

By-Laws

of

Colony Park Homeowner's Association, Inc.,

a Colorado non-profit corporation

Article 1.

Purposes and Objects

Section 1. Purposes and Objects. The purpose for which this non-profit corporation is formed is to govern Colony Park Townhomes, a Townhouse project, situate in Mesa County, Colorado in accordance with the terms and conditions of the covenants, the Articles of Incorporation and the By-Laws of the corporation.

Section 2. Compliance. All present or future owners, tenants, future tenants or any other person who might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the Townhouse units of the project, or the mere act of occupancy of said units, will signify that these By-Laws are accepted, ratified and will be complied with

Article 2.

Membership

Section 1. Automatic Membership. The owner of a Townhouse unit, upon becoming such owner, shall be entitled and required to be a member of the corporation and shall remain a member for the period of his ownership.

Section 2. One Membership. There shall be one membership in the corporation for each Townhouse unit. That membership shall be appurtenant to the Townhouse unit and shall be transferred automatically by a conveyance of that Townhouse unit to any new owner. Each membership shall be entitled to one vote in accordance with the ownership interest in the common area appurtenant to the unit for which the vote is cast, as set forth in the covenants of Colony Park. In the event that the membership is held by more than one owner the vote may be cast only as a single unit and split or divided votes of the membership shall not be allowed.

Section 3. Transfer. No person other than an owner may be a member of the corporation and a membership may not be transferred except in connection with the conveyance or transfer of the Townhouse unit; provided, however that such membership may be assigned to the holder of a mortgage as further security for the loan secured by the lien of the mortgage holder upon the Townhouse unit.

Section 4. Person. The term "person" for the purpose of membership shall include a corporation, partnership, trust, joint venture or other legal entity which has valid title to any Townhouse unit. Any officer, manager or partner of such entity may exercise the membership rights of the entity.

Section 5. Termination. Such membership shall terminate without any formal corporate action whenever such person ceases to own a Townhouse unit. Such termination shall not relieve or release any former unit from any liability or obligation incurred or in any way connected with Colony Park Townhomes during the period of such ownership and membership in the corporation. Nor shall such termination impair any rights or remedies which the board, or officers of the corporation, or others may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

Article 3.

Meetings

Section 1. Annual Meetings. The annual meeting of the membership shall be held on the third Saturday of June each year, beginning with the year 1996 at the hour of 10:00 AM, unless otherwise fixed in the notice of such meeting. At the annual meeting the membership shall elect the officers, who are also the board, and transact such other business as may properly come before the meeting.

Section 2. Special Meetings. Special meetings may be called at any time by the board or upon a petition signed by a majority of the members. No business shall be transacted at a special meeting except as stated in the notice unless by consent of two thirds of the members present, either in person or by proxy.

Section 3. Notice of Meeting. Notice of the date, place and time of the annual meeting, or any special meeting, shall be given to each member either by delivering such notice personally, or by mailing the same to him/her by mail, which shall be given not later than ten (10) days prior to the date of the meeting.

Section 4. Quorum. A majority of the members of the corporation in good standing and in actual attendance in person, or by proxy, at any annual or special meeting of the corporation shall constitute a quorum at such meeting for the purpose of transacting business. If a quorum be present, the affirmative vote of the majority of the members present or by proxy and entitled to vote on the subject matter shall be the act of the membership.

Section 5. Voting of proxies. At all meetings of the members, a member, or his designated representative may vote by use of a proxy executed by his/her signature. If a designation is made for use of the proxy by another member of the association it must be so designated on the form. Proxies are valid for one meeting only.

Section 6: Order of business. The order of business at the annual meeting and as applicable at any special meeting shall be as follows:

1. Opening remarks
2. Reading, and approval of the members, of the minutes from last meeting.
3. Reports of officers and committees
4. Election of officers and committees
5. Unfinished business
6. New business
7. Adjournment

Article 4

Officers and their duties

Section 1. Officers and their duties. The officers of this association and shall be president, vice president, secretary and treasurer and any such others as may be deemed necessary by a majority vote of the members

Section 2. Election of officers. The election of officers shall take place at the annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the members and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Resignation and Removal. Any officer may be removed from office by majority vote of the membership. Any officer may resign at any time giving written notice to the 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.

Section 5. Vacancies. Any vacancy in any office may be filled by appointment by the remaining officers. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6. Multiple Offices. The offices of secretary and treasurer may be held by the same person.

Section 7. Duties. The duties of the officers are as follows:

- (a) President. The president shall preside at all meetings, shall sign all leases, mortgages, deeds and other written instruments; and shall co-sign all checks and promissory notes over the amount of \$1000.00
- (b) Vice-President. The vice-president shall act in place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him.
- (c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as required by Colorado law.
- (d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association, shall sign all checks and promissory notes of the Association; keep proper books that are annually audited, of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting and deliver a copy of each to the members.

Section 8. Compensation. No officer shall be entitled to receive any compensation as an officer of the association; provided, however that he/she may be reimbursed for any actual expenses incurred in the performance of his/her duties.

Section 9. Rules and Regulations. Shall establish, make and enforce compliance with such reasonable rules as may be necessary for the operation, use and occupancy of the townhouse project with the right to amend the same from time to time. A copy of such rules and regulations shall be delivered, or mailed, to each member upon the adoption thereof.

Article 5

Committees

Section 1. Committees. The officers shall appoint a Nominating Committee and any other committees as deemed appropriate in carrying out its purpose.

Article 6

Books and Records

Section 1. Books and Records. The books, records and papers of the Association shall at all times, during business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member.

Article 7

Assessments

Section 1. Assessments. As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 12 percent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Article 8

Corporate Seal

Section 1. Corporate Seal. The Association shall have a seal in circular form having within its circumference the words: Colony Park Homeowner's Association, Inc.

Article 9

Amendments

Section 1. Amendments. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. Conflicts. In the case of any conflict between the Articles of Incorporation and these By-Laws; the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Article 10

Miscellaneous

Section 1. Miscellaneous. The fiscal year of the Association shall begin on the first day of January and end on the 31st 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 officers of the Colony Park Homeowner's Association, Inc., have hereunto set our hands this 10th day of OCT 1995.

Wayne Klute

President

Don Graham

Vice-President

Marie C. Graham

Treasurer

Marti Klute

Secretary

Certification

That I am the duly elected and acting secretary of Colony Park Homeowner's Association, Inc., a nonprofit corporation, and,

That, the foregoing By-Laws constitute the By-Laws of said Association, as amended and adopted at a meeting of the officers thereof, held on the 10TH day OCT, 1995.

IN WITNESS WHEREOF, I have hereunto subscribed by name and affixed the seal of said Association this 10TH day of OCT, 1995.

Marti Klute
Secretary