot appoints Declarant as his or her attorney-in-fact for purposes of executing in said Owner's or Mortgagee's name and recording any such amendments to these Articles and each deed, mortgage, trust deed, other evidence of obligation or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of and a consent to the reservation of the power to the Declarant to make, execute and record any such amendments. Notwithstanding any contrary provisions of these Articles of Incorporation or any other Association Document, any amendment of these Articles of Incorporation shall require the written approval of the Declarant during the Period of Declarant Rights as set forth in the Declaration.

## ARTICLE XII

### Nonprofit Purposes

The Corporation is formed under the Nonprofit Act and not for pecuniary profit or financial gain. The Corporation is organized and operated to provide for the acquisition, construction, management, maintenance and care of property of the Community as provided in the Declaration, and unless the Board of Directors determines otherwise, the Corporation is intended to qualify as an "owners association" as defined in subsection (e) of Section 528 under applicable provisions. Unless the Board of Directors determines otherwise, the Corporation shall receive only such income and make only such expenditures as will enable it to maintain such status under I.R.C. Section 523 or any comparable provision of the Code.

## ARTICLE XIII

### Incorporator and Filer

The Incorporator of the Corporation and person causing this document to be filed is Paul M. Broussard, whose address is 200 West City Center Drive, #200, Pueblo, CO 81003.

## ARTICLE XIV

### Non-Liability and Indemnity of Officers and Directors

1. An Officer or Director of the Corporation shall not be personally liable to the Corporation or to its Members for monetary damages for breach of fiduciary duty as a Director to the fullest extent of the Nonprofit Act, or other law or statute. If the Nonprofit Act hereafter is amended to further eliminate or limit the liability of an Officer or Director, then such Officer or Director shall not be liable to the fullest extent permitted by the amended Nonprofit Act, in addition to the other provisions of these Articles of Incorporation and the Association's Bylaws which are incorporated herein by this reference.

2. No Officer or Director of the Corporation shall be personally liable for any contract or claim against the Corporation nor for any injury to person or property arising out of a tort committed by such person unless such Officer or Director committed a criminal offense or

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committed a wanton and willful act or omission. The protections afforded by these Articles of Incorporation and/or the Bylaws shall not restrict other common law and statutory protections and rights that such Officer or Director may have nor reduce or impair any insurance coverage of such persons.

3. Unless otherwise specifically provided herein, or in the Nonprofit Act, or the Declaration, no Officer or Director shall be held liable for actions taken or omissions made in the performance of his or her duties as an Officer or Board member except for wanton and willful acts or omissions.

4. A Director or Officer is not liable as such to the Corporation or its Members for any action taken or omitted to be taken as a Director or Officer in the performance of the duties of such position in compliance with Section 7-128-401(2).

5. The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, committee person, employee, fiduciary, or agent of the Corporation or who, while a Director, Officer, committee person, employee, fiduciary, or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability, as provided in Section 7-129-108 of the Nonprofit Act or the Declaration or otherwise.

6. Each Officer and Director of the Corporation, now or hereinafter serving in any such capacity, shall be indemnified by the Corporation against any and all claims and liabilities to which he or she has or shall become subject by reason of serving or having served in any such capacity, or by reason of any action alleged to have been taken, omitted, or neglected by him or her in any such capacity, to the fullest extent allowable by these Articles of Incorporation, the Bylaws, or any law and statute, including the Nonprofit Act. The right of indemnification herein provided shall not be exclusive of any rights to which any Director or Officer of the Corporation may otherwise be entitled by law or statute, provided however, this indemnification shall not reduce or impair any insurance coverage of the Corporation, any Officer, Director, or any person described above in Paragraph 5 of this Article.

7. Any repeal or modification of any of the foregoing paragraphs shall not adversely affect any right or protection of a Director, Officer or other person described above in this Article existing on or before such repeal or modifications. The foregoing paragraphs shall be in addition to any provisions in the Nonprofit Act, the Bylaws, or any other Colorado statute; in the event of any conflict between provisions, the provision providing the most protection to an Officer, Director or volunteer shall apply.

ARTICLE XV  
Conflicts of Interest

Except as otherwise provided by law or statute, no contract, transaction, or other financial relationship shall be void or voidable or be enjoined, set aside, or give rise to an award of damages or other sanctions in any proceeding by any Member of the Corporation or by or in the right of the Corporation, solely because of any conflicting interest so long as the contract, transaction, or other financial relationship complies with the Nonprofit Act, including C.R.S. §7-128-501. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes, approves or ratifies such contract, transaction, or relationship.

IN WITNESS WHEREOF, for the purposes of forming this Corporation under the laws of the State of Colorado, the undersigned, constituting the Incorporator, the Registered Agent and the person filing this document, has executed these Amended and Restated Articles of Incorporation this        day of \_\_\_\_\_, 2022. The name and mailing address of the individual who caused this document to be delivered for filing, and to whom the Secretary of State may deliver notice if filing of this document is refused, is the above-named incorporator.

Paul M. Broussard  
200 West City Center Drive, Ste. 200,  
Pueblo, CO 81003