

**BYLAWS  
OF  
THE ENCLAVE AT CHERRY CREEK OWNERS ASSOCIATION, INC.**

**ARTICLE I.  
NAME AND LOCATION**

The name of the corporation is THE ENCLAVE AT CHERRY CREEK OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be c/o Larsen Homes, Ltd. 6 Inverness Drive East, Suite 110, Englewood, Colorado 80112, but meetings of members and directors may be held at such places within the State of Colorado as may from time to time be designated by the Executive Board of the Association ("Executive Board" or "Board").

**ARTICLE II.  
PURPOSE**

The purpose for which the Association is formed is to govern the Lots, exercise the rights, power and authority, and fulfill the duties of the Association, as provided in that certain Declaration of Covenants, Conditions and Restrictions of The Enclave at Cherry Creek, and any amendments and supplements thereto, recorded or to be recorded in the office of the Clerk and Recorder of the City and County of Denver, Colorado ("Declaration") (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined), and those certain Articles of Incorporation of The Enclave at Cherry Creek Owners Association, Inc., and any amendments thereto, filed in the office of the Secretary of State of the State of Colorado, as amended ("Articles of Incorporation"). All present and future Owners, tenants, occupants, and any other Person who may use the Lots, the Common Elements, or any portion thereof, or any facilities or appurtenances thereto or thereon, in any manner, shall be subject in all respects to the covenants, conditions, restrictions, reservations, easements, regulations, and all other terms and provisions set forth in the Declaration, Articles of Incorporation and these Bylaws. The mere acquisition, rental or occupancy of any Lot, or any portion thereof, shall signify that all terms and provisions of the Declaration, Articles of Incorporation and these Bylaws are accepted, ratified and shall be complied with.

**ARTICLE III.  
MEETINGS OF MEMBERS**

1. Annual Meetings. The first annual meeting of the Members shall be held within three (3) months after the earlier to occur of the Declarant's relinquishment of its reserved right to appoint the members of the Executive Board or conveyance by Declarant of the last Lot owned by the Declarant to the first purchaser thereof (other than Declarant), and each subsequent regular annual meeting of the Members shall be held in the same month of each year as the

month in which the first annual meeting was held, the specific date and time thereof to be designated by the Executive Board from time to time. At each annual meeting, the Members shall elect directors to fill vacancies and conduct such other business as may properly come before the meeting.

2. Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the Executive Board or by Owners having at least twenty percent (20%) of the votes of the Association.

3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary of the Association or Person authorized to call the meeting. Not less than ten (10) nor more than fifty (50) days in advance of such meeting, the Person giving such notice, as aforesaid, shall cause notice of the meeting to be hand delivered or sent prepaid by United States mail to the mailing address of each Lot or to any other mailing address designated in writing by the Owner. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, and any proposal to remove an officer or member of the Executive Board.

4. Quorum.

(a) A quorum is deemed present throughout any meeting of the Association if Persons entitled to cast twenty percent (20%) of the votes which may be cast for election of the Executive Board are present, in person or by proxy, at the beginning of the meeting.

(b) Unless otherwise specifically provided by the Declaration, the Articles of Incorporation, these Bylaws or by statute, all matters coming before a meeting of Members at which a proper quorum is in attendance, in person or by proxy, shall be decided by the vote of a majority of the votes validly cast at such meeting.

5. Proxies.

(a) 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. If more than one of the multiple Owners are present, the vote allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the Owners, unless the Declaration expressly provides otherwise. There is majority agreement if any one of the multiple Owners casts the vote allocated to that Lot without protest being made promptly to the Person presiding over the meeting by any of the other Owners of the Lot.

(b) The vote allocated to a Lot may be cast pursuant to a proxy duly executed by an Owner. If a Lot is owned by more than one Person, any Owner of such Lot may register protest to the casting of the vote by any other Owner of such Lot through a duly executed proxy; but each Lot shall only have one (1) vote allocated to it, as provided in the Declaration. An Owner may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the Person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date unless it provides otherwise.

6. First Mortgagees. Each First Mortgagee shall have the right to designate a representative to attend all meetings of Members.

#### ARTICLE IV.

##### EXECUTIVE BOARD - SELECTION - TERM OF OFFICE

1. Number. The affairs of this Association shall be managed by an Executive Board of seven (7) directors, except that the Executive Board which shall serve until the first annual meeting of the Association (which shall be held as provided in Article III, Section 1 of these Bylaws) shall consist of three (3) directors. Directors shall be Members which, in the case of Declarant, may include any officer, director, employee or authorized agent of Declarant and, in the case of other corporate Members, may include the officers and directors of each such corporate Member.

2. Reservation of Declarant's Right to Appoint Executive Board and Officers. The Declarant reserves the right to appoint all officers of the Association and all members of the Executive Board, and the right to remove all officers of the Association and all members of the Executive Board which have been appointed by the Declarant, for the period of time set forth in Article III, Section 1 of the Declaration. However, the Declarant may voluntarily relinquish the right, at any time, to appoint and remove one or more officer(s) of the Association or one (1) or more member(s) of the Executive Board before expiration of the Declarant's reserved right to so appoint and remove; but, if the Declarant relinquishes the reserved right to appoint at least a majority of the officers of the Association and at least a majority of the members of the Executive Board, then the Declarant may require, for the duration of the period of time set forth in Article III, Section 1 of the Declaration, that all or specified actions of the Association or the Executive Board be approved by the Declarant before any such action becomes effective.

3. Term of Office. Subject to the following sentence, at the first annual meeting of the Association that is held as provided in Article III, Section 1 of these Bylaws, the Members shall elect seven directors for terms of one year each and at each annual meeting thereafter the Members shall elect the same number

of directors as there are directors whose terms are expiring at the time of each election, for a term of one year. Each of the seven (7) Lots shall have one of its Owners or one of its Members (if such Member is not also an Owner, as provided in Article IV, Section 1 of these Bylaws) serve on the Executive Board, so that each Lot is represented by a director on the Executive Board each year.

4. Removal. The Owners, by a vote of eighty percent (80%) of the Association votes cast by Persons present and entitled to vote at any meeting of the Owners at which a quorum is present, may remove any member of the Executive Board with or without cause, other than an Executive Board member appointed by the Declarant. In the event of death, resignation or removal of a director who was elected by the Members, his or her successor shall be selected by a majority of the remaining members of the Executive Board, whether or not such remaining members constitute a quorum, and shall serve for the unexpired term of the director being replaced.

5. Compensation. No director shall receive compensation for any service rendered to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of the director's duties.

6. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

#### ARTICLE V. NOMINATION AND ELECTION OF DIRECTORS

1. Nomination. Nomination for election to the Executive Board may be made by a nominating committee if such a committee is appointed, from time to time, by the Executive Board. Nominations may also be made from the floor at any Member meeting.

2. Election. Election to the Executive Board shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration.

3. The Persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

#### ARTICLE VI. MEETINGS OF EXECUTIVE BOARD

1. Regular Meetings. Regular meetings of the Executive Board shall be held not less often than quarterly, without notice, at such place and hour as may be fixed from time to time by the Board. Should said meeting fall upon a legal holiday, then that

meeting shall be held at the same time on the next day which is not a legal holiday.

2. Special Meetings. Special meetings of the Executive Board shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days' notice to each director.

3. Quorum; Actions of Executive Board. A quorum is deemed present throughout any meeting of the Executive Board if Persons entitled to cast fifty percent (50%) of the votes on the Executive Board are present at the beginning of the meeting. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Executive Board

ARTICLE VII.  
POWERS AND DUTIES OF THE EXECUTIVE BOARD

1. Powers. The Executive Board shall have power to:
  - (a) adopt and publish rules and regulations governing the use of the Lots, the Common Elements, the Community, or any portion thereof, and any facilities thereon and the personal conduct of the Members, their guests and other Persons thereon, and to establish penalties for the infraction thereof;
  - (b) suspend the right of any Owner, his family members, guests and invitees, to use any Common Area, for a period not to exceed sixty (60) days, for infraction of these Bylaws or published Association rules and regulations;
  - (c) enter into, make, perform or enforce contracts, licenses, leases and agreements of every kind and description;
  - (d) provide for direct payment of assessments to the Association from Owners' checking, credit or other accounts;
  - (e) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;
  - (f) declare the office of a member of the Executive Board to be vacant in the event such member shall be absent from three (3) regular meetings of the Executive Board during any one year period; and
  - (g) employ a manager, an independent contractor, or such other employees as they deem necessary, and prescribe their duties; provided, however, that in performance of any work under that certain Easement and Indemnity Agreement between the City and County of Denver and Larsen Homes, Ltd., recorded or to be recorded

in the office of the Clerk and Recorder of the City and County of Denver, Colorado, the Association shall comply with Section Five, Paragraph 15 thereof, as provided in Article VIII, Section 1(b), of the Declaration.

2. Duties. It shall be the duty of the Executive Board to:

(a) cause to be kept a complete record of all its acts and corporate affairs and present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by Owners entitled to cast at least one-fourth (1/4) of the votes at such meeting;

(b) supervise all officers, agents, and employees of the Association, and see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(i) determine the amount of the annual assessment against each Lot, from time to time, and notify the Owners of any increase in such assessment; and

(ii) foreclose the lien against any Lot for which assessments are not paid within such time as may be determined by the Executive Board from time to time, or bring an action at law against the Owner personally obligated to pay the same;

(d) issue, or cause an appropriate officer or authorized agent to issue, upon demand by any Person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment as to all Persons who rely thereon in good faith;

(e) procure and maintain insurance, as more fully provided in the Declaration;

(f) provide for maintenance, repair and/or reconstruction of the Common Elements, other property, and Improvements, as more fully provided in the Declaration;

(g) keep financial records of the Association and make financial and other records reasonably available for examination by any Owner and such Owner's authorized agents; and

(h) suspend the voting rights of a Member during any period in which such Member is in default in the payment of any assessment or other amount to the Association.

ARTICLE VIII.  
RIGHTS OF THE ASSOCIATION

The Association may exercise any and all rights or privileges given to it under the Declaration, the Articles of Incorporation or these Bylaws, or as may otherwise be given to it by law, and every other right or privilege reasonably to be implied therefrom or reasonably necessary to effectuate any such right or privilege.

ARTICLE IX.  
OFFICERS AND THEIR DUTIES

1. Enumeration of Offices. The officers of this Association may be a president and vice-president, a secretary, a treasurer, and such other offices as the Board may from time to time by resolution create.

2. Election of Officers. After the Declarant ceases to have the right to appoint the members of the Executive Board and the officers of the Association, the election of officers shall take place at the first meeting of the Executive Board following each annual meeting of the Members.

3. Term. After the Declarant ceases to have the right to appoint the members of the Executive Board and the officers of the Association, the officers of this Association shall be elected annually by the Executive Board and each shall hold office for one (1) year unless the officer shall sooner resign, or shall be removed, or shall otherwise be disqualified to serve.

4. Special Appointments. After the Declarant ceases to have the right to appoint the members of the Executive Board and the officers of the Association, the Executive Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

5. Resignation and Removal. After the Declarant ceases to have the right to appoint the members of the Executive Board and the officers of the Association, any officer may be removed from office, with or without cause, by the Executive Board. Any officer may resign at any time by giving written notice to the Executive Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6. Vacancies. After the Declarant ceases to have the right to appoint the members of the Executive Board and the officers of the Association, a vacancy in any office may be filled by appointment by the Executive Board. The officer appointed to such

vacancy shall serve for the remainder of the term of the officer replaced.

7. Multiple Offices. The offices of president and secretary may not be held by the same person. However, any person may simultaneously hold two or more of any of the other offices subject to any applicable requirements or limitations contained in the Declaration, Articles of Incorporation, these Bylaws or applicable law.

8. Duties. The duties of the officers, which are delegable to other persons or the managing agent, are as follows:

(a) President: The president shall preside at all meetings of the Executive Board and Members; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments; and shall co-sign or authorize a designated agent to co-sign promissory notes and checks of the Association.

(b) Vice-President: The vice-president shall act in the place and stead of the president in the event of the president's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of the vice-president by the Executive Board.

(c) Secretary: The secretary or a designated agent shall record the votes and keep the minutes of all meetings and proceedings of the Executive Board and of the Members; shall keep the corporate seal of the Association and affix it on all papers requiring said seal; shall serve notice of meetings of the Board and of the Members; shall keep appropriate current records showing the names of the Members together with their addresses; shall prepare, execute, certify and record amendments to the Declaration on behalf of the Association; and shall perform such other duties as required by the Board.

(d) Treasurer: The treasurer or a designated agent shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Executive Board; shall sign or authorize a designated agent to sign promissory notes and checks of the Association; shall keep proper books of account; shall cause an annual compilation report of the Association books to be made by a Certified Public Accountant at the completion of each fiscal year or, at the option of the Executive Board, an annual review or audited financial statement may be required; and shall prepare an annual budget to be presented to the membership, and deliver a copy of each to the Members.



ARTICLE X.  
COMMITTEES

The Association shall appoint an Architectural Review Committee, subject to the provisions of the Declaration, and may appoint a nominating committee. In addition, the Executive Board may appoint other committees as it deems appropriate in carrying out its purposes.

ARTICLE XI.  
BOOKS AND RECORDS

The Association shall make available to Owners current copies of the Declaration, Articles of Incorporation, these Bylaws, the rules and regulations, books, records and financial statements of the Association. "Available" shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

ARTICLE XII.  
CORPORATE SEAL

The Association shall have a seal in circular form and within its circumference the words: THE ENCLAVE AT CHERRY CREEK OWNERS ASSOCIATION, INC.

ARTICLE XIII.  
AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds (2/3) of the votes of a quorum of Members present in person or by proxy, with the prior consent of the Declarant (as long as the Declarant owns at least one Lot).

ARTICLE XIV.  
CONFLICTS OF PROVISIONS

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

ARTICLE XV.  
FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of THE ENCLAVE AT CHERRY CREEK OWNERS ASSOCIATION, INC., have hereunto set our hands this 19<sup>th</sup> day of March, 1996.

DIRECTORS:

[Signature]  
[Signature]  
[Signature]

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of THE ENCLAVE AT CHERRY CREEK OWNERS ASSOCIATION, INC., a Colorado non-profit corporation, and

That the foregoing Bylaws constitute the Bylaws of said Association, as duly adopted at a meeting of the Executive Board thereof, held on the 19<sup>th</sup> day of March, 1996.

In witness whereof, I have hereunto subscribed my name and affixed the seal of said Association this 19<sup>th</sup> day of March, 1996.

[Signature]  
(SEAL) \_\_\_\_\_ Secretary