

BYLAWS  
OF  
THE SUMMIT VIEW ASSOCIATION, INC.

ARTICLE I

Object

1.1 Owners Association. THE SUMMIT VIEW ASSOCIATION, INC. (the "Owners Association") is a nonprofit corporation organized under the Colorado Nonprofit Corporation Act.

1.2 Purpose. The purpose for which the Owners Association is formed is to govern certain property situate in the Weld County, State of Colorado, which property is described as the "Community Area" in that certain Declaration of Covenants, Conditions, Restrictions and Easements for Summit View (the "Declaration"), which was recorded in the real property records of Weld County, Colorado, on October 1, 1999, at Reception No. 274057. Terms which are defined in the Declaration shall have the same meanings herein, unless otherwise stated.

1.3 Parties Subject to Bylaws. All present or future Owners, tenants, future tenants, or any other person that might use in any manner the facilities of the Community Area are subject to the terms and provisions set forth in these Bylaws. The mere acquisition or rental of any of the Dwelling Unit, or the mere act of occupancy of any of said Dwelling Unit constitutes an agreement to accept, ratify and comply with these Bylaws.

ARTICLE II

Membership, Voting, Majority of  
Owners Quorum Proxies

2.1 Membership. Ownership of a Dwelling Unit is required in order to qualify for membership in this Owners Association. Any Owner shall automatically become a Member of this Owners Association and be subject to these Bylaws. Such membership shall terminate without any formal Owners Association action whenever such person ceases to own a Dwelling Unit, but such termination shall not relieve or release any such former Owner from any liability or obligation to the Owners Association or impair any rights or remedies which the Owners Association may have against such former Owner arising out of or in any way connected with ownership of a Dwelling Unit and membership in the Owners Association.

2.2 Voting. All Members shall be entitled to vote on all matters, with each Member receiving one vote. However, if title to any Dwelling Unit shall be held by two (2) or more persons, then each such person shall be a Member of this Owners Association; provided, however, that the voting rights of such Members shall not be divided but shall be exercised as if the Member consisted of only one person in accordance with the proxy or other designation made by the persons

constituting such Owner. The Declarant (as defined in the Declaration) may exercise the voting rights with respect to Dwelling Units owned by it. Cumulative voting is prohibited.

2.3 Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of sixty-seven percent (67%) of the votes entitled to be cast at such meeting shall constitute a quorum and an affirmative vote of a majority of those present at a meeting at which a quorum is in attendance shall be necessary to transact business and to adopt decisions binding on all Owners.

2.4 Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. All proxies must be in writing and may be either general or for a particular meeting. A Proxy need not be a member.

### ARTICLE III

#### Meetings

3.1 Place of Meeting. Meetings of the Owners Association shall be held at such place within the State of Colorado as the Board of Directors may determine.

3.2 Annual Meetings. The annual meetings of the Owners Association shall be held each year on such date as shall be selected by the Board of Directors, provided that such meeting shall occur in each year no later than six (6) months after the end of the Owners Association's fiscal year. The first annual meeting shall be called by the initial Board of Directors of the Owners Association. At such meetings, the Members may transact such business of the Owners Association as may properly come before the meeting. At each annual meeting, members of the Board of Directors shall be elected from among the Members. The Owners Association shall adopt a procedure whereby all terms of the Board members do not expire at the same time. One-third (1/3) of the terms of the Board members will expire annually.

3.3 Special Meetings. A special meeting may be called (1) by the President of the Owners Association, (2) by a resolution of the Board of Directors, or (3) by a petition of the Members signed by those representing 25% of the aggregate ownership interest. The notice of any such special meeting shall state the time and place of such meeting and the specific purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless upon the consent of Members representing an aggregate ownership interest of at least fifty percent (50%) of the Property. Any such meeting shall be held within thirty (30) days after receipt by the President of such resolution or petition and shall be held not less than ten (10) nor more than fifty (50) days after delivery of notice of the special meeting to the Members.

3.4 Notice of Meetings. It shall be the duty of the Secretary to hand-deliver or mail, by regular United States mail, a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each Member. Such notice shall be delivered within a reasonable time prior to any meeting, but in no event less than three (3) days prior to any

meeting. A waiver of notice, signed by all Members before, at or after any meeting shall be a valid substitute for notice. The certificate of the Secretary that notice was properly given as provided in these Bylaws shall be prima facie evidence thereof.

3.5 Adjourned Meetings. If any meeting of the Owners Association cannot be convened because a quorum has not attended or if the business of the meeting cannot be concluded, the Members who are present, whether in person or by proxy, may adjourn the meeting from time to time for periods of no longer than one (1) week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

3.6 Order of Business. The order of business at all meetings of the Members shall be as follows:

- a. Roll call;
- b. Proof of notice of meeting or waiver of notice;
- c. Reading of minutes;
- d. Reports of officers;
- e. Reports of committees;
- f. Election of Board of Directors (annual meetings only);
- g. Unfinished business; and
- h. New business.

3.7 Rules of Meetings. The Board may prescribe reasonable rules for the conduct of all meetings of the Owners Association and in the absence of such rules, Robert's Rules of Order shall be used.

## ARTICLE IV

### Board of Directors

4.1 Owners Association Responsibilities. The Members will constitute the Owners Association, who will have the responsibility of administering the Community Area through a Board of Directors. In the event of any dispute or disagreement between any Members relating to the Community Area, or any questions of interpretation or application of the provisions of the Declaration or Bylaws, such dispute, or disagreement shall be submitted to the Board. The determination of such dispute or disagreement by the Board shall be binding on each and all such Parties, subject to the right of Members to seek other remedies provided by law after such determination by the Board.

4.2 Number and Qualification. During the time period described in Section 7.5 of the Declaration, the affairs of the Owners Association shall be governed by a Board of Directors composed of one (1) natural person appointed by Declarant. Following such period, the Board of Directors shall consist of no fewer than three (3) persons nor more than seven (7) persons, elected

by Members in accordance with these Bylaws. In the case of the Declarant or other Owners that are entities, such as a corporation or partnership, the officers, directors, employees, partners or agents of such entities may be members of the Board. Until the first meeting of the Owners Association, the Board of Directors shall consist of those individuals named as such in the Articles of Incorporation of the Owners Association (the "Articles").

4.3 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Owners Association and for the operation and maintenance of a first-class commercial project. The Board of Directors may do all such acts and things as are not by law, the Articles, these Bylaws or the Declaration either prohibited or directed to be exercised and done by the Members.

4.4 Other Powers and Duties. The Board of Directors shall be empowered and shall have the following powers and duties:

- a. to administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration, the Articles and these Bylaws;
- b. to establish, make and enforce compliance with such reasonable rules and regulations as may be necessary for the construction, maintenance operation, use and occupancy of the Community Area in accordance with the Declaration with the right to amend same from time to time. A copy of such rules and regulations shall be delivered or mailed to each Owner promptly upon the adoption thereof;
- c. to enter into contracts within the scope of their duties and powers;
- d. to establish bank accounts which are interest bearing or non-interest bearing, as may be deemed advisable by the Board of Directors;
- e. to keep and maintain detailed, full and accurate books and records showing in chronological order all of the receipts, expenses or disbursements pursuant to appropriate specificity and itemization and to permit inspection thereof by any member during reasonable business hours;
- f. to prepare and deliver annually to each Member a statement showing all receipts, expenses or disbursements since the last such statement;
- g. to suspend the voting rights of a Member for failure to comply with these Bylaws or the rules and regulations of the Owners Association or with any other obligations of the Members pursuant to the Declaration; and
- h. in general, to carry on the administration of the Owners Association and to do all of those things necessary or desirable in order to carry out the governing and operating of the Community Area.

4.5 Managing Agent. The Board of Directors may employ on behalf of the Owners Association a Managing Agent (at a compensation established by the Board of Directors) to perform such duties and services as it shall authorize. The Board of Directors may delegate any of the powers and duties granted to it but, notwithstanding such delegation, shall not be relieved of its responsibility under the Declaration, the Articles or these Bylaws.

4.6 Election and Term of Office. Members of the Board of Directors shall be elected by a majority of the Members voting at the annual meeting of the members of the Owners Association. Initially, the term of one (1) director of the Board shall be for one (1) year, the term of one (1) director of the Board shall be for two (2) years, and the term of one (1) director of the Board shall be for three (3) years. Thereafter, successor directors shall be elected for three (3)-year terms, with the consequence that one-third (1/3) of such directors is elected annually. A director that is duly elected and qualified shall serve during the term for which he or she is elected, unless such director is removed in the manner hereinafter provided.

4.7 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Owners Association shall be fulfilled by election by the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is duly elected and qualified at the next annual meeting of the Owners Association.

4.8 Removal of Directors. At any annual or special meeting of the Owners Association, duly called, any one (1) or more of the directors may be removed, with or without cause, by the vote of Members, and a successor may then and there be elected to fill the vacancy thus created. The removal of a director shall be by a vote of a majority of the members present in person or by proxy then entitled to vote at an election of directors; but where the Articles classify directors, the directors whose terms expire at the next annual meeting of members may be removed by a vote of a majority of the members present in person or by proxy, and directors whose terms do not expire at the next annual meeting of members may be removed only by a vote of at least two thirds (2/3) of the members present in person or by proxy. Any director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting.

4.9 Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within thirty (30) days of such election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order to convene such meeting, providing a majority of the new Board of Directors shall be present at such election meeting.

4.10 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two (2) such meetings shall be held each year. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

4.11 Special Meetings. Special meetings of the Board of Directors may be called by the President, on his own initiative, on three (3) days' notice to each director, given personally, or by mail, telephone or telegraph, which notice shall set forth the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on receipt of a written request to call such a special meeting from at least two (2) directors.

4.12 Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance of a director at any meeting shall constitute a waiver of notice of the meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Subject to the preceding sentence, if all the directors are present at any meeting of the Board of Directors, no notice shall be required any business may be transacted at such meeting.

4.13 Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time for periods of no longer than one (1) week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.14 Compensation; Fidelity Bonds. The members of the Board of Directors shall serve without salary or compensation. The Board of Directors may require that all officers and employees of the Owners Association handling or responsible for Owners Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Owners Association.

## ARTICLE V

### Officers

5.1 Designation. The officers of the Owners Association shall be a President, a Vice President or Vice Presidents, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. Further, the Board of Directors may, in its discretion, elect an Assistant Secretary and/or an Assistant Treasurer.

5.2 Election of Officers. The officers of the Owners Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board. All officers, except the initial officers, must be members of the Owners Association or representatives of such members and the President must be elected from among the Board of Directors. One person may hold concurrently the office of Vice President and Secretary

or Vice President and Treasurer or Secretary and Treasurer, but the President shall serve only in the office of President.

5.3 Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

5.4 President. The President shall be elected from among the Board of Directors and shall be the chief executive officer of the Owners Association. The President shall preside at all meetings of the Owners Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the president of a non-profit corporation, including, but not limited to, the power to appoint committees from among the members from time to time as may be deemed appropriate to assist in the conduct of the affairs of the Owners Association or as may be established by the Board or by the members of the Owners Association at any regular or special meetings.

5.5 Vice President. The Vice President shall have all of the powers and authority and perform all the functions and duties of the President in the absence of the President or in the President's inability for any reason to exercise such powers and functions or perform such duties.

5.6 Secretary. The Secretary shall: (1) keep the minutes of all the meetings of the Board of Directors and the minutes of all meetings of the Owners Association; (2) shall have charge of such books and papers as the Board of Directors may direct; and (3) shall, in general, perform all the duties incident to the office of Secretary. The Secretary shall compile and keep up to date at the principal office of the Owners Association a complete list of members and their last-known addresses as shown on the records of the Owners Association. Such list shall also show opposite each member's name the number or other appropriate designation of the Dwelling Unit owned by such member, and the voting interest attributable thereto. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary.

5.7 Treasurer. The Treasurer shall have responsibility for Owners Association funds, shall keep the financial records and books of account of the Owners Association, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in the name, and to the credit, of the Owners Association in such depositories as may from time to time be designated by the Board of Directors. Assistant treasurers, if any, shall have the same duties and powers, subject to supervision by the Treasurer.

## ARTICLE VI

### Indemnification and Non-Liability

The Owners Association shall have the same powers, rights, and obligations and shall be subject to the same limitations as apply to corporations for profit as set forth in article 109 of the Colorado Business Corporation Act. The Owners Association's directors, officers, employees, and agents shall have the same rights as directors, officers, employees, and agents, respectively, of corporations for profit as set forth in article 109 of the Colorado Business Corporation Act. The corporation's directors and officers shall have the benefit of the same limitations on personal liability for any injury to person or property arising out of a tort as set forth in C.R.S. § 7-1082(2) for directors and officers, respectively, of corporations for profit. Any reference in said statutory sections to shareholders shall be construed to refer to voting members, if any, for the purposes of this Article VI.

The personal liability of a director of the Board of Directors to the corporation or to its members for monetary damages for breach of a fiduciary duty as a director shall be eliminated; except that such liability shall not be eliminated for monetary damages for: (i) any breach of the director's duty of loyalty to the corporation or its members; (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) acts specified in C.R.S. § 7-24-111; or (iv) any transaction from which the director derived an improper personal benefit. Moreover, to the extent not in conflict with applicable law, neither the directors, the Board, the officers of the Owners Association, nor the Declarant shall be personally liable to the Members for any mistake of judgement or for acts or omissions of any nature whatsoever as such directors, Board, officers, or Declarant, except for any acts or omissions found by a court to constitute gross negligence or fraud.

## ARTICLE VII

### Amendments

7.1 Bylaws. These Bylaws may be amended by action or approval of Members representing an aggregate ownership interest of at least seventy-five percent (75%) of the Property, and any notice of any meeting therefor shall specify the nature and text of any proposed amendment or amendments.

## ARTICLE VIII

8.1 Notice to Owners Association. Every Member shall timely notify the Owners Association of the name and address of any mortgagee, purchaser, transferee or lessee of his Dwelling Unit. The Owners Association shall maintain such information at the office of the Owners Association.



8.2 Proof of Ownership. Except for those Members who initially purchase a Dwelling Unit from the Declarant, every person becoming a Member shall immediately furnish to the Board of Directors a photocopy or a certified copy of the recorded instrument vesting in that person such ownership, which instrument shall remain in the files of the Owners Association. A member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or special meeting of members unless this requirement is first met.

8.3 Character of Owners Association. This Owners Association is not organized for profit. No member, director of the Board of Directors, officer or person for whom the Owners Association may receive any property or funds shall receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Owners Association be paid as salary or compensation to, or distributed to, or inure to the benefit of, any of the directors of the Board of Directors, officers or members, except upon a dissolution of the Owners Association; provided, however, (i) that reasonable compensation may be paid to any member, manager, director, or officer while acting as an agent or employee of the Owners Association for service rendered in effecting one or more of the purposes of the Owners Association, and (ii) that any member, manager, director, or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Owners Association.

8.4 Conveyances and Encumbrances. Corporate property may be purchased, conveyed or encumbered for security of monies borrowed by authority of the Owners Association or the Board of Directors. Conveyance or encumbrances shall be by instrument executed by the President or Vice President and by the Secretary or the Treasurer or an Assistant Secretary or an Assistant Treasurer, or executed by such other person or persons to whom such authority may be delegated by the Board.

8.5 Inspection of Records. Any Owner or first mortgagee may inspect the Owners Association's records of receipts and expenditures at any reasonable time during convenient weekday business hours; and, upon ten (10)-days' notice to the Board of Directors or Managing Agent, if any, and upon payment of a reasonable fee, not to exceed Fifty Dollars (\$50.00), any Owner or first mortgagee of such Owner shall be furnished a statement of account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.