

**AMENDED AND RESTATED BYLAWS
OF
THE PINNACLE AT CITY PARK SOUTH
HOMEOWNERS ASSOCIATION, INC.**

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**AMENDED AND RESTATED BYLAWS
OF
THE PINNACLE AT CITY PARK SOUTH
HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
INTRODUCTION**

These are Amended and Restated Bylaws of The Pinnacle at City Park South Homeowners Association, Inc. (the "Association") that shall operate under the Colorado Revised Nonprofit Corporation Act, as amended, and the Colorado Common Interest Ownership Act, as amended (the "Act"). Except as otherwise provided herein, the definitions of capitalized terms herein shall be the same as provided in the Declaration of Condominium for The Pinnacle at City Park South (the "Declaration").

**ARTICLE II
BOARD OF DIRECTORS**

A. Number, Qualification and Election; Termination of Declarant Control.

1. The affairs of The Pinnacle at City Park South community and the Association shall be governed by a board of directors (the "Board") that shall initially consist of three (3) persons. The majority of directors, excepting the directors appointed by Declarant, shall be Owners. Directors shall be elected by the Owners, except for those appointed by Declarant. At any meeting at which directors are to be elected, the Owners may, by resolution, adopt specific procedures that are not inconsistent with these Bylaws or the Colorado Revised Nonprofit Corporation Act for conducting the elections.

2. The Declaration shall govern appointment of directors of the Board during the Declarant Control Period.

3. The Board shall elect the officers. The directors and officers shall take office upon election.

4. The Board shall serve without compensation.

5. At any time after Owners, other than Declarant, are entitled to elect a director, the Association shall call a meeting and give not less than ten (10) nor more than sixty (60) days' notice to the Owners for this purpose. This meeting may be called and the notice given by any Owner if the Association fails to do so. Thereafter, each director shall serve for a term of one (1) year and the Owners shall elect the directors at the annual meeting. Except for directors appointed by Declarant, nominations for election to the Board shall be made by a nominating committee appointed by the Board and shall be based on nominations submitted by the Owners. The nominating committee shall consist of at least one (1) Board member, and other Owners who are representative of the general

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membership of the Association, and shall establish fair and reasonable procedures for the submission of nominations. All nominations shall be consistent with the requirements of this Article II, and shall be made only with the consent of the nominee. Directors shall be elected solely by the Owners of Units. If the nominating committee submits a slate of candidates in excess of the number of director slots to be filled, those candidates receiving the highest total of weighted votes of the Owners will be elected to the Board.

B. Powers and Duties.

The Board shall have, in addition to those rights and powers established in the Declaration and subject to the limitations contained in the Declaration and the Act, all of the powers and duties necessary for the administration of the affairs of the Association and of The Pinnacle at City Park South community, including, but not limited to, the following powers and duties:

1. Adopt and amend Bylaws and Rules and Regulations not inconsistent with the Declaration or the Act;
2. Adopt and amend budgets for revenues, expenditures and reserves;
3. Levy and collect Assessments for Common Expenses from Owners;
4. Hire and discharge Managers;
5. Hire and discharge employees, independent contractors and agents other than Managers;
6. Institute, defend or intervene in litigation, arbitration, or administrative proceedings or seek injunctive relief for violations of the Declaration, Bylaws or Rules and Regulations in the Association's name, or on behalf of the Association or two (2) or more Owners, on matters affecting The Pinnacle at City Park South community;
7. Make contracts and incur liabilities;
8. Regulate the use, maintenance, repair, replacement and modification of the Common Elements;
9. Cause additional improvements to be made as a part of the Common Elements;
10. Acquire, hold, encumber and convey, in the Association's name, any right, title or interest to real estate or personal property; but the Common Elements may be conveyed or subjected to a security interest only pursuant to §312 of the Act;

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11. Grant easements for any period of time, including permanent easements, and grant leases, licenses and concessions through or over the Common Elements;
12. Impose and receive a payment, fee or charge for services provided to Owners and for the use, rental or operation of the Common Elements, other than Limited Common Elements described in §202(1)(b) and §202(1)(d) of the Act;
13. Impose a reasonable charge for the late payment of Assessments and, after notice and hearing, levy a reasonable fine for a violation of the Declaration, Bylaws or Rules and Regulations;
14. Impose a reasonable charge for the preparation and recording of amendments to the Declaration or for statements of unpaid Assessments;
15. Provide for the indemnification of the Association's officers, directors and the Board and maintain directors' and officers' liability insurance;
16. Exercise any other powers conferred by the Declaration or the Bylaws;
17. Exercise any other power that may be exercised in the state by a legal entity of the same type as the Association;
18. Exercise any other power necessary and proper for the governance and operation of the Association;
19. By resolution, establish committees of directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Owners and the Board. However, actions taken by a committee may be appealed to the Board by any Owner within forty-five (45) days of publication of notice of that action, and the committee's action must be ratified, modified or rejected by the Board at its next regular meeting; and
20. Maintain and preserve the books and records of the Association, and provide copies thereof to Owners, all as provided for in Article VII hereof.

C. Manager.

The Board may employ a Manager for The Pinnacle at City Park South community, at a compensation established by the Board, to perform duties and services authorized by the Board. The Board may not delegate to the Manager the powers granted to the Board by these Bylaws under Section II.B., Subsections 1, 2, 4, 6, 7, 9, 10, 11, 14, 15, 16, 17, 18 or 19. Except as expressly prohibited by applicable law, the Board may, through specific resolution, and subject to such terms and conditions as the Board may impose, delegate any of the remaining powers, duties and responsibilities granted to the

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Board under these Bylaws, the Declaration, the Rules and Regulations, or applicable law, to the Manager.

If the Board delegates powers relating to the collection, deposit, transfer or disbursement of Association funds to a Manager or other Persons, that Manager or other Persons shall:

1. Maintain fidelity insurance coverage or a bond in an amount not less than the amount required pursuant to the Declaration;
2. Maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the Manager or other Persons and maintain all reserve accounts of each association so managed separate from operational accounts of the Association; and
3. Cause to be prepared, by the Manager, a public accountant or a certified public accountant, and present to the Association an annual accounting for Association funds and a financial statement.

The Associations' contract with a Manager shall be terminable for cause, upon ninety (90) days written notice, without penalty to the Association. Any such contract shall be subject to renegotiation.

D. Removal of Directors.

The Owners, by a vote of sixty-seven percent (67%) of the weighted vote of the Owners at any meeting at which a quorum is present, may remove any director of the Board, other than a director appointed by Declarant, with or without cause. Declarant may, at any time and for any or no reason, remove any director it has appointed without Owner consent.

E. Vacancies.

Vacancies in the Board, caused by any reason other than the removal of a director by a vote of the Owners, may be filled at a special meeting of the Board held for that purpose at any time after the occurrence of the vacancy, even though the directors present at that meeting may constitute less than a quorum. These appointments shall be made in the following manner:

1. As to vacancies of directors whom Owners other than Declarant elected, by a majority of the remaining elected directors constituting the Board; and
2. As to vacancies of directors whom Declarant has the right to appoint, by Declarant.

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3. Each person so elected or appointed shall be a director for the remainder of the term of the director so replaced.

F. Regular Meetings.

The first regular meeting of the Board following each annual meeting of the Owners shall be held within ten (10) days after the annual meeting at a time and place to be set by the Owners at the meeting at which the Board shall have been elected. No notice shall be necessary to the newly elected directors in order to legally constitute such meeting, provided a quorum of the directors is present. The Board may set a schedule of additional regular meetings by resolution, and no further notice is necessary to constitute regular meetings.

G. Special Meetings.

Special meetings of the Board may be called by the president or by a majority of the directors on not less than three (3) business days' notice to each director. The notice shall be hand delivered or sent prepaid by U.S. Mail and shall state the time, place and purpose of the meeting.

H. Location of Meetings.

All meetings of the Board shall be held at the Association office of The Pinnacle at City Park South community unless all directors consent in writing to another location.

I. Open Meetings.

All meetings of the Board are open to every Unit Owner of the Association, or to any Person designated by a Unit Owner in writing as the Unit Owner's representative, and all Unit Owners or designated representatives so desiring shall be permitted to attend, listen and speak at an appropriate time during the deliberations and proceedings; except that, for regular and special meetings of the Board, Unit Owners who are not Board members may not participate in any deliberation or discussion unless expressly so authorized by a vote of the majority of a quorum of the Board. The Board may place reasonable time restrictions on those Persons speaking during the meeting but shall permit a Unit Owner or a Unit Owner's designated representative to speak before the Board takes formal action on an item under discussion, in addition to any other opportunities to speak. The Board shall provide for a reasonable number of Persons to speak on each side of an issue.

J. Executive Session.

Notwithstanding the provisions of Section II.I. above, the Board may meet in executive session, and may restrict the attendance at such executive session to directors and such other Persons requested by the Board during a regular or specially announced meeting; to consider the following matters:

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(1) Matters pertaining to employees of the Association or involving the employment, promotion, discipline or dismissal of an officer, agent or employee of the Association;

(2) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;

(3) Investigative proceedings concerning possible or actual criminal misconduct;

(4) Matters subject to specific constitutional, statutory or judicially imposed requirements protecting particular proceedings or matters from public disclosure; and

(5) Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.

Prior to convening in executive session, the chair of the Board shall announce the general matter of the executive session, as enumerated in Subsections (1) through (5) above.

K. Waiver of Notice.

Any director may waive notice of any meeting in writing. Attendance by a director at any meeting of the Board shall constitute a waiver of notice. If all directors are present at any meeting, no notice shall be required, and any business may be transacted at such meeting.

L. Quorum of Directors.

At all meetings of the Board, a majority of directors shall constitute a quorum for the transaction of business, and, except as otherwise set forth in the Declaration, the votes of a majority of directors present at a meeting at which a quorum is present shall constitute a decision of the Board. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting. At any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

M. Consent to Corporate Action.

Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if each director in writing either (1) votes for such action, or (2) votes against such action or abstains from voting and waives the right to demand that a meeting be held. Action is taken under this section only if the affirmative vote for such action equals or exceeds the

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minimum number of votes that would be necessary to take such action at a meeting at which all of directors then in office were present and voted.

N. Telephone Communication in Lieu of Attendance.

A director may attend a meeting of the Board by using an electronic or telephonic communication method whereby the director may be heard by the other members and may hear the deliberations of the other members on any matter properly brought before the Board. The director's vote shall be counted and their presence noted as if that director were present in person on that particular matter.

O. Proxy.

Voting by proxy shall be permitted; *provided, however*, that the proxy is granted in writing to another director who attends the meeting, and the proxy is limited to a vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy.

P. Conflicts of Interest.

The Board shall use its best efforts, at all times, to make decisions that are consistent with high principles and to protect and enhance the value of properties of the Members and the Association. Directors shall exercise their power and duties in good faith and in the best interest of, and with utmost loyalty to, the Association. Directors shall comply with all lawful provisions of the Declaration and the Articles, Bylaws and Rules and Regulations.

A conflict of interest exists whenever any contract, decision or other action taken by or on behalf of the Board would financially benefit: (1) a director; (2) a parent, grandparent, spouse, child or sibling of a director; or (3) a parent or spouse of any of the persons in subsection (2) above. If a director has a conflict of interest he or she shall disclose such conflict, at the meeting, to the Board before any action is taken on the matter.

Each director and the Board as a whole shall adhere to the following code of ethics:

i. No director may vote on any matter before the Board in which the director has a conflict of interest.

ii. Except for actions that preserve or increase property values within the Project, no director shall use his/her position for private gain, including for the purpose of enhancement of his/her financial status, through the use of certain contractors or suppliers.

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iii. No contributions by the Association will be made to any political parties or political candidates.

iv. No director shall solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan or any other thing of monetary value from a Person who is seeking to obtain contractual or other business or financial relations with the Association.

v. No director shall accept a gift or favor made with the intent of influencing his/her decision or action on any official matter.

vi. No director shall receive any compensation from the Association for acting as a volunteer.

vii. No director shall willingly misrepresent facts to the Owners for the sole purpose of advancing a personal cause or influencing the Association to place pressure on the Board to advance a personal cause.

viii. No director shall interfere with a contractor engaged by the Association while a contract is in progress. All communications with Association contractors shall go through the Board president or be in accordance with policy.

ix. No director shall harass, threaten or attempt through any means to control or instill fear in any Member, director or agent of the Association.

x. No promise of anything not approved by the Board as a whole can be made by any director to any subcontractor, supplier or contractor during negotiations.

xi. Any director convicted of a felony shall voluntarily resign from his/her position.

xii. No director shall knowingly misrepresent any facts to anyone involved in anything with the Project which would benefit himself in any way.

xiii. Language and decorum at all meetings of the Board or the Owners will be kept professional. Personal attacks against directors, Owners, Owners' Agents, the Manager, and service providers are prohibited and are not consistent with the best interests of the Association.

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ARTICLE III OWNERS/MEMBERS

A. Owners Defined.

All Persons described as Owners in Section 2.31 of the Declaration shall be Members of the Association. No Person shall be a Member solely by virtue of holding a security interest in a Unit.

B. Registration of Owners and Occupants.

An Owner shall register with the secretary of the Association, in writing, (1) the name and address of the Owners and any Occupants of the Unit, (2) the nature of such Owner's interest or estate in each Unit owned, (3) the address at which the Owner desires to receive notice of any meeting of the Owners, if other than the Unit address, and (4) the name and address of the secured party holding the First Mortgage on the Unit, if any. Each Owner shall have a continuing obligation to advise the Association in writing of any changes in the foregoing information.

C. Transfers.

The interests, rights and obligations of an Owner in the Association may be assigned, pledged, encumbered or transferred, but only along with and as part of the title to the Owner's Unit or as otherwise specifically authorized by law.

D. Annual Meeting.

Annual meetings of the Owners shall be held at such date set forth in the notice of the meeting. At these meetings, the directors shall be elected by ballot of the Owners, in accordance with the provisions of Article II of these Bylaws. The Owners may transact other business as may properly come before them at these meetings.

E. Budget Meeting.

Meetings of the Owners to consider proposed budgets shall be called in accordance with the Act. The budget may be considered at annual meetings or special meetings called for other purposes as well.

F. Special Meetings.

Special meetings of the Association may be called by the president, by a majority of the members of the Board or by Owners comprising twenty percent (20%) of the weighted votes in the Association.

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G. Place of Meetings.

Meetings of the Owners shall be held at the Association's principal office or may be adjourned to a suitable place convenient to the Owners, as may be designated by the Board or the president.

H. Notice of Meetings.

1. The secretary or other officer specified by the Board shall cause notice and an agenda of meetings of the Owners to be hand delivered or sent prepaid by United States Mail to the mailing address of each Unit or to the mailing address designated in writing by the Owner, not less than ten (10) nor more than fifty (50) days in advance of a meeting. No action shall be adopted at a Special Meeting except as stated in the notice.

2. The Association may additionally provide notices and agendas in electronic form, by posting on a web site or otherwise, in addition to printed form. If such electronic means are available, the Association shall provide notice of all regular and special meetings of Unit Owners by electronic mail to all Unit Owners who so request and who furnish the Association with their electronic mail addresses. Electronic notice of a special meeting shall be given as soon as possible but at least twenty-four (24) hours before the meeting. In addition, notice of any meeting shall be physically posted in a conspicuous place, to the extent that such posting is feasible and practicable.

I. Waiver of Notice.

Any Owner may, at any time, waive notice of any meeting of the Owners in writing, and the waiver shall be deemed equivalent to the receipt of notice.

J. Adjournment of Meeting.

At any meeting of the Owners, a majority of the Owners who are present at that meeting, either in person or by proxy, may adjourn the meeting to another time.

K. Order of Business.

The order of business at all meetings of the Owners shall be as follows:

1. Roll call (or check-in procedure);
2. Proof of notice of meeting;
3. Reading of minutes of preceding meeting;
4. Reports;
5. Establish number and term of memberships of the Board (if required and noticed);
6. Election of directors of the Board (when required);
7. Ratification of budget (if required and noticed);
8. Unfinished business; and

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9. New business.

L. Voting.

1. The secretary shall have available at the meeting a list of the Unit numbers, the names of the Owners, the weighted vote attributable to each Unit and the name of the Person (in the case of multiple Owners) authorized to cast the vote.

2. Votes shall be allocated to each Unit based on each Owner's Allocated Interest, as provided in the Declaration. If only one (1) of several owners of a Unit is present at a meeting of the Association, the Owner present is entitled to cast the weighted vote allocated to the Unit. If more than one (1) of the Owners is present, the weighted vote allocated to the Unit may be cast only in accordance with the agreement of a majority in interest of the Owners. There is a majority agreement if any one (1) of the Owners registered pursuant to Subsection III.L.1. above casts the weighted vote allocated to the Unit without protest being made promptly to the Person presiding over the meeting by another Owner of the Unit. If protest is made and no majority agreement is reached, then the Owners shall forfeit their right to vote with respect to the matter at issue.

3. The weighted vote allocated to a Unit may be cast under a written proxy duly executed by an Owner and delivered to the secretary before the commencement of the meeting at which such vote occurs. If a Unit is owned by more than one (1) Person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed, written proxy. An Owner may revoke a proxy given under this section only by actual notice of revocation to the Person presiding over a meeting of the Association. A proxy terminates eleven (11) months after its date, unless it specifies a shorter term. A proxy is void if it is not dated or purports to be revocable without notice.

4. The weighted vote of a corporation or business trust may be cast by any officer of that corporation or business trust in the absence of express notice to the Board of a specific designated Person. The weighted vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice to the Board of the designation of a specific Person by the owning partnership. The weighted vote of a limited liability company may be cast by any manager of the owning limited liability company in the absence of express notice to the Board of the designation of a specific Person by the owning limited liability company. The moderator of the meeting may require reasonable evidence that a Person voting on behalf of a corporation, partnership, business trust or limited liability company Owner is qualified to vote.

5. Votes allocated to a Unit owned by the Association may not be cast.

6. Votes for contested positions on the Board shall be taken by secret ballot. At the discretion of the Board or upon the request twenty percent (20%) of the Owners who are present at the meeting or represented by proxy, if a quorum has been achieved, a vote on any matter affecting the common interest community on which all Unit Owners

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are entitled to vote shall be by secret ballot. Ballots shall be counted by a neutral third party or by a committee of volunteers. Such volunteers shall be Owners who are selected or appointed at an open meeting, in a fair manner, by the chair of the Board or another Person presiding during that portion of the meeting. The volunteers shall not be Board members and, in the case of a contested election for a Board position, shall not be candidates. The results of a vote taken by secret ballot shall be reported without reference to the names, addresses or other identifying information of Owners participating in such vote.

7. The Association may reject a vote, consent, written ballot, waiver, proxy appointment or proxy appointment revocation if the secretary or other Person or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the Unit Owner. The Association and its officer or agent who accepts or rejects a vote, consent, written ballot, waiver, proxy appointment or proxy revocation, in good faith and in accordance with the standards of this section shall not be liable in damages for the consequences of the acceptance or rejection. Any action of the Association based on the acceptance or rejection of a vote, consent, written ballot, waiver, proxy appointment or proxy appointment revocation under this section is valid unless a court of competent jurisdiction determines otherwise.

M. Quorum.

Except as otherwise provided in these Bylaws or the Declaration, Owners present in person or by proxy at any meeting of Owners holding at least twenty percent (20%) of the weighted vote in the Association shall constitute a quorum at that meeting.

N. Majority Vote.

The vote of Owners holding a majority of the weighted vote present in person or by proxy at a meeting at which a quorum is present shall be binding upon all Owners for all purposes except where a higher percentage vote is required in the Declaration, these Bylaws or by law.

O. Attendance.

All meetings of the Association are open to every Unit Owner of the Association, or to any Person designated by a Unit Owner in writing as the Unit Owner's representative, and all Unit Owners or designated representatives so desiring shall be permitted to attend, listen and speak at an appropriate time during the deliberations and proceedings. The Board may place reasonable time restrictions on those Persons speaking during the meeting but shall permit a Unit Owner or a Unit Owner's designated representative to speak before the Board takes formal action on an item under discussion, in addition to any other opportunities to speak. The Board shall provide for a reasonable number of Persons to speak on each side of an issue.

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ARTICLE IV OFFICERS

A. Designation.

The principal officers of the Association shall be the president, the vice president, the secretary and the treasurer, all of whom shall be elected by the Board. The Board may appoint an assistant treasurer, an assistant secretary and other officers as it finds necessary. The president and vice president, but no other officers, must be directors. Any two (2) offices may be held by the same Person, except the offices of president and secretary. The office of vice president may be vacant.

B. Election of Officers.

The officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board. They shall hold office at the pleasure of the Board.

C. Removal of Officers.

Upon the affirmative vote of a majority of the directors, any officer may be removed, either with or without cause. A successor may be elected at any regular meeting of the Board or at any special meeting of the Board called for that purpose.

D. President.

The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Owners and of the Board. The president shall have all of the general powers and duties which are incident to the office of president of a nonprofit corporation organized under the laws of the State of Colorado, including, but not limited to, the power to appoint committees from among the Owners, and others as permitted in the Declaration, from time to time as the president may decide is appropriate to assist in the conduct of the affairs of the Association. The president may fulfill the role of treasurer in the absence of the treasurer. The president may cause to be prepared and may execute amendments, attested by the secretary, to the Declaration and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment, as applicable.

E. Secretary.

The secretary shall keep the minutes of all meetings of the Owners and the Board. The secretary shall have charge of the Association's books and papers as the Board may direct and shall perform all duties incident to the office of secretary of a nonprofit corporation organized under the laws of the State of Colorado. The secretary may cause to be prepared and may attest to execution by the president of amendments to the

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Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment, as applicable.

F. Treasurer.

The treasurer shall be responsible for Association funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. The treasurer shall be responsible for the deposit of all monies and other valuable effects in depositories designated by the Board and shall perform all the duties incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Colorado. The treasurer may endorse on behalf of the Association, for collection only, checks, notes and other obligations and shall deposit the same and all monies in the name of and to the credit of the Association in banks designated by the Board. Except for reserve funds described below, the treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others. Reserve funds of the Association shall be deposited in segregated accounts or in prudent investments, as the Board decides. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, authorized by the treasurer, and executed by the directors, one (1) of whom may be the treasurer if the treasurer is also a director.

G. Agreements, Contracts, Deeds, Checks, etc.

Except as otherwise provided in these Bylaws, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by any other Person or Persons designated by the Board.

H. Statements of Unpaid Assessments.

The treasurer, assistant treasurer, a Manager employed by the Association or, in their absence, any officer having access to the books and records of the Association may prepare, certify and execute statements of unpaid Assessments, in accordance with §316 of the Act.

The Association may charge a reasonable fee for preparing statements of unpaid Assessments. The amount of this fee shall be as set forth in the Association's Rules and Regulations. Any unpaid fees may be assessed as a Default Assessment against the Unit for which the certificate or statement is furnished.

If an account has been turned over to the Association's attorney, a request for a statement of unpaid Assessments with respect to such account may be handled through the attorney.

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ARTICLE V ENFORCEMENT

A. Unpaid Assessments.

The Association hereby adopts the following policies and procedures for the collection of Assessments and other charges of the Association. Failure of the Association to comply with any provision of this Article V shall not be deemed a defense to payment of any Assessment, charge or cost of enforcement.

1. *Due Dates.* The monthly installments of the Annual Assessment, as determined by the Association, shall be due and payable on the first day of each month. Assessments or other charges not paid in full to the Association within five (5) days of the due date shall be considered past due and delinquent. Assessments or other charges not paid in full to the Association within five (5) days of the due date shall incur late charges and interest as provided below.

2. *Receipt Date.* The Association shall post payments on the day that the payment is received in the Association's or Manager's office.

3. *Late Charges on Delinquent Installments.* The Association shall impose on a monthly basis a Twenty-Five and No/100 Dollars (\$25.00) late charge for each Owner who fails to timely pay his/her monthly/quarterly installment of any Assessment within five (5) days of the due date. The Association shall also impose an interest charge from the date due at a rate equal to six (6) percentage points above the prime rate charged by the Association's bank, or such other lawful rate as the Board may establish, not to exceed the maximum rate allowable under applicable state usury laws for each Owner who fails to timely pay his/her monthly/quarterly installment of any Assessment within five (5) days of the due date.

4. *Personal Obligation.* The late charge shall be the personal obligation of the Owner of the Unit for which such assessment installment is unpaid. All late charges shall be due and payable immediately, without notice, in the manner provided by the Declaration (and as set forth herein) for payment of Assessments.

5. *Returned Check Charges.* In addition to any and all charges imposed under the Declaration, Bylaws and Rules and Regulations, a Twenty-Five and No/100 Dollars (\$25.00) fee or other amount deemed appropriate by the Board shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including, but not limited to, insufficient funds. Such returned check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the Owner of the Unit for which payment was tendered to the Association. This returned check charge

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may be in addition to any late charges or other costs of enforcement charged to the Owner.

If two (2) or more of an Owner's checks are returned unpaid by the bank within any (fiscal) year, the Association may require that all of said Owner's future payments, for a period of one (1) year, be made by certified check or money order. Any returned check shall cause an account to be past due if full payment of the monthly/quarterly installment of the Assessment is not timely made within five (5) days of the due date.

6. *Costs of Enforcement.* The Association is entitled to recover the costs of enforcement incurred by the Association in the collection of Assessments or other charges due the Association from a delinquent Owner. Costs of enforcement shall be due and payable immediately when incurred, upon demand.

7. *Application of Payments.* All sums collected on a delinquent account that has been turned over to the Association's attorney shall be remitted to the Association's attorney until the account is brought current. All payments received on account of any Owner or the Owner's Unit (hereinafter collectively "Owner"), shall be applied to payment of any and all legal fees and costs (including attorneys' fees), expenses of enforcement and collection, late charges, returned check charges, lien fees, and other costs owing or incurred with respect to such Owner pursuant to the Declaration, Articles, Bylaws and Rules and Regulations, prior to application of the payment to any Assessments due or to become due with respect to such Owner.

8. *Delinquent Account Referrals.* Upon referral of a delinquent account to the Association's attorney, the attorney shall take all appropriate action to collect the account referred. After an account has been referred to an attorney, the account shall remain with the attorney until the account is settled, has a zero balance, or is written off by the Association. Subject to Subsection V.A.9. hereinbelow, the Association's attorney, in consultation with the Manager, is authorized to take whatever action is necessary and determined to be in the best interests of the Association, including, but not limited to:

- (i) Filing a suit against the delinquent Owner for a money judgment;
- (ii) Instituting a judicial foreclosure action of the Association's lien;
- (iii) Filing necessary claims, documents and motions in bankruptcy court in order to protect the Association's interests; and
- (iv) Filing a court action seeking appointment of a receiver.

All payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney.

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9. *Collection Process.* After an installment of an Assessment or other charges due to the Association becomes more than thirty (30) days delinquent, the Manager shall send a written notice ("First Notice") of non-payment, the amount past due, notice that interest and late fees have accrued and a request for immediate payment.

After an installment of an Assessment or other charges due to the Association becomes more than sixty (60) days delinquent, the Manager shall send a second written notice ("Second Notice") of non-payment, the amount past due, notice that interest and late fees have accrued, notice of intent to file a lien and request for immediate payment.

After an installment of an Assessment or other charges due to the Association becomes more than ninety (90) days delinquent, the Manager shall turn the account over to the Association's attorney for collection. Upon receiving the delinquent account, the Association's attorney shall file a lien and send a letter to the delinquent Owner demanding immediate payment of all past due Assessments and other charges due.

Upon further review, the Association's attorney may file a lawsuit. If a judgment or decree is obtained, including, without limitation, a foreclosure action, such judgment or decree shall include reasonable attorneys' fees, together with the cost of the action and any applicable interest and late charges.

In addition to the steps outlined above, the Association may elect to suspend the voting rights of any Owner whose account is past due at the time of such voting.

10. *Acceleration/Deceleration of Assessments.* The Board may accelerate and call due the entire unpaid Assessment on any delinquent account. Such acceleration shall result in the entire unpaid Assessment being due to the Association immediately. The Board also reserves the right to decelerate any such accelerated Assessment. In the event notice of acceleration is given to a delinquent Owner, the Owner shall also be charged any costs of enforcement incurred by the Association in giving notice of such acceleration.

11. *Bankruptcies and Foreclosures.* Upon receipt of any notice of a bankruptcy filing by an Owner, or upon receipt of a notice of a foreclosure by any holder of an encumbrance against any Unit within the Association, the Manager shall notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.

12. *Appointment of a Receiver.* The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of Assessments. A receiver is a disinterested Person, appointed by the court, who manages the rental of the Unit, collects the rent and disburses the rents according to the court's order. The purpose of a

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receivership for the Association is to obtain payment of current Assessments, reduce past due Assessments and prevent the waste and deterioration of the Unit.

13. *Judicial Foreclosure.* The Association may choose to foreclose on its Assessment lien in lieu of, or in addition to, suing an Owner for a money judgment. The purpose of foreclosing is to obtain payment of all Assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or other circumstances favor such action.

14. *Waivers.* The Board is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Board shall determine appropriate under the circumstances.

15. *Communication with Owners.* All communication with a delinquent Owner shall be handled through the Association's attorney once the matter has been referred to the attorney. Neither the Manager nor any member of the Board shall discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.

B. Abatement.

The violation of any of the Rules and Regulations adopted by the Board or the breach of any provisions of the Declaration or these Bylaws shall give the Board the right, after notice and hearing (as provided in the Rules and Regulations), except in the case of an emergency, in addition to any other rights set forth in these Bylaws, the Rules and Regulations and the Declaration:

1. To enter the Unit or Limited Common Element in which, or as to which, the violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition (except for additions or alterations of a permanent nature that may exist in that Unit) that is existing and creating a danger to the Common Elements or another Unit contrary to the intent and meaning of the provisions of the Declaration, the Bylaws or the Rules and Regulations. The Board shall not be deemed liable for any manner of trespass by this action; and/or

2. To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

C. Fine for Violation.

Pursuant to the procedures set forth in the Rules and Regulations, the Board may levy fines for violations of the Association Documents.

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D. Notice and Hearing.

Except as otherwise expressly stated in the Declaration, the Board shall not impose a fine, suspend voting rights, or infringe upon other rights of a Member for violations of Rules and Regulations, the Declaration or the Bylaws unless the notice and hearing procedures set forth in the Rules and Regulations are followed; *provided, however*, such procedures shall not be necessary in order to impose any sanction or penalty, or pursue any remedy, for nonpayment of Assessments.

**ARTICLE VI
INDEMNIFICATION**

A. Actions Other Than By or in the Right of the Association.

The Association shall indemnify any Person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a member of the Board or officer of the Association, who is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner which such individual reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful; *provided, however*, that no indemnification shall be made in respect of any claim, issue or matter as to which such Person has been adjudged to be liable for negligence, recklessness or willful misconduct in the performance of his/her duty in the Association unless, and to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such Person is fairly and reasonably entitled to indemnification for such expenses if such court deems indemnification proper. Determination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the Person did not act in good faith and in a manner he or she reasonably believed to be in the best interests of the Association and, with respect to any criminal action or proceeding, had reasonable cause to believe his/her conduct was unlawful.

B. Actions by or in the Right of the Association.

The Association shall indemnify any Person who is or was a party or who is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure judgment in its favor by reason of the fact that

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such Person is or was a member of the Board or officer of the Association or is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if such Person acted in good faith and in a manner which he or she reasonably believed to be in the best interests of the Association; but no indemnification shall be made in respect of any claim, issue or matter as to which such Person has been adjudged to be liable for negligence, recklessness or willful misconduct in the performance of his/her duty in the Association unless, and to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such Person is fairly and reasonably entitled to indemnification for such expenses if such court deems indemnification proper. Determination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the Person did not act in good faith and in a manner he or she reasonably believed to be in the best interests of the Association.

C. Determination Required.

Any indemnification under Section A. or Section B. of this Article VI (unless ordered by a court) shall be made by the Association only as authorized by the specific case upon a determination that indemnification of the member of the Board or officer is proper in the circumstances because such individual has met the applicable standard of conduct set forth in Section A. or Section B. above. Such determination shall be made by the Board by majority vote of a quorum consisting of those members of the Board who were not parties to such action, suit or proceeding or, if a majority of disinterested members of the Board so directs, by independent legal counsel or by Owners who were not parties to such action, suit or proceeding. Such determination shall be reasonable, based on substantial evidence of record, and supported by a written opinion. The Board shall provide a copy of its written opinion to the officer or Board member seeking indemnification upon request.

D. Payment in Advance of Final Disposition.

The Association shall pay for or reimburse the reasonable expenses incurred by a former or current member of the Board or officer who is a party to a proceeding in advance of final disposition of the proceeding if: (1) the member of the Board or officer furnishes to the Association a written affirmation of the Board member's good faith belief that he or she has met the standard of conduct described in Section A. or Section B. of this Article VI; (ii) the Board member or officer furnishes to the Association a written understanding, executed personally or on the Board member's or officer's behalf to repay the advance if it is ultimately determined that the Board member or officer did not meet the standard of conduct; and (iii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article VI.

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The undertaking required in this Section D. shall be an unlimited general obligation of the Board but need not be accepted by the Board member or officer or may be accepted without reference to financial ability to make repayment.

E. No Limitation of Rights.

The indemnification provided by this Article VI shall not be deemed exclusive of nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the members or disinterested members of the Board, or otherwise, nor by any rights which are granted pursuant to the Act and the Colorado Revised Nonprofit Corporation Act. Upon a vote of the Board, the Association may also indemnify a member appointed by the Board to serve on a committee (when such committee member is not also a member of the Board) upon such terms and conditions as the Board shall deem just and reasonable.

F. Directors and Officers Insurance.

The Association shall purchase and maintain insurance on behalf of any Person who is or was a member of the Board or an officer of the Association against any liability asserted against him and incurred by such individual in any such capacity or arising out of his/her status as such, whether or not the Association would have the power to indemnify such individual against such liability under provisions of this Article VI.

ARTICLE VII BOOKS AND RECORDS

A. The Association shall keep, as permanent records, minutes of all meetings of Unit Owners and the Board, a record of all actions taken by the Unit Owners or Board by written ballot or written consent in lieu of a meeting, a record of all actions taken by a committee of the Board in place of the Board on behalf of the Association, and a record of all waivers of notices of meetings of Unit Owners and of the Board or any committee of the Board.

The Association or its agent shall maintain a record of Unit Owners in a form that permits preparation of a list of the names and addresses of all Unit Owners, showing the weighted vote allocated to each Unit.

The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

The Association shall maintain accurate and complete accounting records.

Except as otherwise provided below, all financial and other records shall be made reasonably available for examination and copying by any Unit Owner and such Owner's authorized agents. However, membership lists, or any part thereof, may not be obtained or used by any Person for any purpose unrelated to an Owner's interest as an Owner

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without the consent of the Board. Without limiting the generality of the foregoing, a membership list or any part thereof may not be used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association, may not be used for commercial purposes or sold to or purchased by any Person.

The Association may charge a fee, which may be collected in advance, but which shall not exceed the Association's actual cost per page, for copies of Association records.

As used in this section, "reasonably available" means available during normal business hours, upon notice of five (5) business days or at the next regularly scheduled meeting if such meeting occurs within thirty (30) days after the request, to the extent that:

- (1) The request is made in good faith and for a proper purpose;
- (2) The request describes with reasonable particularity the records sought and the purpose of the request; and
- (3) The records are relevant to the purpose of the request.

In addition to the records specified above in this section, the Association shall keep a copy of each of the following records at its principal office:

- (1) Its Articles of Incorporation;
- (2) The Declaration;
- (3) Its Bylaws;
- (4) Resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations and obligations of Unit Owners or any class or category of Unit Owners;
- (5) The minutes of all Unit Owners' meetings, and records of all action taken by Unit Owners without a meeting, for the past three (3) years;
- (6) All written communications within the past three (3) years to Unit Owners generally as Unit Owners;
- (7) A list of the names and business or home addresses of its current directors and officers;
- (8) Its most recent annual report, if any; and
- (9) All financial audits or reviews conducted pursuant to §303(4)(b) of the Act during the immediately preceding three (3) years.

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B. Within ninety (90) days after assuming control from Declarant pursuant to §303(5) of the Act, the Association shall make the following information available to Owners upon reasonable notice:

- (1) The name of the Association;
- (2) The name of the Association's designated agent or management company, if any;
- (3) A valid physical address and telephone number for both the Association and the designated agent or management company, if any;
- (4) The name of the common interest community;
- (5) The initial date of recording of the Declaration; and
- (6) The reception number or book and page for the main document that constitutes the Declaration.

In addition, if the Association's address, designated agent, or management company changes, the Association shall make updated information available within ninety (90) days after the change.

C. Within ninety (90) days after assuming control from Declarant pursuant to §303(5) of the Act, and within ninety (90) days after the end of each fiscal year thereafter, the Association shall make the following information available to Unit Owners upon reasonable notice:

- (1) The date on which its fiscal year commences;
- (2) Its operating budget for the current fiscal year;
- (3) A list, by Unit type, of the Association's current Assessments, including both Annual Assessments and Special Assessments;
- (4) Its annual financial statements, including any amounts held in reserve for the fiscal year immediately preceding the current annual disclosure;
- (5) The results of its most recent available financial audit or review;
- (6) A list of all Association insurance policies, including, but not limited to, property, general liability, Association director and officer professional liability, and fidelity policies. Such list shall include the company names, policy limits, policy deductibles, additional named insureds and expiration dates of the policies listed;

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(7) All of the Association's Bylaws, Articles, Rules and Regulations and policies;

(8) The minutes of the Board and Member meetings for the fiscal year immediately preceding the current annual disclosure; and

(9) The Association's responsible governance policies adopted under §209.5 of the Act.

D. It is the intent of this Article VII to allow the Association the widest possible latitude in methods and means of disclosure, while requiring that the information be readily available at no cost to Unit Owners at their convenience. Disclosure shall be accomplished by one (1) of the following means: posting on an internet web page with accompanying notice of the web address via first-class mail or e-mail; the maintenance of a literature table or binder at the Association's principal place of business; or mail or personal delivery. The cost of such distribution shall be accounted for as a Common Expense.

E. At the discretion of the Board or upon request pursuant to this Section E, the books and records of the Association shall be subject to an audit, using generally accepted auditing standards, or a review, using statements on standards for accounting and review services, by an independent and qualified Person selected by the Board. Such Person need not be a certified public accountant except in the case of an audit. A Person selected to conduct a review shall have at least a basic understanding of the principles of accounting as a result of prior business experience, education above the high school level or bona fide home study. The audit or review shall be prepared using generally accepted accounting principles or the cash and tax basis of accounting.

An audit shall be required under this Section E only when both of the following conditions are met:

(1) The Association has annual revenues or expenditures of at least Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00); and

(2) An audit is requested by the Owners of at least one-third (1/3) of the Units represented by the Association.

A review shall be required under this Section E only when requested by the Owners of at least one-third (1/3) of the Units represented by the Association. Copies of an audit or review under this Section E shall be made available upon request to any Unit Owner beginning no later than thirty (30) days after its completion.

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**ARTICLE VIII
MISCELLANEOUS**

A. Notices.

All notices to the Association or the Board shall be delivered to the office of the Manager, or, if there is no Manager, to the office of the Association, or to such other address as the Board may designate by written notice to all Owners and to all Mortgagees of Units who have notified the Association that they hold a deed of trust on a Unit. Except as otherwise provided herein or in the Declaration, all notices to any Owner shall be sent to the Owner's address as it appears in the records of the Association. All notices to Mortgagees of Units shall be sent, except where a different manner of notice is specified elsewhere in the Declaration, by first class or certified mail to their respective addresses, as designated by them in writing to the Association. Except as otherwise provided in these Bylaws or the Declaration, notices may be given by hand delivery or first class regular mail. All mailed notices shall be deemed to have been given when mailed, except notices of changes of address, which shall be deemed to have been given when received.

B. Fiscal Year.

The fiscal year of the Association is hereby set as the calendar year.

C. Waiver.

No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

D. Office.

The initial principal office of the Association shall be as provided in the Articles. Any future principal office of the Association shall be on the Property or at such other place as the Board may from time to time designate.

E. Working Capital.

The Association shall establish an initial working capital fund equal to two-twelfths (2/12) of the estimated Annual Assessments for Common Expenses for each Unit subject to the terms of the Declaration. The working capital fund may be used by the Association for emergencies, insurance deductibles in the event of casualty or other loss, capital expenditures for repair or replacement of Common Elements, and such other expenses which do not occur on a regular and on-going basis, as may be determined by a majority of the Board. The initial working capital fund shall be established upon the conveyance of the first Unit in the Project by Declarant to a third-party purchaser. Annual Assessments shall commence upon the conveyance of the first Unit in the Project

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by Declarant to a third-party purchaser. Upon acquisition of record title to a Unit from Declarant, each such new Owner shall contribute, at closing, to the working capital fund of the Association an amount equal to two-twelfths (2/12) of the Annual Assessment determined by the Board for that Unit for the year in which the new Owner acquired title. In the event that Declarant contributes to the working capital account for a Unit prior to the closing of the initial sale of such Unit, at the closing of such Unit the new Owner will reimburse Declarant directly for Declarant's working capital contribution. Such payments shall not be considered advance payments of Annual Assessments. The working capital fund deposit made by such new Owner shall be non-refundable. The working capital fund must be maintained by the Association in a segregated account, and may not be used by Declarant to defray any of its expenses, reserve contributions or construction costs.

F. Reserves.

As a part of the adoption of the regular budget, the Board shall include an amount which, in its reasonable business judgment, will establish and maintain an adequate reserve fund for the replacement of improvements to the Common Elements and those Limited Common Elements that it is obligated to maintain, based upon the Project's age, remaining life and the quantity and replacement cost of major Common Element improvements.

All transactions involving reserve funds shall require prior approval by the Board, and such approval shall be documented in the Board's meeting minutes. Audits conducted pursuant to Section E of Article VII herein should be used in reviewing the adequacy of reserves, as well as the spending of reserve funds.

All actions of the Board regarding the investment of any reserve funds shall be made in good faith with the care an ordinarily prudent person in a like position would exercise, and in a manner the Board reasonably believes to be in the best interests of the Association. The officers and members of the Board shall be subject to the standards set forth in C.R.S. §7-128-401, except that, as used in that section: "Corporation" or "nonprofit corporation" means the Association; "Director" means a member of the Board; and "Officer" means any person designated as an officer of the Association and any person to whom the Board delegates responsibilities under this Section F, including, without limitation, a Manager, attorney or accountant employed by the Board.

In investing any reserve funds, the Board shall consider the Association's short term and long term needs, as well as the Association's financial requirements and goals and the Association's purpose. The Association's overall objective with respect to any investment of reserve funds shall be the protection of the principal reserve funds invested and not maximization of returns on the investment. The Board may delegate investment authority, provided reasonable care and skill is used in selecting the agent, directing the agent and reviewing the agent's performance. The reserve funds investment policies stated herein shall be communicated in writing to such agent. The Board shall engage only licensed, insured and bonded brokers and agents in investing any reserve funds.

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G. Adoption of Policies.

The Board may from time to time adopt certain policies as may be necessary to facilitate the efficient operation of the Association, including the clarification of ambiguous provisions in the Association Documents, or as may be required by law.

1. The Board shall consider the following in drafting any Association policy:
 - (i) Whether the Association Documents or Colorado law grants the Board the authority to adopt such a policy;
 - (ii) The need for such policy based upon the scope and importance of the issue and whether the Association Documents adequately address the issue; and
 - (iii) The immediate and long-term impact and implications of the policy.
2. A copy of the proposed policy shall be provided to all Owners or posted on the Association's web site, if any, and Owners shall be allowed a minimum of thirty (30) days to provide comment and/or feedback on the proposed policy. The Board may forego the notice and opportunity to comment in the event that the Board determines in its sole discretion that providing notice and opportunity to comment is not practical given the emergency nature of such policy.
3. After the period for Owner comment expires, the Board may adopt any policy consistent with the Act, the Colorado Revised Nonprofit Corporations Act and the Association Documents. Upon adoption of a policy, the policy or notice of such policy, including the effective date shall be provided to all Owners by any reasonable method as determined in the sole discretion of the Board, including, but not limited to, posting on the Association's web site (if any) or mailing.
4. The Board, or the Manager at the direction of the Board, shall keep current copies of any and all adopted policies in a book designated as the "Association Policies Book".

**ARTICLE IX
AMENDMENTS TO BYLAWS**

- A. The Bylaws may be amended by vote of two-thirds (2/3) of the members of the Board.
- B. No amendment of the Bylaws shall be adopted which would affect or impair the validity or priority of any Mortgage covering any Unit or which would change the provisions of the Bylaws with respect to institutional Mortgagees of record.

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C. Notwithstanding the foregoing, amendments to these Bylaws are subject to the provisions of the Articles and the Declaration.