

BYLAWS  
OF  
CINNAMON RIDGE III CONDOMINIUM ASSOCIATION

ARTICLE ONE

1.01. Association. CINNAMON RIDGE III CONDOMINIUM ASSOCIATION (the "Association") is a nonprofit corporation organized under the Colorado Nonprofit Corporation Act.

1.02. Purpose. The purpose for which the Association is formed is to govern the condominium property situate in the County of Summit, State of Colorado, which is known as Cinnamon Ridge III Condominiums, hereinafter referred to as the "Condominium Project," and which property is subject to the provisions of the Condominium Ownership Act of the State of Colorado and to the recorded Condominium Map and Declaration of Covenants, Conditions, and Restrictions of Cinnamon Ridge III Condominiums, hereinafter referred to as the "Project Declaration" or the "Declaration." Terms which are defined in the Declaration shall have the same meanings herein, unless otherwise defined herein. The word "member" or "members" as used in these Bylaws means and shall refer to Owner or Owners in the Condominium Project.

1.03. Owners Subject to Bylaws. All present or future Owners, tenants, future tenants, or any other person that might use in any manner the facilities of the Condominium Project are subject to the terms and provisions set forth in these Bylaws. The mere acquisition or rental of any of the Condominium Units, or the mere act of occupancy of any of said Condominium Units will signify that these Bylaws are accepted, ratified, and will be complied with.

ARTICLE TWO

Membership, Voting, Majority of  
Owners, Quorum, Proxies

2.01. Membership. Ownership of a Condominium Unit is required in order to qualify for membership in this Association. Any Person on becoming an Owner of a Condominium Unit shall automatically become a member of this Association and be subject to these Bylaws. Such membership shall terminate without any formal 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 to the Association or impair any rights or remedies which the Association may have against such former Owner arising out of or in any way connected with ownership of a Condominium Unit and membership in the Association. No certificates of stock shall be issued by the Association, but the Board of Directors may, if it so elects, issue membership cards to the Owners. Such membership card shall be surrendered to the Secretary whenever ownership of the Condominium Unit designated thereon shall terminate.

2.02. Voting. All members shall be entitled to vote on all matters, with each Condominium Unit having a vote or fractional vote in accordance with its interest in the General Common Elements as stated in the Declaration or supplement(s) thereto. If title to any Condominium Unit shall be held by two or more Persons, then each such Person shall be a member of this Association, provided however, that the voting rights of such Owners shall not be divided but shall be exercised as if the Owner consisted of only one Person in accordance with the proxy or other designation made in writing by the Persons constituting the majority of the ownership of the Condominium Unit according to the records of the Association. If no such written proxy or designation is on file with the Association at the date of a vote, then the vote for such Condominium Unit shall not be cast or counted. The Declarant may exercise the voting rights with respect to Condominium Units owned by it. Cumulative voting in the election of the Board of Directors shall not be permitted.

2.03. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of 51 percent of the votes entitled to be cast at such meeting shall constitute a quorum. An affirmative vote of a majority of those present at a meeting at which a quorum is in attendance shall be necessary to transact business and to make decisions binding on all Owners. Notwithstanding the foregoing, if a specific percentage of affirmative votes for an action is specified elsewhere in the Project Declaration, the Articles, or these Bylaws, such specific percentage shall be required, and shall be sufficient, to take the described action.

2.04. Proxies. Votes may be cast in person or by proxy. All proxies must be in writing, may be either general or for a particular meeting, and shall be filed with the Secretary. Every proxy shall be revocable upon receipt by the Association of written notice of revocation and shall be void upon conveyance of a Unit or his or her interest therein by the Owner granting the proxy. All proxies shall terminate, if not earlier revoked or terminated, eleven months after the date they are granted. No property director employed by the Association or the employees or agents of such director may solicit or vote any proxy except at the request and as a disclosed agent of the Board of Directors.

### ARTICLE THREE

#### Meetings

3.01. Place of Meeting. Meetings of the Association shall be held at such place within the County of Summit, State of Colorado, as the Board of Directors may determine.

3.02. Annual Meetings. The annual meetings of the Association shall be held each year on such date as shall be selected by the Board of Directors, provided that such meeting shall occur in each year no later than six months after the end of the

Association's fiscal year. At such meetings, the Owners may transact such business of the Association as may properly come before the meeting. At each annual meeting, members of the Board of Directors shall be elected from among the Owners as provided by these Bylaws.

3.03. Special Meetings. It shall be the duty of the President to call a special meeting of the Association as required by the President, a resolution of the Board of Directors, or by petition of Owners representing an aggregate ownership interest of at least 25 percent of the General Common Elements. The notice of any such special meeting shall state the time and place of such meeting and the specific purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless upon the consent of Owners representing an aggregate ownership interest of at least two-thirds of the General Common Elements. Any such meeting shall be held within 60 days after receipt by the President of such resolution or petition.

3.04. Notice of Meetings. It shall be the duty of the Secretary to hand deliver or to mail, by regular United States mail, a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each Owner. Notice shall be mailed at least 15 days before such meeting to each Owner at the address appearing on the books of the Association. A waiver of notice, signed by all Owners of a Condominium Unit before, at, or after any meeting shall be a valid substitute for notice to the Owner of such Unit. The certificate of the Secretary that notice was properly given as provided in these Bylaws shall be prima facie evidence thereof. The presence of an Owner at a meeting shall constitute waiver of notice of such meeting.

3.05. Adjourned Meetings. If any meeting of Owners cannot be convened because a quorum has not attended or if the business of the meeting cannot be concluded, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time for periods of no longer than one week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

3.06. Order of Business. The order of business at all meetings of the Owners shall be as follows:

- (a) Roll call and certification of proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Election of directors (annual meetings only);
- (g) Unfinished business;
- (h) New business.

3.07. Rules of Meetings. The Board may prescribe reasonable rules for the conduct of all meetings of the Board and Owners and in the absence of such rules, Robert's Rules of Order shall be used.

3.08. Action Without Meeting. At the direction of the Board of Directors, any matter which could come before a special meeting of the membership of the Association may be submitted to a vote of the membership without a meeting; provided, however, that the annual meeting of the membership and votes pursuant to paragraph 4.08 shall not be subject to the terms of this subparagraph. In the event that the Board submits a matter to vote without a meeting, the Secretary of the Association shall mail, first class mail, postage prepaid, an explanation of the matter to be voted upon, a form of resolution approved by the Board, and a ballot to each Owner at the address shown upon the records of the Association. The explanation shall state a date, not less than twenty nor more than forty days from the date of mailing, by which the ballot must be returned to the Secretary and shall state the address to which the ballots shall be returned. A ballot shall be counted only if it is received by the Secretary on or before the return date specified in the explanation notice and is signed or accompanied by proxies by person(s) sufficient to exercise the vote(s) of such Condominium Unit at a meeting. The affirmative vote of the percentages of Owners specified in Article Two of these Bylaws shall be necessary to adopt a resolution submitted to the membership without a meeting pursuant to this subparagraph. Within five days of the return date specified in the notice, the Secretary, in the presence of at least two members of the Board of Directors, shall open and count the ballots and shall certify the results of the vote in a notice to the Board and the members of the Association.

## ARTICLE FOUR

### Board of Directors

4.01. Association Responsibilities. The Owners will constitute the Association, who will have the responsibility of administering the Condominium Project through a Board of Directors. In the event of any dispute or disagreement between any Owners relating to the Condominium Project, or any questions of interpretation or application of the provisions of the Declaration or Bylaws, such dispute or disagreement shall be submitted to the Board. The determination of such dispute or disagreement by the Board shall be binding on each and all such Owners, subject to the right of Owners to seek other remedies provided by law after such determination by the Board.

4.02. Number and Qualification. Subject to the Declaration and the rights of the Declarant, the affairs of the Association shall initially be governed by a Board of Directors composed of three persons elected from among the Owners or the partners, employees, or agents of the Declarant. In the case of corporate

or partnership Owners, the officers, directors, employees, partners, or agents of such entities may be members of the Board. At the initial election of directors, the person receiving the most votes shall be elected to a term of three years; the person receiving the second most votes shall be elected to a term of two years; and the person receiving the third most votes shall be elected to a term of one year. Thereafter, each director shall be elected to a term of three years as provided in paragraph 4.06.

The number of directors may be increased or decreased by a unanimous vote of the Board of Directors, provided however, that the number of directors shall not be reduced to less than three nor increased to more than five. In the event of a change in the number of directors, the Board shall adopt a system providing for the election of at least one-third of the directors annually.

4.03. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a first class mixed use condominium project. The Board of Directors may do all such acts and things as are not by law, the Articles, these Bylaws, or the Project Declaration either prohibited or directed to be exercised and done by the Owners.

4.04. Other Powers and Duties. Without limiting the powers granted in paragraph 4.03, the Board of Directors shall be empowered and shall have the duties as follows:

4.04(a) to administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Project Declaration and in the Articles and these Bylaws and supplements or amendments thereto;

4.04(b) to establish, make and enforce compliance with such reasonable rules and regulations as may be necessary for the operation, use, and occupancy of the Condominium Project and the Common Elements, with the right to amend same from time to time, as provided in the Project Declaration. A copy of such rules and regulations shall be delivered or mailed to each Owner promptly upon the adoption thereof;

4.04(c) to keep in good order, condition, and repair all of the Common Elements and all items of personal property, if any, used in the enjoyment of the entire Condominium Project;

4.04(d) to obtain and maintain to the extent obtainable all policies of insurance required by the Project Declaration;

4.04(e) to prepare a budget for the Association at least annually, to periodically determine, levy, and collect the prorated assessments to be paid by each of the Owners towards the Common Expenses of the Association and to adjust, decrease, or increase the amount of the assessments, refund any excess

assessments to the Owners, to transfer such excess to reserve or replacement accounts of the Association, or to credit any excess of assessments over expenses and cash reserves to the Owners against the next succeeding assessment period, at its discretion. To levy and collect special assessments 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. All special assessments shall be in statement form and shall set forth in detail the various expenses for which the assessments are being made;

4.04(f) to impose penalties and collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an Owner as is provided in the Project Declaration and these Bylaws;

4.04(g) to protect and defend the Condominium Project from loss and damage by suit or otherwise;

4.04(h) to borrow funds and to give security therefor in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Project Declaration or these Bylaws and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary or desirable;

4.04(i) to enter into contracts within the scope of their duties and powers, provided however, that the term of any agreement for professional management of the Project, or any agreement for services from the Declarant to the Association shall not exceed three years, and any such agreement must provide for termination by either party without cause and without payment of a termination fee on no more than 90 days' written notice;

4.04(j) to establish bank accounts which are interest bearing or non-interest bearing, as may be deemed advisable by the Board of Directors;

4.04(k) to keep and maintain detailed, full, and accurate books and records showing in chronological order all of the receipts, expenses or disbursements pursuant to appropriate specificity and itemization and to permit inspection thereof during normal business hours, and, upon the vote of Owners representing an aggregate ownership interest of at least 51 percent of the General Common Elements, to cause a complete audit to be made of the books and records by a competent certified public accountant;

4.04(l) to prepare and deliver annually to each Owner a statement showing all receipts, expenses or disbursements since the last such statement;

4.04(m) to designate and remove the personnel necessary for the operation, maintenance, repair, and replacement of the Common Elements;

4.04(n) to suspend the voting rights and right to use of the General Common Elements and recreational facilities, if any, of an Owner for failure to comply with these Bylaws or the rules and regulations of the Association or with any other obligations of the Owners pursuant to the Project Declaration; and

4.04(o) to grant easements or licenses upon or across the General Common Elements as the Board of Directors may determine to be consistent with the best interests of the Owners and the Project; and

4.04(p) in general, to carry on the administration of the Association and to do all of those things necessary and/or desirable in order to carry out the governing and operating of the Condominium Project.

4.05. Managing Agent. The Board of Directors may employ for the Association a Managing Agent (at a compensation established by the Board of Directors), to perform such duties and services as it shall authorize. The Board of Directors may delegate any of the powers and duties granted to it but, notwithstanding such delegation, shall not be relieved of its responsibility under the Project Declaration, the Articles, or these Bylaws.

4.06. Election and Term of Office. Members of the Board of Directors shall be elected by a plurality of the votes of the members at the annual meeting of the members of the Association in the manner prescribed in the Project Declaration or as may be set forth in these Bylaws. Each director shall serve until such directors' successor is duly elected and qualified, unless a director is removed in the manner hereinafter provided. At each annual meeting following the initial election of the Board, the members shall elect the same number of directors whose terms are expiring at the time of each election for terms of three years, except as otherwise specified in the Project Declaration or unanimous resolution of the Board.

4.07. 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 as follows: The remaining directors, whether or not they represent a quorum, shall by majority vote select a successor from among the persons eligible for election to the vacant position. Eligible successors shall consist of all of the Owners and the partners, employees and agents of Declarant. Each director so elected shall serve for the unexpired term of his predecessor in office.

4.08. Removal of Directors. At any annual or special meeting of the Association, duly called, any one or more of the directors may be removed for cause by the vote of Owners

representing an aggregate ownership interest of at least 51 percent of the General Common Elements, and a successor may then and there be elected to fill the vacancy thus created by a vote of the Owners. Any director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

4.09. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held as soon as possible, but in no event later than 30 days after such election, and no notice shall be necessary to the newly elected directors in order to convene such meeting provided a majority of the new Board shall be present at such organizational meeting.

4.10. 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 each year. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone, or telegraph, at least five days prior to the day named for such meeting. Notice given by mail or telegraph shall be effective upon mailing or transmission; other forms of notice shall be effective upon actual, personal receipt by the director to be notified or a member of his or her household over the age of eighteen.

4.11. Special Meetings. Special meetings of the Board of Directors may be called by the President, on his own initiative, on ten days' notice to each director, given personally, or by first class mail, telephone or telegraph, which notice shall set forth the time, place and purpose of the meeting. Notice given by mail or telegraph shall be effective upon mailing or transmission; other forms of notice shall be effective upon actual, personal receipt by the director to be notified or a member of his or her household over the age of eighteen. Special meetings of the Board of Directors shall promptly be called by the President or Secretary in like manner and on like notice on receipt of a written request to call such a special meeting from at least two directors.

4.12. 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 any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.13. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the directors then serving shall constitute a quorum for the transaction of business, and (unless a more stringent standard is imposed elsewhere in these Bylaws or in the Articles of Incorporation or Project Declaration) 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 for periods of no longer than one week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.14. Compensation; Fidelity Bonds. The members of the Board of Directors shall serve without salary or compensation. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

4.15. Conference Call Meetings. Upon proper notice as provided above, the Board of Directors may conduct meetings by telephone conference call where the participating directors can both hear all comments and speak so the other participants can hear. Any business conducted during such conference call shall be deemed to have been conducted at a special or regular meeting of the Board, as may be appropriate.

## ARTICLE FIVE

### Officers

5.01. Designation. The officers of the Association shall be a President, a Vice-President or Vice-Presidents, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. Further, the Board of Directors may, in its discretion, elect an Assistant Secretary and/or an Assistant Treasurer.

5.02. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board. All officers must be eligible for election to the Board of Directors and the President must be elected from among the Board of Directors. One person may hold concurrently the office of Vice-President and Secretary or Vice-President and Treasurer or Secretary and Treasurer, but the President shall serve only in the office of President.

5.03. 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.

5.04. President. The President shall be elected from among the Board of Directors and shall be the chief executive officer of the Association. 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 nonprofit corporation, including, but not limited to, the power to appoint committees from among the members from time to time as may be deemed appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the members of the Association at any regular or special meetings.

5.05. Vice-President. The Vice-President shall have all of the powers and authority and perform all the functions and duties of the President, in the absence of the President or in the President's inability for any reason to exercise such powers and functions or perform such duties.

5.06. Secretary. The Secretary shall keep the minutes of all the meetings of the Board of Directors and the minutes of all 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 last-known addresses as shown on the records of the Association. Such list shall also show opposite each member's name the number or other appropriate designation of the Condominium Unit owned by such member, the ownership interest in the General Common Elements attributable thereto and a description of the Limited Common Elements assigned for exclusive use in connection with such Condominium Unit. 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. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary.

5.07. Treasurer. The Treasurer shall have responsibility for Association funds, shall keep the financial records and books of account of the Association and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in the name, and to the credit, of the Association in such depositaries as may from time to time be designated by the Board of Directors. Assistant treasurers, if any, shall have the same duties and powers, subject to supervision by the Treasurer.

## ARTICLE SIX

### Indemnification and Non-Liability

6.01. Indemnification. The Association shall indemnify every director and officer and the Declarant, and their heirs, executors, administrators, successors and assigns against all loss, costs and expense, including attorney fees, reasonably incurred in connection with any action, suit, or proceeding to which such person may be made a party by reason of being or having been a director or officer of the Association to the full extent permitted by the Articles of Incorporation, except as to matters

as to which such person shall be finally adjudged in such action, suit, or proceeding to be liable for gross negligence or intentional or reckless 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 intentional or reckless 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, 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 Common Expenses. Nothing contained in this Section 6.01 shall, however, be deemed to obligate the Association to indemnify any Owner who is or has been a director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred as an Owner under or by virtue of the Project Declaration, or his ownership of a Condominium Unit, as distinguished from his conduct and activities as an officer or director of the Association.

6.02. Non-Liability of the Directors, Board, Officers, and Declarant. Neither the directors, Board, or officers of the Association, nor Declarant shall be personally liable to the Owners for any mistake of judgment or for any acts or omissions of any nature whatsoever as such directors, Board, officers, or Declarant, except for any acts or omissions found by a court to constitute gross negligence or fraud. Contracts or other commitments made by the Board, officers, or Managing Agent shall be made as representatives of the Association, and they shall have no personal responsibility on any such contract or commitment (except as Owners, to the same extent as other Owners). The liability of any Owner on such contract or commitment shall be limited to such proportionate share of the total liability thereof as his interest bears to the aggregate interest of all the Owners.

## ARTICLE SEVEN

### Amendments

These Bylaws and the Articles of Incorporation may be amended by a majority vote of the Board of Directors, provided that these Bylaws shall at all times comply with the provisions of Colo. Rev. Stat. §38-33-106, as amended, and further provided that any provision which requires an affirmative vote in excess of 51 percent of the ownership interests of those parties who are eligible to vote upon a resolution, or in excess of a majority of the directors, may only be amended by the unanimous vote of the Board of Directors.

## ARTICLE EIGHT

### Miscellaneous

8.01. Notice to Association. Every Owner shall timely notify the Association in writing of the name and address of any Mortgagee, purchaser, transferee, or lessee of his Condominium Unit. The Association shall maintain such information at the office of the Association.

8.02. Proof of Ownership. Except for those Owners who initially purchased a Condominium Unit from Declarant, every person becoming an owner shall immediately furnish to the Board of Directors a photocopy or a certified copy of the recorded instrument vesting in that Person such 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 be entitled to vote at any annual or special meeting of members unless this requirement is first met. The Association may rely upon the proof of ownership provided pursuant to this paragraph for all purposes.

8.03. Registration of Mailing Address. The Owner or several Owners of an individual Unit shall have one and the same registered mailing address to be used by the Association for mailing of monthly 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 a member or members shall be furnished by such member(s) to the Board or Secretary within fifteen days after transfer of title, or after a change of address, and such registration shall be in written form and signed by all of the Owner(s) of the Unit or by such persons as are authorized by law to represent the interest of all of the Owner(s) thereof. The Association may rely upon the registration supplied pursuant to this paragraph for all purposes. If the Owner(s) of a Unit fail to designate a mailing address as required hereby, the Secretary of the Association may mail notices and the like to the address of any of such Owner(s) as set forth in the deed of conveyance, the records of the Summit County Assessor, or as otherwise known to the Secretary, and notice given to any of such addresses shall be deemed to be notice to all of such Owner(s).

8.04. Compliance. These Bylaws are intended to comply with the requirements of the Colorado Condominium Ownership Act. If any provisions of these Bylaws conflict with the provisions of said Act, as said Act may be amended, the provisions of such Act will apply.

8.05. Character of Association. This Association is not organized for profit. No member, member of the Board of Directors, officer, or Person for whom the Association may receive any property or funds shall receive any pecuniary profit from the operation 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 of the Board of Directors, officers, or members, except upon a dissolution of the Association, provided, however: (1) that reasonable compensation may be paid to any member, director, managing agent, or officer while acting as an agent or employee of the Association for service rendered in effecting one or more of the purposes of the Association, and (2) that any member, director, managing agent, or officer 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.

8.06. Conveyances and Encumbrances. Corporate property may be purchased, conveyed, or encumbered for security of monies borrowed by authority of the Association and/or the Board of Directors. Conveyances or encumbrances shall be by instrument executed by the President or Vice-President and by the Secretary or the Treasurer or an Assistant Secretary or an Assistant Treasurer, or executed by such other Person or Persons to whom such authority may be delegated by the Board.

8.07. Inspection of Records. Any Owner or first Mortgagee may, pursuant to Colo. Rev. Stat. § 38-33-107, as amended, inspect the Association's records of receipts and expenditures at any reasonable time during convenient weekday business hours, and, upon 10 days' notice to the Board of Directors or Managing Agent, if any, and upon payment of a reasonable fee, not to exceed \$50.00, any Owner or first Mortgagee of such Owner shall be furnished a statement of account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

8.08. Attachment of Other Liens. In compliance with Colo. Rev. Stat. §38-33-106, notice is given that liens other than mechanic's, assessment liens, or tax liens may attach to the Common Elements.

KNOW ALL MEN BY THESE PRESENTS, that the undersigned Secretary of the Association does hereby certify that the above and foregoing Bylaws were duly adopted by the Directors of said Association as the Bylaws of said Association on the \_\_\_\_\_ day of \_\_\_\_\_, 1990, and that they do now constitute the Bylaws of said Association.

\_\_\_\_\_  
Secretary

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