

AMENDMENT TO BYLAWS OF THE HOMESTEAD AT THREE PEAKS HOMEOWNERS ASSOCIATION, INC

This Amendment to the Bylaws of the Homestead at Three Peaks Homeowners Association, Inc. (hereinafter "Amendment") is made this 27th day of December 2012 by the Homestead at Three Peaks Homeowners Association, Inc. (hereinafter the "Association").

WHEREAS, the Association was established by the Declarant filing certain Declaration of Covenants, Conditions, and Restrictions of the Homestead at Three Peaks with the Summit County Recorder on March 28, 2005 at reception number 785650-51; and

WHEREAS, the Declarant created certain Bylaws of the Homestead at Three Peaks Homeowners Association, Inc. on March 22, 2005 which specifically provide at Article 12.1, "Procedure for Amendments. These Bylaws may be amended by the vote of two-thirds of the Executive Board." and

WHEREAS, these Amendments were published to the general membership of the Association at the November 11, 2012; and

WHEREAS, on February 27th, 2007 the Association came out of Declarant control and held its Organizational Meeting and elected three directors to its executive board.

THEREFORE, the undersigned Directors, constituting all the current Directors of the Association hereby amend the Bylaws as follows:

1) *Article 3.4. Is hereby deleted in its entirety and replaced with the following: Notice of Meetings. Written notice of each meeting of Owners shall be given by, or at the direction of, the Secretary or person authorized to call the meeting at least ten days, but not more than 50 days, before such meeting to each Owner entitled to vote. Notice will be given by electronic means where available and email notices to such unit Owners who have provided email addresses and requested such. Notice may be provided by telephone, facsimile, email, or by first class mail, postage pre-paid and posted in a conspicuous place if feasible. 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. No matters shall be heard nor action adopted at a special meeting except as stated or allowed in the notice.*

2) *Article 3.10 is hereby deleted in its entirety and replaced with the following: 3.10 Proxies. The vote allocated to a Lot may be cast under a proxy duly executed by an Owner. All proxies shall be in writing and filed with the Secretary or designee of the*

Association who may reject any proxy obtained by fraud if there is reasonable basis to doubt validity of such proxy. Such a rejection shall not subject the Secretary or his designee to damages and shall stand as valid unless and until determined otherwise by a court of law.

3) Article 4.1(b) is hereby deleted in its entirety and replaced with the following:
Election of Directors by Owners after the Declarant Control Period. The Executive Board shall be elected by the Owners at the Annual Meeting. Votes for contested positions for Board members at the Annual Meeting will be taken by secret ballot. At the discretion of the Board, or If requested by 20% of lot owners present or represented by proxy, if a quorum has been achieved, secret ballots will be used for a vote on any other matter on which all unit owners are entitled to vote. A committee of unit owners, rather than candidates or Board members, are to count votes. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted. The Executive Board elected by the Owners after the Declarant Control Period has terminated must consist of at least three Owners. These Bylaws may be amended from time to time to increase the number of directors on the Executive Board to any odd number greater than three. No tenant of any lot may be elected to serve as a director on the Executive Board.

4) Article 4 is hereby augmented by the addition of the following subparagraph:
4.7 Executive Board Conflict of Interest. Board members must declare any conflict of interest (defined as financial gain to a Board member; spouse, child, sibling or grandparent of a Board member or their spouse) in open meeting. Such a Board member is prohibited from voting on any matter where such conflict exists but may participate in discussions prior to vote.

5) Article 5.1 is hereby deleted in its entirety and replaced with following:
5.1 Regular Meetings. Regular meetings of the Executive Board shall be held at least once per year at such place and hour as may be fixed by the Executive Board, without notice. The Executive Board may set a schedule of additional regular meeting by resolution, and no further notice is necessary to constitute regular meetings, except as may be required by law. All Regular and Special Meetings, Executive Committee and Committee Meeting of the Association are open to the Membership and lot owners may comment, but not participate in deliberations, before the Board prior to formal actions subject to reasonable time restrictions imposed by the Board.

6) Article 6.1 subparagraph c is hereby deleted in its entirety and replaced by the following:
As part of the adoption of the regular budget, using modified accrual or cash accounting practices, the Executive Board shall include an amount that, in its reasonable business judgment, will establish and maintain a reserve fund for the replacement of those improvements that it is obligated to maintain, based upon age, remaining life, and the quantity and replacement cost of major Common Element

Improvements. Such reserve funds will be held separately, invested conservatively with the majority of funds in fully insured accounts.

7) Article 6.1 subparagraph (n) is hereby deleted in its entirety and replaced with the following:

6.1. (n) Dues are paid monthly and due on the first day of each month. If payment is not received by the 30 day of the month the Board may impose a reasonable charge for late payment Assessments and levy reasonable fines or Assessments provided for or allowed in the Declarations, these Bylaws, and rules and regulations of the Association: including but not limited too,

after 30 days: payment of a \$20/month late fee

after 90 days: filing of lien against the lot

after 120 days: legal action including foreclosure per Board direction

A payment of less than the full amount owed to the Association shall be applied to pay the following (if applicable) in the order and priority listed, from the oldest to the most recent in each category:

1) Attorney fees and costs incurred by the Association and for which the Owner is responsible pursuant to all governing documents and Colorado law

2) Fines, late fees or other monetary charges or penalties

3) Past due Special assessments

4) Past due installments of Regular Assessments

5) Current Special Assessments, and

6) Current payment for Regular Assessment(s)

8) Article 6.3 is deleted in its entirety

9) Article 9.2 is deleted in its entirety and replaced with the following :

Fines {or Violation. The Executive Board may levy reasonable fines for a violation of the Governing Documents or any rules and regulations of the association, but this amount shall not exceed that amount necessary to insure compliance with the Governing Documents or rules and regulations of the Association. Lot owners shall have the right to appeal any such determination by filing with the managing agent of the Association a written statement stating grounds for such appeal or reconsideration. The written statement of appeal shall be distributed to all current board members and after consideration the Board shall vote to uphold, modify or rescind the fine.

10) Article 9.3 is deleted in its entirety and replaced with the following :

Judicial Proceedings. The Association will use mediation or non-binding arbitration prior to litigation in dealing with conflicts between lot owners and the Association. The Association shall have no authority to initiate, maintain, or prosecute any legal action or equitable proceeding, except to enforce the provisions of the Declarations and to collect Assessments due and payable under Article V of the Declaration, unless the owners approve such proceeding by a vote of at least 51% of all

the eligible votes in the Association taken at a special meeting of the Association called for that purpose.

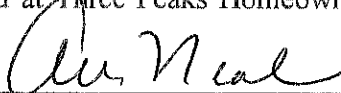
10) Article 12 is hereby deleted and replaced with the following:

12.1 Procedure for Amendments. These Bylaws, as well as any rules and regulations or association procedures may amended by a vote of two-thirds of the Executive Board after being drafted and submitted electronically for review and comment by Owners at least 30 days prior to adoption. Additionally, these Bylaws may also be amended at any Annual Meeting of the Owners or at any special meeting called for the purpose of amending the Bylaws, by the affirmative vote of a majority of a quorum of Owners present at the meeting in person or represented by proxy and eligible to vote. Any amendment shall be binding upon every Owner.

11) Except as specifically altered above, the Bylaws are hereby ratified and affirmed in their entirety.


In witness whereof, the Association has executed this Amendment to Bylaws this 27th day of December 2012.

Homestead at Three Peaks Homeowners Association, Inc.



Anne Marie Neal



Teresa Aigenbright

Matt Mathis

Date: 12/27/12