

BYLAWS
OF
THE BROOK FOREST AT FRISCO CONDOMINIUM ASSOCIATION

The name of the corporation shall be the THE BROOK FOREST AT FRISCO CONDOMINIUM ASSOCIATION, a Colorado non-profit corporation (hereinafter referred to as the "Association").

ARTICLE I
OBJECT AND DEFINITIONS

1. Purpose. The purpose for which the Association is formed is to govern the condominium property located in Summit County, Colorado, and more particularly described on Exhibit "A", attached hereto and incorporated herein by this reference.

The above referenced property has been submitted to the provisions of the Condominium Ownership Act of the State of Colorado by a Declaration entitled Declaration of Grants, Covenants, Conditions and Restrictions Establishing a Plan for Condominium Ownership of The Brook Forest at Frisco Condominiums (hereinafter referred to as the "Declaration").

2. All present or future owners, tenants, future tenants or any other person that might use the facilities of the project in any manner are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of the condominium units (hereinafter referred to as any of the "units") of the project or the mere act of occupancy of any of said units shall constitute ratification of these Bylaws.

3. Definitions. Unless otherwise specified, the following terms shall have the same meaning in these Bylaws as such terms have in the Declaration: condominium unit or units, general common elements, limited common elements, project. The terms owners and members as used herein shall be synonymous.

ARTICLE II
MEMBERSHIP, VOTING
MAJORITY OF OWNERS, QUORUM, PROXIES

1. Membership. The total number of memberships shall not exceed the number of condominium units and shall in no event exceed thirteen (13). Upon becoming an owner of a condominium unit, any person automatically shall become a member of this Association and shall be subject to the provisions of the Articles of Incorporation and to these Bylaws. Such membership shall terminate without any Association action whenever such person ceases to own a condominium unit, but such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in connection with the Association during the period of such ownership and membership in this Association, nor shall such termination impair any rights or remedies which the Board of Directors of the Association 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. No certificates of stock shall be issued by the Association, but the Board of Directors, may, if it so elects, issue one membership card to the owner(s) of a condominium unit. Such membership card shall be surrendered whenever ownership of the condominium unit designated thereon shall terminate.

2. Classes of Membership. There shall be one class of membership.

3. Voting Rights. The voting rights of all members shall be based upon the percentage of the undivided interest of each condominium unit owner in and to the common elements.

4. Majority of Unit Owners. As used in these Bylaws, the term "majority of unit owners" shall mean and refer to unit owners who own more than fifty per cent (50%) of the undivided ownership of the common elements.

5. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of more than twenty-five per cent (25%) of the votes of the membership of the Association shall constitute a quorum. An affirmative vote of a majority of the votes entitled to be cast at a meeting, determined by the presence of the voters or by proxy, shall be required to transact business.

6. Proxies. Votes may be cast in person or by proxy. Proxies shall be in writing and the signatures must be witnessed or acknowledged. Proxies must be filed with the Secretary before the appointed time of each meeting. No proxy shall be valid for a period longer than eleven (11) months after the date thereof.

7. Voting by Mail. The Board of Directors may decide that voting of the members shall be by mail with respect to any properly noticed matter or to any particular election of Directors or with respect to the adoption of any proposed amendment to the Articles of Incorporation, or adoption of a proposed plan of merger, consolidation, or dissolution.

In the case of election of Directors by mail, the existing Board of Directors shall nominate candidates and shall advise the Secretary in writing of the names of the nominated Directors sufficient to constitute a full Board of Directors and of a date at least fifty (50) days after such advice is given by which all votes are to be received. The Secretary, within five (5) days after such advice is given, shall give written notice of the number of Directors to be elected and of the names of the nominees to all owners or co-owners of each membership. The notice shall state that any such owner or co-owner may nominate an additional candidate or candidates, not to exceed the number of Directors to be elected, by notice in writing to the Secretary at the specified address of the principal office of the corporation, to be received on or before a specified date fifteen (15) days from the date the notice is given by the Secretary. Within five (5) days after such specified date, the Secretary shall give written notice to all owners or co-owners of a membership, stating the number of Directors to be elected, stating the names of all persons nominated by the Board of Directors and by the members on or before said specified

date, stating that each owner or co-owner may cast a vote by mail and stating the date established by the Board of Directors by which such votes must be received by the Secretary at the address of the principal office of the corporation, which shall be specified in the notice. Votes received after that date shall not be effective. Any such proposal shall be adopted if approved by the affirmative vote of not less than sixty-six and two thirds per cent (66-2/3%) of the votes entitled to be cast on such question.

Delivery of a vote in writing to the principal office of the corporation shall be equivalent to receipt of a vote by mail at such address for the purposes of this Section 2.7.

ARTICLE III ADMINISTRATION AND MEETINGS OF MEMBERS

1. Association Responsibilities. The Owners of the units will constitute the Association, who will have the responsibility of administering the Project through a Board of Directors.

2. Place of Meetings. Meetings of the Association shall be held at such place as the Board of Directors may determine.

3. Annual Meetings. The annual meetings of the Association shall be held on the date selected by the Board of Directors from time to time. The first annual meeting shall take place on such date as chosen by the Board of Directors. At each annual meeting there shall be elected by a ballot of the owners, Directors in accordance with the requirements of Section 4 of these Bylaws. The owners may also transact such other business of the Association as may properly come before them.

4. Special Meetings. The President shall call a special meeting of the owners when so directed by resolution of the Board of Directors or upon presentation to the Secretary of a petition signed by a majority of the owners. No business shall be transacted at a special meeting except as stated in the notice unless by the consent of two-thirds (2/3) of the votes of the membership either in person or proxy. 23-85

5. Notices. Notices of annual and special meetings shall be given by the President or Secretary of the Association by regular mail addressed to the registered addresses of the owners of the units at least thirty (30) days prior to the date set for such meeting. Any such notice shall state the date, time and place of the meeting, and if the meeting is a special meeting, the purposes thereof. Waiver of notice, either in person or by proxy, and signed either before, at or after any meeting, shall be a valid substitute for service. The certificate of the President or Secretary that notice was duly given shall be prima facie evidence thereof.

6. Adjourned Meeting. If any meeting of the owners cannot be organized because a quorum has not attended, the owners who are present either in

person or by proxy may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

7. Order of Business. The order of business at all annual meetings of the owners of units shall be as follows:

- A. Roll call;
- B. Proof of notice of meeting or waiver of notice;
- C. Reading of the minutes of preceding meeting;
- D. Reports of officers;
- E. Reports of committees;
- F. Election of Directors;
- G. Unfinished business;
- H. New business

The order of business at all special meetings of the owners of units shall be stated in the notice of special meeting pursuant to Section 3.4 above.

ARTICLE IV BOARD OF DIRECTORS (POWERS AND MEETINGS)

1. Number and Qualification. The affairs of this Association shall be governed by a Board of Directors composed of not less than three (3) persons from among the unit owners. The initial Board shall consist of three (3) persons who need not be elected or chosen from among the unit owners. The initial Board members shall be Jim R. Hayes, Michael L. Canning and Velma G. Hayes who shall act in such capacity and shall manage the affairs of the Association until their successors are elected.

2. Election of Board Members. The respective candidates for the office of Director shall be elected by members who own Units. A majority of the eligible votes cast, either in person or by proxy, shall determine an election of a Director.

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

A. To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Declaration referred to in Section 1.1.

B. To establish, make and enforce compliance with such reasonable rules and regulations as may be necessary for the operation, use, and occupancy of this condominium project with the right to amend same from time to time. Such rules and regulations may include provisions regarding the exclusions of any and all animals from the project or the limitation and control thereof. Such rules and regulations may also include, without limitation, provisions regarding the rental of units, the form of rental agreement or lease documents used, providing the Association with a copy of any such rental agreements or leases, and such other related regulations deemed advisable and/or necessary by the Board of Directors.

C. To keep or cause to be kept in good order, condition, and repair all of the general and limited common elements and all items of common personal property, if any.

D. To insure and keep insured all of the insurable common elements of the property (and also all fixtures; interior walls and partitions; decorated and finished surfaces of perimeter walls, floors and ceilings; doors; windows and other elements or materials comprising a part of the units) in an amount equal to the maximum replacement value as provided in the Declaration. The Board of Directors shall determine such replacement value at least annually and in so doing may employ such experts as the Board may feel necessary. Further, to obtain and maintain comprehensive liability insurance covering the entire premises in amounts not less than \$1,000,000.00. To insure and keep insured all of the fixtures, equipment and personal property acquired by the Association and the owners of the condominium units and their first mortgagees.

E. To fix, determine, levy and collect the annual assessments to be paid by each of the owners towards the gross expenses of the entire premises and by majority vote of the Board to adjust, decrease, or increase the amount of the annual assessments or any installments thereof. The Board of Directors, or its agent, may establish any common expenses, in advance or arrears as deemed desirable. Initially, assessments for the estimated common expenses on an annual basis shall be made by the Board and shall be payable in equal monthly installments in advance on the first day of each calendar month. At the end of each calendar year the Board shall determine actual expenses and either assess each owner or credit against the next ensuing calendar year, as the case may be. Assessments made shall be based upon the estimated cash requirement deemed to be such aggregated sum as the Board shall from time to time determine to be paid by all of the owners. Estimated expenses include the costs of maintenance and operation of the general common elements, expenses of management, taxes and special assessments unless separately assessed, insurance premiums for insurance coverage as deemed desirable or necessary by the Board, landscaping and care of grounds, common lighting, repairs and renovations, wages, common water and utility charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Board of Directors under or by reason of the Condominium Declaration and these Bylaws, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency or other reserve or capital sinking fund as well as other costs and expenses relating to this Association. All annual or other assessments or installments thereof shall be in itemized statement form, shall set forth in reasonable detail the various expenses for which the assessments are being made, and shall be mailed to the registered mailing address of the owners not later than fifteen (15) days prior to the date such assessment is payable. Declarant shall have no obligation to pay the estimated common expense assessment on units owned by the declarant and imposed by the Board to meet the common expenses, but declarant agrees to pay to the Association a sum equal to the difference between the cost of operating and maintaining the common elements, exclusive of reserves, and the amount of funds payable by the other owners to the Association. This obligation of Declarant to subsidize the operations of the Association shall terminate when Declarant relinquishes its right to elect the Association's Board of Directors.

F. To collect delinquent assessments by suit, foreclosure, or otherwise and to enjoin or seek damages from an owner as is provided in the Declaration and these Bylaws.

G. To protect and defend the entire premises from loss and damage by suit or otherwise.

H. To borrow funds and to execute all such instruments evidencing such indebtedness. Any such indebtedness shall be the joint and several obligation of all of the unit owners only in the same proportion as their interest in the common elements.

I. To enter into contracts within the scope of their duties and powers.

J. To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.

K. To keep and maintain full and accurate books and records showing all of the receipts, expenses, or disbursements and to permit examination thereof by unit owners or their mortgagees at convenient weekday business hours.

L. To prepare and deliver annually to each owner a statement showing in at least summary form all receipts, expenses, or disbursements since the last such statement.

M. To meet at least semi-annually.

N. To designate and remove personnel necessary for the management, maintenance, operation, repair, and replacement of the general and limited common elements.

O. On ten (10) days notice and for receipt of a reasonable fee of at least \$25.00 from the requesting party to furnish a certificate of the owner's account setting forth the amount of any unpaid amounts or other charges due and owing from such owner or allocated to such owner's unit.

P. 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 communal aspect of condominium ownership.

4. Managing Agent. The Board of Directors may employ for the Association a management agent or manager (referred to in the Declaration as the "Managing Agent") at a compensation established by the Board to perform such duties and services as the Board shall authorize, including not limited to, the duties

listed in Section 4.3 hereof. The employment designation of a Manager or management agent shall not relieve the Board of Directors from its responsibility herein or pursuant to the Declaration.

5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by the remaining Directors.

6. Removal of Directors. At any regular meeting or at any special meeting called for that purpose, any one or more of the Directors may be removed with or without cause, by a majority of all of the unit owners, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been so proposed by the owners shall be given an opportunity to be heard at the meeting.

7. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held immediately following the annual meeting and no notice shall be necessary to the newly elected directors in order to legally constitute such meeting.

8. 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 such meetings shall be held during each fiscal year and one such meeting shall be held immediately following the annual meeting of owners. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, or telegraph at least thirty days prior to the day named for such meeting.

9. Special Meetings. Special meetings of the Board of Directors may be called by the President on ten days' notice to each Director, given personally, or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided), 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 notice of the written request of a Director.

10. Waiver of Notice. Before, at or after 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 any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

11. Quorum. At all meetings of the Board of Directors, a majority thereof 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, at 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. At any such adjourned meeting, any business which might have been transacted may be transacted without further notice.

12. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE V
OFFICERS

5.1 Designation. The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors.

5.2 Election of Officers. The officers of the 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. Any person may hold concurrently any two offices, except that the same person may not concurrently hold the offices of President and Secretary. The office of Vice-President need not be filled.

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, with or without cause, and his or her successor elected at any regular meeting of the Board, or any special meeting of the Board called for such purpose.

5.4 President. The President shall be the chief executive officer of the Association and shall be elected from among the members of the Board of Directors. The President shall preside at all meetings of the 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 Owners from time to time as the President may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

5.5 Vice-President. A Vice-President shall have the powers and authority and perform all the functions and duties of the President, in the absence of the President, or his or her inability for any reason to exercise such powers and functions or perform such duties.

5.6 Secretary. The Secretary shall keep all the minutes of the meetings of the Board of Directors and minutes of meetings of the Association. The Secretary shall have charge of such books and papers as the Board of Directors may direct, and 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 Association a complete list of members and their registered mailing addresses. Such list shall also show opposite each member's name the number or other appropriate designation of the unit owned by such member. 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.

5.7 Treasurer. The Treasurer shall have the responsibility for Association funds and shall be responsible for keeping full and accurate financial records and books of account of the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and

to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer may also serve as Secretary in the event the Secretary is absent.

ARTICLE VI INDEMNIFICATION OF OFFICERS AND DIRECTORS

6.1 Indemnification. The Association shall indemnify each Board member or officer, his or her heirs, executors, and administrators against all losses, costs and expenses, including counsel fees, reasonably incurred by him or her in connection with any action, suit or proceeding to which he or she may be made a party by reason of his or her being or having been a Board member or officer of the Association, except as to matters as to which he or she shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. The indemnification provision of this paragraph shall also apply to Declarant during any time that Declarant may be acting on behalf of the Association. 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 or entity to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his or her duty as such Board members, officer or agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Board member, officer or agent may be entitled. All liability, loss, damage, costs 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 a Common Expense. Nothing contained in this Section 6.1 shall, however, be deemed to obligate the Association to indemnify any member or owner of a condominium unit who is or has been a Board member, officer or agent of the Association with respect to any duties or obligations assumed or liabilities incurred by him, her or it and by virtue of the herein referenced Condominium Declaration as a member or owner of a condominium unit covered thereby.

ARTICLE VII OBLIGATIONS OF THE OWNERS

1. Assessments. Except as otherwise provided hereinabove and in the referenced Condominium Declaration, all owners shall be obligated to pay the annual assessments or any installments thereof imposed by the Association to meet the common expenses, and payment thereof shall be made not later than on the fifteenth (15) day following the mailing of the applicable statement to the registered mailing address of the owner. The assessments shall be made pro-rata according to the percentage interest in and to the general common elements and any installments thereof shall be due in advance of the installment period. A member shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of members, within the meaning of these Bylaws, if, and only if, the owner shall have

fully paid all assessments made or levied against such owner and the condominium unit owned by such owner. The limited exemption of Declarant to pay the common area assessments for those condominium units owned by the Declarant, as referenced hereinabove and in the referenced Condominium Declaration shall not affect in any manner or form Declarant's good standing and/or Declarant's right to vote as to those respective condominium units so owned by the Declarant.

2. Maintenance and Repair.

A. Except as may be provided in the Declaration, every owner must perform promptly at such owner's expense all maintenance and repair work within such owner's condominium unit and limited common elements, which if omitted, would affect the project in its entirety or any part belonging to another owner.

B. All the repairs of internal installations of the Unit such as water, light, gas, power, sewage, telephones, sanitary installations, doors, windows, window panes, electrical fixtures and all other accessories, equipment and fixtures including appurtenant limited common elements shall be at the owner's expense, and the maintenance thereof, shall, at the discretion of the Board of Directors, be treated separately or as a common expense for assessment purposes.

C. An Owner shall be obligated to reimburse the Association or another unit owner upon receipt of a statement for any expenditures incurred by the Association or other unit owner or both in repairing, replacing or restoring any common elements or the interior or any part of a condominium unit damaged as a result of negligent or other tortious conduct of such owner, a member of his or her family, his or her agent, employee, invitee, licensee or tenant.

7.3 Mechanic's Lien. Each Owner agrees to indemnify and to hold each of the other Owners harmless from any and all claims of a mechanic's lien filed against other condominium units and the appurtenant common elements for labor, materials, services or other products incorporated in the owner's condominium unit. In the event suit for foreclosure of a mechanic's lien is commenced, then within ninety (90) days thereafter such owner shall be required to deposit with the Association cash equal to the amount of such claim plus interest for one year together with the sum of \$250.00. Such sum or securities shall be held by the Association pending final adjudication or settlement of the claim or litigation. Disbursement of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid forthwith by the subject owner, and such owner's failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the owner and a lien against such owner's condominium unit which may be foreclosed as is provided in Article XII of the Declaration.

7.4 General.

A. Each Owner shall comply strictly with the provisions of the Declaration.

B. Each Owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which the condominium project was established.

7.5 Use of Units - Internal Changes.

A. All Units shall be utilized for such purposes only as may be permitted in the Declaration.

B. No owner, tenant, or lessee shall use radios, phonographs, television sets, amplifiers, and any other instruments or devices in such manner as may disturb or tend to disturb owners, tenants or other occupants of condominium units.

C. Owners, tenants, or guests shall not hang garments, rugs, and other materials from the window or from any of the facades or balconies of a building or any of the improvements.

D. Owners, tenants, or guests shall not throw garbage or trash outside the disposal installations provided for such purposes.

E. There shall be no parking in the driveways.

F. The Association assumes no responsibility for damage done to automobiles parked in the designated open areas.

G. No motorcycles or other noisy vehicles shall be permitted on the premises.

H. There shall be no repair or storage of vehicles on the premises except emergency repairing or cleaning.

I. The rental of any unit shall be in accordance with the rules and regulations established for such rental by the Board of Directors, but owners, subject to these rules and regulations, may enter into rental management agreements with their agents, and/or make such rental arrangements as they desire.

J. The Board of Directors shall have the power to establish, make, and enforce compliance with such additional rules and regulations as may be necessary for the operation, use, and occupancy of this condominium project with the right to amend same from time to time. Among those rules and regulations which the Board of Directors may make is the prohibition of keeping of any animals in any condominium unit or within the common elements.

K. An owner shall not make structural modifications or alterations to his, her, its or their unit or installations located therein without the prior written approval of the Board of Directors.

Section 7.6 Use of Common Elements and Limited Common Elements. Each owner shall use the common elements and the limited common elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners.

Section 7.7 Right of Entry.

A. An owner shall permit the Managing Agent or any person authorized by the Board of Directors the right of access to the owner's unit and appurtenant limited common elements from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of the common elements, or at any time deemed necessary by the managing agent or Board of Directors for the making of emergency repairs or to prevent damage to any of the common elements.

B. An owner shall permit other owners, or their representatives, when so required, to enter such owner's unit for the purpose of performing installations, alterations, or repairs to the mechanical or electrical services, provided that requests for entry is made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

Section 7.8 Rules and Regulations. The following are initial administrative rules and regulations in addition to those set forth in the Declaration, which may be amended, supplemented, or revoked from time to time by the Board of Directors.

A. No owner or occupant of condominium units shall post any advertisement, posters, or signs of any kind in or on the project except as authorized by the Association. This prohibition shall not apply to the Association, the Declarant or their respective agents.

B. Owners and occupants of condominium units shall exercise extreme care to avoid making or permitting to be made loud or objectionable noises, and in using or playing or permitting to be used or played, musical instruments, radios, T.V.'s, hi-fi's or tape recorders.,

Section 7.9 Destruction or Obsolescence. Each owner shall, upon becoming an owner of a condominium unit or as requested by the Association thereafter, execute a power of attorney in favor of the Association, irrevocably appointing the Association attorney-in-fact to maintain, repair and improve the building, common elements and limited common elements, and to deal with the owner's condominium unit upon its destruction or obsolescence and regarding insurance proceeds as is provided in the Declaration. The purpose of such execution shall be more fully to evidence such appointment, but failure to execute such power of attorney shall in no way derogate from the appointment provided in the Declaration.

ARTICLE VIII
BYLAWS

Section 8.1 Amendments. These Bylaws may be amended by the Board of Directors at a duly constituted Board meeting for such purpose or at a meeting of owners called for such purpose and approved by owners representing an aggregated

interest of at least seventy-five percent (75%) of the common elements. The notice of such meeting shall contain a summary of the proposed changes or a copy of such proposed changes. No amendment shall serve to shorten the term of any Director. No amendment shall be effective if it results in violation of Chapter 38-33-106, CRS 1973 as amended.

ARTICLE IX MORTGAGES

Section 9.1 Notice to Association. An Owner who mortgages his, her, its or their unit shall notify the Association, giving the name and address of such owner's mortgagee. The Association shall maintain such information in a book or list entitled "Mortgagees of Units".

Section 9.2 Notice of Unpaid Assessments. The Association shall, at the request of a mortgagee of a unit, report any unpaid assessments due from the owner of such unit.

ARTICLE X

EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS, AND REQUIRED PROXIES

Section 10.1 Proof of Ownership. Any person on becoming an owner of a condominium unit shall furnish to the Directors a photocopy or a certified copy of the recorded instrument vesting that person or entity with an interest or ownership, which instrument shall remain in the files of the Association. A member shall not be deemed to be in good standing nor shall he, she, it or they be entitled to vote at any annual or special meeting of members unless this requirement is first met.

Section 10.2 Registration of Mailing Address. The Owner of each condominium unit shall have one and the same registered mailing address to be used by the Association for mailing statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association, or other legal entity or any combination thereof to be used by the Association. Such registered address of an owner or owners shall be furnished by such owners to the Secretary within five (5) days after transfer of title; such registration shall be in written form and signed by all of the owners of the condominium unit or by such persons as are authorized by law to represent the interests of (all of) the owners thereof. If no such address is registered or if all of the owners cannot agree, then the address of the unit shall be their registered address until another registered address is furnished as permitted under this section. Registered addresses may be changed from time to time by similar designation.

Section 10.3 Completed Requirement. The requirements contained in this

Article shall be first met before an owner of a condominium unit shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

ARTICLE XI

Section 11.1 Colorado Condominium Ownership Act. These Bylaws are intended to comply with the requirements of the Colorado Condominium Ownership Act. If any of these Bylaws conflict with the provisions of said statute, the provisions of the statute will apply.

ARTICLE XII

SERVICES

Section 12.1 Services. The Association shall initially provide the following services to be paid for from regular common assessments, which may be amended or supplemented from time to time by the Board of Directors:

- A. Lighting of common areas;
- B. Trash removal;
- C. Water;
- D. Grounds and building maintenance;
- E. Sewer service;
- F. Blanket insurance policy;
- G. Snow removal; and
- H. Upkeep of related facilities.

ARTICLE XIII

RECREATIONAL FACILITIES

Section 13.1 Recreational Facilities. Initially there are no plans to include in the project recreational facilities for the common use and enjoyment of the owners and their tenants and guests. The Association has the right in the future, however, to acquire and/or establish recreational facilities, and in connection therewith, may adopt rules and regulations regarding the use and operation thereof, and establish reasonable charges for the use thereof.

ARTICLE XIV

NON-PROFIT CORPORATION

Section 14.1 Nonprofit Corporation. This Association is not organized

for profit. No member, member of the Board of Directors, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board of Directors. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation may be paid to any member or manager while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) any member or Director may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE XV

SEAL

Section 15.1 Seal. The corporate seal shall consist of concentric circles with the name of the corporation and the word "Colorado" and the word "Seal" in the center.

ARTICLE XVI

FISCAL YEAR

Section 16.1 Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors.

IN WITNESS WHEREOF, the undersigned have executed these Bylaws at Frisco, Colorado this ____ day of _____, 1983.

BOARD OF DIRECTORS

JIM R. HAYES

VELMA G. HAYES

MICHAEL L. CANNING

The undersigned Secretary of The Brook Forest at Frisco Condominium Association, a Colorado nonprofit corporation, does hereby certify that the above

and the foregoing Bylaws were duly adopted by the Board of Directors as the Bylaws of said corporation on the _____ day of _____, 1983 and that they do now constitute the Bylaws of said Corporation.

Dated this _____ day of _____, 1983.

JIM R. HAYES