

BY-LAWS  
OF  
HIDEAWAY TOWNHOUSES SUBDIVISION HOMEOWNERS ASSOCIATION

ARTICLE I

NAME AND LOCATION, The name of the corporation is the Hideaway Townhouses Subdivision Homeowners Association, hereinafter referred to as the "Association." The principal office of the corporation shall initially be located at 1877 Broadway, Suite 701, Boulder Colorado but meetings of members and directors may be held a such places within the State of Colorado, and the Town of Silverthorne, as may be designated by the Board of Directors.

ARTICLE II  
DEFINITIONS

Section 1. "Association" shall mean and refer to the Hideaway Townhouses Subdivision Homeowners Association, a Colorado nonprofit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Peak Properties & Development Corporation, a Colorado corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Common Interest Community Declaration of the Hideaway Townhouses Subdivision a Planned Community, recorded or to be recorded in the Office of the Clerk and Recorder of Summit County, Colorado as the same may be amended from time to time.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III  
MEETING OF MEMBERS

Section 1. Annual Meeting. The first annual meeting of the members shall be held within one year from the date of incorporation of Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of seven o'clock, P.M.

If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meeting. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4 Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5 Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV  
BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

SECTION 1: Number. The affairs of this Association shall initially be managed by a Board of three (3) directors, who need not be members of the Association. Whenever under the Declaration Class A members are entitled to elect one or more directors they may do so without waiting for the term of a director elected by Class B members to expire. The Class B elected director to be replaced shall be the director with the shortest remaining term. When control of the Association passes from Class B members to Class A members, the number of directors shall be increased to nine (9) unless the Association shall otherwise determine.

Section 2: Term of Office. At the first annual meeting the members shall elect one third of the directors for a term of one year, one third of the directors for a term of two years



and one third of the directors for a term of three years; and at each annual meeting thereafter the members shall elect one third of the directors for a term of three years.

Section 3: Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4: Compensation. No director shall receive compensation from the Association for any services he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5: 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 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

Section 1: Nomination. Nomination for the election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2: Election. Election to the Board of Directors 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. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI MEETINGS OF DIRECTORS

Section 1: Regular Meeting. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of 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.

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

Section 3: Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. 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 Board.

## ARTICLE VII POWERS & DUTIES OF THE BOARD OF DIRECTORS

Section 1: Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event that such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to 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 one-fourth (1/4) of the Class A members who are entitled to vote;

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

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

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon the demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;



- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Area to be maintained.

Section 3: Requirements for Delegation of Powers. If the Association delegates powers of the Board of Directors or officers relating to collection, deposit, transfer, or disbursement of Association funds to other persons or to a managing agent, such delegation shall be subject to compliance with the requirements of C.R.S. 38-33.-306 and shall at a minimum provided:

- (a) that the manager post a bond or provided fidelity insurance coverage in an amount not less than \$500,000 (or such greater amount as the Board of Directors shall determine);
- (b) that the operating funds and reserve funds of the Association be maintained in two separate accounts that are separate from all other funds managed by said manager; and
- (c) that an annual accounting for the Association funds and a financial statement be prepared and presented to the Association by the managing agent, a public accountant, or a certified public accountant.

## ARTICLE VII OFFICERS AND THEIR DUTIES

Section 1: Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution creates.

Section 2: Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

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

Section 4: Special Appointment. The Board may elect such other officers as the affairs or 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.

Section 5: Resignation and Removal. Any officer may be removed from office with without cause by the Board. 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 6: Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term to the officer he replaces.

Section 7: Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of the Article.

Section 8: Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deed and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the 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 by the Board.

Secretary

(c) 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 the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX  
COMMITTEES

The association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE 10  
BOOKS & RECORDS

The books, records and papers of the Association shall at all times, during reasonable 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 inspections by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XI  
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay 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 6 percent per annum, and the Association may bring 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 nonuse of the Common Area or abandonment of his Lot.

ARTICLE XII  
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Hideaway Townhouses Homeowners Association, a Colorado nonprofit corporation.

ARTICLE XIII  
AMENDMENTS

Section 1: Amendment. 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, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

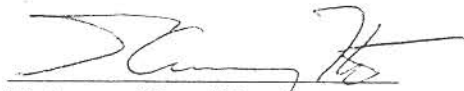
Section 2: Conflict. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.




ARTICLE XIV  
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 directors of the Hideaway Townhouses Subdivision Homeowners Association, have hereunto set our hands the 26 day of February 1998.

  
T. Amory Host, Director

  
Tara J. Sheahan

  
Christopher M. Herrin, Director

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am duly elected and acting secretary of the Hideaway Townhouses Subdivision Homeowners Association, a Colorado nonprofit corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said association, as duly adopted at a meeting of the Board of Directors thereof, held of the 26 day of February, 1998.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this \_\_\_\_\_ day of \_\_\_\_\_, 1998.

\_\_\_\_\_  
Tara J. Sheahan, Secretary



**Action by the Executive Board of  
the Hideaway Townhouses Subdivision Homeowners Association, Inc.  
(As of February 24, 1998)**

WHEREAS, the undersigned being all of the Directors of the Association's Executive Board desire to unanimously in a Special Meeting pursuant to Section 2 of Article VI of the By Laws; NOW THEREFORE, BE IT UNANIMOUSLY RESOLVED as follows:

RESOLVED: that the Bylaws of the Hideaway Townhouses Subdivision Homeowners Association, Inc. annexed hereto are hereby adopted.

RESOLVED: that T. Amory Host is hereby elected to serve as President.

RESOLVED: that Tara J. Sheahan is hereby elected to serve as Treasurer.

RESOLVED: that Christopher M. Herrin is hereby elected to serve as Secretary.

RESOLVED: that the Association obtain officers and directors liability insurance and indemnify the officers and director to the fullest extent permitted by law.

RESOLVED: that the association enter into a management agreement with Wildernest Property Management dated as of Oct 8, 1997 and effective as of 24 Feb 1998. (the "Agent") wherein it shall manage the Association's affairs subject to providing the Association with a fidelity bond in the amount of \$500,000.

RESOLVED: That the Budget for the period ending December 31, 1998, recommended by the Manager and annexed hereto be adopted subject to ratification by the Unit Owners.

RESOLVED: That Assessments on the Units in the Common Interest Community commence effective February 26, 1998, and that pursuant to Section 15.2 (e) of the Declaration those Lots (Undeveloped Units) which are vacant, or which are unoccupied and undergoing construction and which have not been issued a certificate of occupancy and for which the Association is incurring no cost for: insurance, maintenance of landscaping, trash, utilities, management fees, or capital reserves shall pay 15 % of the regular full assessment until the Association incurs any such costs for said Units or until a certificate of occupancy issues, whichever date is earlier.

RESOLVED: that Units and Undeveloped Units pay assessments monthly in advance and that upon each transfer of ownership in a Unit (except involuntary transfers

that result from operation of law) the transferee shall pay a one time nonrefundable ~~131~~ transfer service fee equal to 3 months of the then current assessment to defray the Association's record and paperwork expenses in connection therewith.

IN WITNESS WHEREOF, all of the Directors of the Association have subscribed hereto.


Director:

Director:

Director:

  
T. Amory Host

  
Christopher M. Herrin

  
Tara J. Sheahan