

BY-LAWS

OF

ESTES SQUARE CONDOMINIUM ASSOCIATION, INC.  
(A Colorado Non-Profit Corporation)

ARTICLE I

Offices

The principal office of the Corporation in the State of Colorado shall be located in Jefferson County, Colorado. The Corporation may have such other offices within the State of Colorado as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

The Corporation shall have and continuously maintain in the State of Colorado a registered office and a registered agent whose office is identical with such registered office as required by the Colorado Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office in the State of Colorado, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

Members

Section 1. Class of Members. The corporation shall have one class of members.

Section 2. Membership Qualifications. There shall be one membership in the Association for each condominium unit, which membership shall be appurtenant to each condominium unit. The owner of a condominium unit shall automatically be the owner of the membership appurtenant to that condominium unit, and title to and ownership of the membership for that condominium unit shall automatically pass with each transfer of a condominium unit. Each owner of a condominium unit shall automatically be entitled to the benefits and subject to the burdens relating to the membership for his condominium unit.

Section 3. Voting Rights. Each owner shall be entitled to cast votes based on the appurtenant percentage undivided interest in the general common elements assigned to his unit. Voting by proxy shall be permitted. If any condominium unit is held jointly or in common by more than one person, the vote to which the owners of such condominium unit are entitled shall also be held jointly or in common in the same manner. However, the vote for such condominium unit shall be cast, if at all, as a unit, and neither fractional votes nor split votes shall be allowed. In the event that such joint or common owners are unable to agree among themselves as to how their vote shall be cast as a unit, they shall lose their right to cast their vote on the matter in question. Any joint or common owner shall be entitled to cast the vote belonging to the joint or common owners unless another joint or common owner shall have delivered to the Secretary of the corporation prior to the election of a written statement to the effect that the owner wishing to cast the vote has not been authorized to do so by the other joint or common owner or owners.

## ARTICLE III

### Meetings of Members

Section 1. Regular Meetings. An annual meeting of the membership shall be held on the third Thursday in April in each year, beginning with the year 1978 at the hour of 7:00 p.m. for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Colorado, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

Section 2. Special Meetings. Special meetings of the members may be called by the President, the Board of Directors, or not less than one-third (1/3) of the members having voting rights.

Section 3. Place of Meeting. The Board of Directors may designate any place as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors.

Section 4. Notice of Meetings. Except as a greater period is specified in these By-Laws, each owner shall be entitled to at least fifteen (15) day's notice of any meeting at which such owner has the right to vote. Notices of meetings shall be in writing and shall state the date, time and place of the meeting and shall indicate each matter to be voted on at the meeting which is known to the Association at the time notice of the meeting is given. Any notice shall be deemed given and any information or material shall be deemed furnished or delivered to a party at the time a copy thereof is deposited in the mail or at a telegraph office, postage or charges prepaid, addressed to the party, and in any event, when such party actually received such notice, information or material. Any notice, information or material shall be deemed properly addressed to an owner if it is addressed to the name and address shown on the Association registered address form to be completed by such owner and furnished to the Association or, if a name and address is not so furnished, if it is addressed "To the Owner" at the address of the condominium unit of such owner.

Section 5. Record Date. The Board of Directors of the Association shall have the power to fix in advance a date as a record date for the purpose of determining owners entitled to notice of or to vote at any meeting or to be furnished with any budget or other information or material, or in order to make a determination of owners for any purpose. The owners existing on any such record date shall be deemed the owners for such notice, vote, meeting, furnishing of information or material or other purpose and for any supplementary notice, or information or material with respect to the same matter and for any adjournment of the same meeting. A record date shall not be more than fifty (50) days prior to the date on which the particular action requiring determination of owners is proposed or expected to be taken or to occur. If no record date is established for a meeting, the date on which the notice of such meeting is first given to any owner shall be deemed the record date for the meeting.

Section 6. Quorum. The members holding 51% of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting

(15)

from time to time without further notice.

Section 7. Manner of Acting. A majority of the votes entitled to be cast on a matter to be voted upon by the members present or represented by proxy executed in writing by the member or his duly authorized attorney-in-fact at a meeting at which a quorum is present shall be necessary for the adoption thereof unless a greater proportion is required by law or by these By-Laws.

Section 8. Voting by Mail. Where Directors or officers are to be elected by members or any class or classes of members, such election may be conducted by mail in such manner as the Board of Directors shall determine.

#### ARTICLE IV

##### Board of Directors

Section 1. Powers and Duties. The affairs of the corporation shall be managed by its Board of Directors. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the condominium project as a residential condominium property. Such powers and duties of the Board shall include, but shall not be limited to, the following, all of which shall be done for and in behalf of the owners of the condominium units:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration submitting the property to the provisions of the Condominium Ownership Act of the State of Colorado and the By-Laws of the Association and supplements and amendments thereto.

(b) To establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, use and occupancy of all of the condominium units with the right to amend same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member upon the adoption thereof.

(c) To incur such costs and expenses as may be necessary to keep in good order, condition and repair all of the general and limited common elements and all items of common personal property; to hire, direct and fire personnel for such purposes.

(d) To insure and keep insured all of the insurable general common elements and condominium units in an amount equal to the maximum replacement value. To insure and keep insured all of the common fixtures, common equipment and common personal property for the benefit of the owners and Lessees of the condominium units and their first mortgagees. Further, to obtain and maintain insurance as provided in the Declaration.

(e) To prepare a budget for the condominium at least annually, in order to determine the amount of the common assessments payable by the unit owners to meet the common expenses of the condominium project, and allocate and assess such common charges among the unit owners as provided in Article VII of the Declaration, and by majority vote of the Board to adjust, decrease or increase the amount of the quarterly or monthly assessments, and remit or return any excess of assessments over expenses, working capital, sinking funds, reserve for deferred maintenance and for replacement to the owners at the end of each operating year. To propose to the membership special assess-

ments whenever in the opinion of the Board it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies, subject to the limitations set forth in the Declaration.

(f) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an owner as is provided in the Declaration.

(g) To protect and defend in the name of the Association any part or all of the condominium project from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the recorded Declaration and these By-Laws, and to execute all such instruments evidencing such indebtedness as the Board may deem necessary and give security therefor. Such indebtedness shall be the several obligation of all of the owners in the same proportion as their ownership of the common elements. The persons who shall be authorized to execute promissory notes and securing instruments shall be the President and Secretary or Assistant Secretary.

(i) To enter into contracts to carry out their duties and powers.

(j) To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable.

(k) To make repairs, additions, alterations and improvements to the general common elements consistent with managing the condominium project in a first-class manner and consistent with the best interests of the unit owners.

(l) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the owners.

(m) To prepare and deliver annually to each owner a consolidated statement showing receipts, expenses or disbursements since the last such statement.

(n) To meet at least annually.

(o) In general, to carry on the administration of this Association and to do all of those things necessary and reasonable in order to carry out the governing and the operation of this condominium property.

(p) To manage the use of all parking areas under the control of the Association, open spaces, common areas and other property in common use.

(q) To employ for the Association a managing agent to exercise those duties and powers granted to it by the Board, but not those powers which the Board, by law, may not delegate. The Board of Directors may delegate to a manager or managing agent the powers described in subparagraphs (a), (c) through (g), (i) through (m) and (p) above.

Section 2. Number, Tenure and Qualifications. The number of Directors shall be three and each Director shall serve for a term of one year. Each Director shall hold office until his term expires or until his successor shall have been elected and shall qualify. Only members of the Corporation may be Directors.

Section 3. Regular Meetings. The Board of Directors may provide by resolution the time and place for the holding of regular meetings of the Board without other notice than such resolution.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them.

Section 5. Notice. Notice of any special meeting of the Board of Directors shall be given at least one (1) day previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where 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. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

Section 6. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these By-Laws.

Section 8. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9. Removal. A Director may be removed upon the affirmative vote of two-thirds of all members present and voting at any special meeting of members called for that purpose.

Section 10. Compensation. Directors as such shall not receive any salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 11. Informal Action by Directors. 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 a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

Section 12. Notice of Rule-Making. Any meeting of the Directors at which rules or regulations for the operation, use

and occupancy are to be offered for adoption by the Board, or at which an amendment to any rule and regulation is to be proposed for adoption shall be preceded by notice in the manner set forth in Article III, Section 4. A copy of the proposed rule or regulation shall be attached to each notice.

## ARTICLE V

### Officers

Section 1. Officers. The officers of the Corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more officers may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by a vote of the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the members and of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws or by statute to some other officer or agent of the Corporation; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the absence of the President, or in the event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. Treasurer. If required by the Board of

Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these By-Laws, and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the Minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law, be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 9. Assistant Treasurers and Assistant Secretaries. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

## ARTICLE VI

### Committees

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation, except that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the By-Laws, electing, appointing or removing any member of any such committee or any Director or officer of the Corporation, amending the Articles of Incorporation, restating Articles of Incorporation, adopting a plan of merger or adopting a plan of consolidation with another corporation, authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation, authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation, or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him by law.

Section 2. Other Committees. Other committees not

having and exercising the authority of the Board of Directors in the management of the Corporation may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the President of the Corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

Section 3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated or unless such member shall cease to qualify as a member thereof.

Section 4. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 5. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 6. Rules. Each committee may adopt rules for its own government not inconsistent with these By-Laws or with rules adopted by the Board of Directors.

## ARTICLE VII

### Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the President or a Vice President of the Corporation.

Section 3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

## ARTICLE VIII

### Books, Records and Account Statements

The Corporation shall keep correct and complete books and records of account and shall also keep Minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors and shall



keep at its registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation, including, but not limited to, the record of receipts and disbursements of the Corporation as required by Section 38-33-107 of the Colorado Condominium Ownership Act, may be inspected by the unit owners, their mortgagees, if applicable, and their agents at convenient weekday business hours. On ten days' written notice to the Board of Directors and payment of the service fee specified in Section 7.7 of the Declaration, the Treasurer of the Corporation shall furnish to the requesting member a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such member.

## ARTICLE IX

### Indemnification of Officers and Directors

Section 1. Indemnification. The Association shall indemnify every Director and officer, their respective successors, personal representatives and heirs, against all loss, costs and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article IX contained shall be deemed to obligate the Association to indemnify any member or owner of a condominium unit who is or has been a Director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him as an owner of a condominium unit under and by virtue of the Declaration.

## ARTICLE X

### Fiscal Year

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

## ARTICLE XI

### Seal

The Board of Directors may provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal".

ARTICLE XII

Waiver of Notice

Whenever any notice is required to be given under the provisions of the Colorado Non-Profit Corporation Act or under the provisions of the Articles of Incorporation or the By-Laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of notice.

ARTICLE XIII

Amendment to By-Laws and Articles

These By-Laws and the Articles of Incorporation may be altered, amended or repealed and new By-Laws and Articles of Incorporation may be adopted by two-thirds of the members of the Corporation at any regular or special meeting, if at least ten (10) days' written notice is given of the intention to alter, amend or repeal, or to adopt new By-Laws and Articles of Incorporation at such meeting, and the proposal or proposals are specifically set forth in such notice.

The above By-Laws were approved and adopted by the Board of Directors of the Corporation on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Secretary