

BY-LAWS
of
The HeatherRidge South Association

Amended 1976, 1980

Article I.

Membership and Voting Rights

Membership of our said Association shall consist of the following:

Section 1. - Owners - Members. Any person upon becoming an owner of a Condominium Townhouse in HeatherRidge South Filings No. 1 or No. 2 shall automatically become a member of this Association and become subject to these by-laws. If such Condominium Townhouse shall be owned by more than one person, all such persons shall be members. Holders of encumbrances shall not be eligible for membership nor become members of this Association. The transfer of an ownership in a Condominium Townhouse by a member shall terminate such membership.

Section 2. - Directors of Yale Properties, Inc. - Members. Members of the Board of Directors of Yale Properties, Inc., a Colorado Corporation, or their successors and assigns, shall be members of the Association. Such aforesaid membership shall terminate on November 14, 1975.

Section 3. - Right to Vote. Until November 14, 1975, the exclusive right to vote upon Association matters including the right to vote for election of members to the Board of Directors of this Association shall be vested in the members of the Board of Directors of Yale Properties, Inc. or their successors and assigns. Thereafter all voting rights shall be vested in the persons owning Condominium Townhouses in HeatherRidge South Filings No. 1 and No. 2. Where such units are owned by more than one owner, such owner shall by a written instrument designate one of such owners to be the voting member. In the absence of such designation, the Board may designate one of the unit owners as the voting member. Only one vote shall be permitted for each Townhouse unit.

Section 4. - Proxies. Voting by proxy is hereby authorized provided that all proxies shall be filed with the Secretary of the Association at least 48 hours prior to the time of any meeting.

Section 5. - Cumulative Voting. Cumulative voting for members of the Board of Directors is authorized.

Section 6. - Quorum. One-third (1/3) of the members entitled to vote shall constitute a quorum for the transaction of any business of the Association including the election of Directors.

Section 7. - Adoption of Resolutions. It shall require a vote of not less than the majority of the members present at a meeting in person or by proxy to adopt a resolution presented at a membership meeting for adoption.

Article II.

Membership Meetings

Section 1. - Annual Meetings. The annual meetings of the Association shall be held on the first Tuesday of December in each year at such time and place as may be fixed by the Board of Directors.

Section 2. - Special Meetings. Special meetings of Members of the Association may be called by the President, or when directed so to do by resolution of the Board of Directors of the Association, or upon a petition signed by not less than 25% of the members entitled to vote, the same having been presented to the Secretary. A notice of any special meeting shall state the time and place of the meeting and the purpose thereof. No business shall be transacted at any special meeting except as stated in such notice, unless by agreement of more than 50% of the members present entitled to vote, either in person or by proxy.

Section 3. - Place of Meeting. Meetings, both general and special of the membership shall be held at HeatherRidge South, in the County of Arapahoe, State of Colorado, or at any other suitable place convenient to members as may be designated by the Board of Directors.

Section 4. - Notice of Meeting. Notice of the Annual Meeting of Members of the Association shall be provided to members entitled to vote at least fifteen (15) days prior to the date fixed for such meeting. Notices of special meetings shall be given to members entitled to vote at least five (5) days before such meeting is to be held.

Section 5. - Adjourned Meetings. If any meeting of the Members cannot be proceeded with by reason of the fact that a quorum is not present at said meeting, either in person or by proxy, the President may adjourn the meeting to a later date not more than ten (10) days from the time of the original meeting.

Section 6. - Order of Business. The order of business at the Annual Meeting of Members shall be as follows:

- (a) Roll call of members present entitled to vote
- (b) Inspection and verification of proxies
- (c) Reading of minutes of the preceding Annual Meeting
- (d) Report of Officers
- (e) President's Report
- (f) Committee Reports
- (g) Appointment of Inspectors for canvas of ballots to be cast
- (h) Election of members of the Board of Directors
- (i) Unfinished business
- (j) New business

Article III.

Board of Directors

Section 1. - Number and Qualifications. The affairs and business of the Association

shall be conducted by a Board of Directors consisting of not less than three nor more than nine members who shall be elected at the Annual Meeting by Members of the Association entitled to vote thereat. Members of the Board of Directors shall serve until their successors are duly elected and qualified.

While the right to vote shall be vested in the Board of Directors of Yale Properties, Inc., members elected or serving upon the Board of Directors of this Association need not be members of said Association. When such right of the Board of Directors of Yale Properties, Inc. ceases, then members of the Board of Directors elected or serving as such of this Association shall be the owners of Condominium Townhouses in HeatherRidge South, Filings No. 1 and No. 2, Arapahoe County, Colorado.

Section 2. - Election and Term of Office. At annual meetings of the membership of the Association to be held as herein provided, the terms of office of the Directors may be fixed for such period of time as the membership entitled to vote may determine and such terms may be staggered, that is to say, various members may be elected for terms of different lengths so that there will be a carryover of old directors at each annual meeting and only new directors will be designated thereafter, provided that nothing herein contained shall prevent the election of a Director whose term has expired to a new term as such Director.

Section 3. - Vacancies. Vacancies in the membership of the Board of Directors caused for any other reason than the removal of a director by a vote of the membership as herein permitted shall be filled by a vote of a majority of the remaining directors even though they may constitute less than a quorum; and each person so elected shall be a director until his successor is elected at the next annual meeting of the membership.

Section 4. - Removal of Directors. A director may be removed as such at any regular or special meeting duly called, with or without cause, by a vote of a majority of the members entitled to vote, and a successor may then and there be elected to fill the vacancy thus created. Except in the case of members of the Board of Directors of Yale Properties, Inc., their successors or assigns, the term of office of any director shall be declared vacant when such director ceases to be a member of the Association by reason of the transfer of his ownership of a condominium townhouse.

4a.- Any officer or Board Member absent without cause from three (3) consecutive regular meetings of the Board of Directors shall be notified in writing by the Secretary, to show cause, at the next regular meeting of the Board, why they should not be relieved of office. Then if, in the judgement of the Board, the absence is not justified, a vote may be taken. A majority vote will be required to declare the office vacant. The vacancy will be filled as provided in Section 3.

Section 5. - Compensation. Directors shall not be paid any compensation for their services performed as such directors unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors. Directors may be reimbursed for actual expenses incurred in connection with their duty as such directors.

Section 6. - Organization Meeting. Within a period of ten (10) days following the election of a newly elected Board of Directors, an organization meeting shall be

held at a time and place fixed by the Directors following which officers of the Association shall be elected as provided for in Article IV hereof.

Section 7. - Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by the President of the Association or by a majority of its Board of Directors. Notice of regular meetings of the Board of Directors shall be given each director personally or by mail, telephone or telegraph, at least three (3) days prior to the time named for such meeting.

Section 8. - Special Meetings. Special meetings of the Board of Directors may be called by the President or Secretary on 48 hours notice to each Director given personally, by mail, telephone or telegraph, which notice shall state the time and place of the meeting and the purposes thereof.

Section 9. - 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 by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at a meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. - Quorum. A majority of the Board of Directors then in office shall constitute a quorum for the transaction of any business of the Association, and the acts of the majority of the directors present at a meeting at which time a quorum was present shall be the act of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. - Duties. The Board of Directors of the Association shall carry on the duties and manage the affairs of the condominium known as "HeatherRidge South" pursuant to and in accordance with the Declaration of Condominium of HeatherRidge South recorded November 14, 1972 in Book 2075 at Page 429 of the records of the County Clerk and Recorder of the County of Arapahoe, State of Colorado.

Section 12. - Indemnification. The members of the Board of Directors shall not be liable to the owners of condominium townhouses for any mistake of judgment, negligence, or otherwise except in the event of willful misconduct or malfeasance. The Association shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liabilities to others arising out of contracts made by the Board of Directors upon behalf of the Association and its members, and in connection with any acts performed pursuant to the Declaration of Condominium hereinbefore referred to unless such Director or Directors are adjudged guilty of willful misconduct or malfeasance in the performance of their duties as Directors.

Article IV.

Officers

Section 1. - Designation. The principal officers of the Association shall be a President, Vice-President, Secretary and Treasurer, all of whom shall be elected by and from the Board of Directors. The officers of the Association may be combined, except that the President and Secretary shall not be the same person. Other officers may be appointed or elected by the Board of Directors from time to time.

Section 2. - Election of Officers. The officers 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.

Section 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.

Section 4. - President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President including, but not limited to, the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. - Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President shall be able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. - Secretary. The Secretary shall have the responsibility for keeping the minutes of all meetings of the Board of Directors and the Association and such correspondence as shall be necessary and such other duties as shall from time to time be imposed on him by the Board of Directors.

Section 7. - Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements of the Association, and deposit its funds in such depositories as may from time to time be designated by the Board of Directors.

Section 8. - Indemnification. Officers of the Association shall be indemnified for any act they may perform upon belief of the Association in the same manner herein provided for indemnification of members of the Board of Directors.

Article V.

Rules and Regulations

The Board of Directors may, from time to time, promulgate Rules and Regulations governing the Condominiums and the recreational facilities as a supplement to the conditions, covenants and provisions contained in the Declaration of Condominium of HeatherRidge South of record as of November 14, 1972 in Book 2075 at Page 429.

Article VI.

Books and Records - Inspection

Section 1. - Books and Records. The Board of Directors shall cause to be maintained at the principal office of the Association complete books of account of the affairs of the Association.

Section 2. - Inspection. Such books of account shall be open to inspection upon the written demand of any member for a purpose reasonably related to his interest as such owner and shall be exhibited to such owner at any reasonable time upon reasonable request made to the Board of Directors. Such inspection by any owner may be made in person, or by agent or his attorney, and the right of inspection includes the right to make extracts or perform audits. All of the foregoing shall be at the expense of the owner. Requests for inspection shall be made in writing, directed to the President or Secretary of the Board of Directors.

Article VII.

Amendments

These by-laws may be amended by a majority vote of the Board of Directors at any regular meeting or at any special meeting called for such purpose. The notice of the meeting to amend the by-laws shall be specified in such notice. No by-law shall be amended nor shall supplemental by-laws be added hereto which shall be in conflict with the statutes of the State of Colorado, the Declaration of Condominium, and the conditions, provisions and terms of said Declaration of Condominium of record as herein recited.
