

ARTICLES OF INCORPORATION
OF
REUNION HOMEOWNERS ASSOCIATION, INC.

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SECRETARY OF STATE
STATE OF COLORADO

Pursuant to § 7-122-102, Colorado Revised Statutes, the undersigned hereby signs and acknowledges, for delivery to the Secretary of State of Colorado for filing, these Articles of Incorporation for the purpose of forming a nonprofit corporation under the Colorado Revised Nonprofit Corporation Act, and states as follows:

1.

NAME

1.1 Name. The name of this corporation shall be Reunion Homeowners Association, Inc. ("Reunion Homeowners Association").

2.

DURATION

2.1 Duration. The period of duration of this corporation shall be perpetual.

3.

PURPOSES AND POWERS

3.1 General Purpose. The Reunion Homeowners Association is organized to be and constitute the Reunion Homeowners Association to which reference is made in the Declaration for Reunion Homeowners Association, Inc. (the "Homeowners Declaration"). The Homeowners Declaration is or is to be executed by Shea Homes Limited Partnership, a California limited partnership d/b/a Shea Homes ("Declarant"), and is or is to be recorded in the office of the Clerk and Recorder of Adams County, Colorado. The Homeowners Declaration relates to real property in the City of Commerce City, Adams County, Colorado, which is or may become annexed and made subject to the Homeowners Declaration. Any real property which is, in fact, annexed and made subject to the Homeowners Declaration is referred to as the "Homeowners Association Area." The Reunion Homeowners Association is not organized in contemplation of pecuniary gain or profit to its Members.

3.2 Specific Purposes. The specific purposes for which the Reunion Homeowners Association is organized are:

(a) To exercise all of the rights, powers and privileges and to perform all of the duties and obligations of the Reunion Homeowners Association as set forth in the Homeowners Declaration or in any amendment to the Homeowners Declaration.

(b) To provide for maintenance and preservation of the Homeowners Association Area, as provided in the Homeowners Declaration.

(c) To promote, foster, and advance the common interests of owners of Privately Owned Sites within the Homeowners Association Area.

(d) To fix, levy, collect and enforce payment of, by any lawful means, Assessments and other amounts payable by or with respect to Owners of Privately Owned Sites within the Homeowners Association Area as provided in the Homeowners Declaration.

(e) To manage, maintain, repair and improve the Homeowners Association Properties within the Homeowners Association Area, and to perform services and functions for or relating to the Homeowners Association Area, all as provided in the Homeowners Declaration.

(f) To enforce covenants, restrictions, conditions and equitable servitudes affecting the Homeowners Association Area.

(g) To make and enforce rules and regulations with respect to the interpretation and implementation of the Homeowners Declaration and the use of any property within the Homeowners Association Area, including Privately Owned Sites.

(h) To establish and maintain the Homeowners Association Area as property of the highest quality and value, and to enhance and protect its desirability and attractiveness.

Each purpose specified herein is an independent purpose and is not to be restricted by reference to or inference from the terms of any other purpose.

3.3 Powers. The Reunion Homeowners Association shall have all of the powers which a nonprofit corporation may exercise under the Colorado Revised Nonprofit Corporation Act and the laws of the State of Colorado in effect from time to time, subject only to such limitations upon such powers as may be set forth in these Articles of Incorporation, the Homeowners Declaration or the Bylaws of the Reunion Homeowners Association (the "Bylaws").

4.

REGISTERED OFFICE AND AGENTS

4.1 Initial Registered Office and Registered Agent. The initial registered office of the Reunion Homeowners Association shall be at 9135 South Ridgeline Boulevard, Suite 100, Highlands Ranch, Colorado 80129. This office is in Douglas County, Colorado. The initial registered agent of the Reunion Homeowners Association, whose business office is identical with such registered office, is Jeffrey H. Donelson.

4.2 Initial Principal Office. The address of the initial principal office of the Reunion Homeowners Association is 9135 South Ridgeline Boulevard, Suite 100, Highlands Ranch, Colorado 80129.

BOARD OF DIRECTORS

5.1 Board of Directors. The affairs of Reunion Homeowners Association shall be managed by a Board of Directors. The duties, qualifications, number and term of directors and the manner of their election, appointment and removal shall be as set forth in the Homeowners Declaration and the Bylaws.

5.2 Initial Board of Directors. The number of the first Board of Directors shall be three. The names and addresses of the persons who are to serve as the initial directors are as follows:

<u>Name</u>	<u>Address</u>
Michele M. Miller	9135 South Ridgeline Boulevard, Suite 100 Highlands Ranch, Colorado 80129
Jeffrey D. Willis	9135 South Ridgeline Boulevard, Suite 100 Highlands Ranch, Colorado 80129
Jeffrey H. Donelson	9135 South Ridgeline Boulevard, Suite 100 Highlands Ranch, Colorado 80129

INDEMNIFICATION

6.1 Indemnification. The Reunion Homeowners Association shall indemnify, to the fullest extent permitted by applicable law in effect from time to time, any person, and the estate and personal representative of any such person, against all liability and expense (including attorneys' fees) incurred by reason of the fact that such person is or was a director, officer, member of an executive or other committee (including, without limitation, the "Architectural Review Committee" under the Homeowners Declaration), employee, fiduciary or agent of the Reunion Homeowners Association or, while serving as a director, officer, member of an executive or other committee (including without limitation, the Architectural Review Committee), employee, fiduciary or agent of the Reunion Homeowners Association, such person is or was serving at the request of the Reunion Homeowners Association as a director, officer, partner, trustee, employee, fiduciary or agent of, or in any similar managerial or fiduciary position of, another nonprofit corporation or association.

6.2 Limitation on Liability. No director of the Reunion Homeowners Association shall have any personal liability for monetary damages to the Reunion Homeowners Association or its Members for breach of his or her fiduciary duty as a director, except that this provision shall not eliminate or limit the personal liability of a director to the Reunion Homeowners Association or its Members for monetary damages for: (a) any breach of the director's duty of loyalty to the Reunion Homeowners 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. § 7-128-403; or (d) any transaction from which the director directly or indirectly derives an improper personal benefit. Nothing contained herein will be construed to eliminate or diminish the defenses ordinarily available to a director or to deprive any director of any right he or she may have for contribution from any other

director or other person. If Colorado law now or hereafter eliminates or limits further the liability of a director, then, in addition to the elimination and limitation of liability provided by the preceding sentence, the liability of each director shall be eliminated or limited to the fullest extent permitted by Colorado law. Any repeal or modification of this Article 6 shall not adversely affect any right or protection of a director of the Reunion Homeowners Association under this Article 6, as in effect immediately prior to such repeal or modification, with respect to any liability that would have accrued, but for this Article 6, prior to such repeal or modification.

7.

INCORPORATOR

7.1 Incorporator. The name and address of the incorporator is as follows:

<u>Name</u>	<u>Address</u>
Dennett L. Hutchinson	Steiner, Darling & Hutchinson LLP Suite 850 303 East Seventeenth Avenue Denver, Colorado 80203

8.

MEMBERS AND VOTING RIGHTS

8.1 Membership in the Reunion Homeowners Association. Each Owner of a Privately Owned Site within the Homeowners Association Area shall be a Member of the Reunion Homeowners Association. There shall be one such Membership in the Reunion Homeowners Association for each Privately Owned Site within the Homeowners Association Area. In the event a Privately Owned Site is resubdivided into two or more Privately Owned Sites in accordance with the provisions of the Homeowners Declaration, each Privately Owned Site existing after such resubdivision shall be entitled to one Membership in the Reunion Homeowners Association. The Person or Persons who constitute the Owner of a Privately Owned Site shall automatically be the holder of the Membership appurtenant to that Privately Owned Site, and the Membership appurtenant thereto shall automatically pass with fee simple title to the Privately Owned Site. Declarant shall hold a Membership in the Reunion Homeowners Association for each Privately Owned Site owned by Declarant. Membership in the Reunion Homeowners Association shall not be assignable separate and apart from fee simple title to a Privately Owned Site except that an Owner may assign some or all of his rights as an Owner and as Member of the Reunion Homeowners Association to a tenant or Mortgagee and may arrange for a tenant to perform some or all of such Owner's obligations as provided in the Homeowners Declaration, but no such delegation or assignment shall relieve an Owner from the responsibility for fulfillment of the obligations of an Owner under the Homeowners Declaration. The rights acquired by any such tenant or Mortgagee shall be extinguished automatically upon termination of the tenancy or Mortgage. The assignment of rights by an Owner pursuant to this Section shall not be subject to any present or future statutory time limit for the duration of proxy rights.

8.2 One Class of Membership: Voting Rights of Members. The Reunion Homeowners Association shall have one class of voting membership. Each Owner shall be entitled to one vote for each Assessment Unit, as defined in the Homeowners Declaration, assigned to the Privately Owned Site

owned by such Owner, except that no votes allocated to a Privately Owned Site owned by the Reunion Homeowners Association may be cast. The total number of votes which may be cast in connection with any matter shall be equal to the total number of Assessment Units assigned to Privately Owned Sites then existing within the Homeowners Association Area. Unless addressed herein or in the Homeowners Declaration, the Bylaws of the Reunion Homeowners Association shall provide for the manner, time, place, conduct and voting procedure(s) for Member meetings. Except as otherwise provided in the Bylaws of the Reunion Homeowners Association, during the Period of Declarant Control, as defined in the Homeowners Declaration, the Declarant or Persons appointed by the Declarant shall have the right to appoint officers and members of the Board of Directors of the Reunion Homeowners Association, and to remove all officers and members of the Board of Directors which have been appointed by the Declarant, as more particularly provided in the Homeowners Declaration.

8.3 Proxy Voting. A Member entitled to vote may vote in person or, if the Bylaws so provide, may vote by proxy executed in writing by the Member or his duly authorized attorney-in-fact.

8.4 Cumulative Voting. Cumulative voting by Members in elections for Directors shall be permitted.

9.

MISCELLANEOUS

9.1 Distribution of Assets on Dissolution of the Reunion Homeowners Association. In the event of dissolution of the Reunion Homeowners Association, the assets of the Reunion Homeowners Association shall be distributed in accordance with the provisions of Section 6.7 of the Homeowners Declaration.

9.2 Bylaws. The Reunion Homeowners Association shall have the power to make and alter Bylaws, not inconsistent with these Articles of Incorporation or with the laws of the State of Colorado or with the Homeowners Declaration, for the administration and regulation of the affairs of the corporation. The initial Bylaws of the Reunion Homeowners Association shall be adopted by the Board of Directors. The power to alter, amend or repeal the Bylaws or adopt new Bylaws shall be vested in the Members, except as may be provided in the Bylaws, subject to the provisions in the Homeowners Declaration for approval of amendments by HUD or VA and/or First Mortgagees.

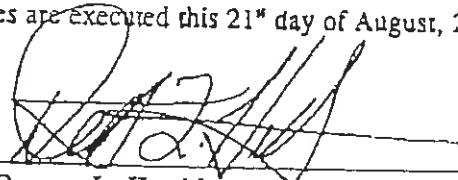
9.3 Amendment of Articles. The Board of Directors of the Reunion Homeowners Association may amend these Articles of Incorporation from time to time as allowed by and in accordance with the Colorado Revised Nonprofit Corporation Act without member action in any and as many respects as may be desired. All other amendments to these Articles of Incorporation shall be adopted by a vote of the members of the Association in the manner provided in the Colorado Revised Nonprofit Corporation Act. All amendments to these Articles of Incorporation as amended shall contain only such provisions as are lawful under the Colorado Revised Nonprofit Act and the otherwise applicable provisions of law and not be contrary to or inconsistent with any provision of the Homeowners Declaration.

9.4 Definitions. The capitalized terms in these Articles of Incorporation shall have the same meaning as any similarly capitalized terms defined in the Homeowners Declaration.

9.5 Contact Person. The (a) name, and (b) mailing address, of the individual who has 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:

Dennett L. Hutchinson
Steiner, Darling & Hutchinson LLP
303 East Seventeenth Avenue, Suite 850
Denver, CO 80203

IN WITNESS WHEREOF, these Articles are executed this 21st day of August, 2002.



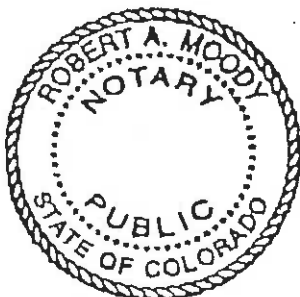
Dennett L. Hutchinson
Incorporator

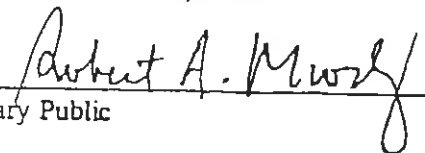
STATE OF COLORADO)
 CITY AND) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 21st day of August, 2002, by Dennett L. Hutchinson.

Witness my hand and official seal.

My commission expires: November 27, 2004





Notary Public

My Commission Expires 11-27-2004