

**BYLAWS  
OF  
CEDAR MEADOWS CONDOMINIUM ASSOCIATION**

**ARTICLE I  
NAME**

This organization shall be known as Cedar Meadows Condominium Association, a non-profit Colorado corporation, hereinafter referred to as the "Association" or the "Corporation".

**ARTICLE II  
OBJECT**

The corporation does not contemplate pecuniary gain or profit, direct or indirect, to its members. The purposes for which it is formed are primarily to promote the common good, health, safety and general welfare of the owners and residents within the Cedar Meadows Condominium, Phase I, located in the City of Westminster, County of Adams, State of Colorado, (hereinafter referred to as the "Property") and without limiting the generality of the foregoing, for the following purposes and services:

(a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Articles of Incorporation for the Association and in that certain Declaration of Condominium for Cedar Meadows Condominium, Phase I, hereinafter called the "Declaration", applicable to the Property, or a portion thereof, and recorded or to be recorded in the office of the Clerk and Recorder of the County of Adams, Colorado, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length (the terms of which shall control in the event of conflict and shall have the same meanings herein unless otherwise defined);

(b) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all management, office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the Property of the Association;

(c) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) To borrow money, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) To dedicate, sell or transfer all or any part of the Common Elements to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members;

(f) To participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property and Common Elements, pursuant to the Declaration;

(g) To manage, control, operate, maintain, repair, replace and improve the Common Elements without the prior approval of the Unit Owners, except as may be provided in the Declaration;

(h) To enforce covenants, restrictions and conditions affecting any Property to the extent this Corporation may be authorized under the Declaration;

(i) To engage in activities which will actively foster, promote and advance the common ownership interests of Owners of Units, including the interest of the Declarant of the Declarations during its construction and marketing of the Property;

(j) To enter into, make, perform or enforce contracts of every kind and description, and to do all other acts necessary, appropriate or advisable in carrying out any purpose of this Association, with or in association with any person, firm, association, corporation or other entity or agency, public or private;

(k) To have and exercise any and all powers, rights and privileges which a corporation organized under the Colorado Nonprofit Corporation Act by law may now or hereafter have or exercise and to do any other lawful thing that, in the opinion of the Board of Directors, will promote the social welfare, common good and general welfare of the residents and Unit Owners of the Property, protect values and desirability of the Property, enhance the safety of the Property or bring about civic betterment and social improvements for Residents in and around the Property; and

(l) If required by the Declaration, the Association shall not do any act or exercise power or privilege pursuant to this Article II unless the same be approved by the Owners and/or First Mortgagees of the Units to the extent required and in the manner provided in the Declaration.

### ARTICLE III MEMBERSHIP, ACCEPTANCE OF BYLAWS, VOTING, QUORUM, PROXIES

1. **Membership and Acceptance of Bylaws.** Membership in the Association shall include and be limited to Owners of Units in the Property, including Declarant for so long as Declarant shall be the owner of any Unit in the Property, as may be enlarged pursuant to the Declaration. Any person on becoming an Owner of a Unit shall automatically become a member of this Association and be subject to these Bylaws and all present or future Owners, tenants, future tenants or any other person that might use the

Property in any manner shall, by such use, be deemed to have accepted and ratified these Bylaws. Subject to the submission of additional Condominium Units as provided in the Declaration, the aggregate number of members of the Association shall be twelve (12). Each Owner of a Unit shall have one (1) vote; provided, however, that the Declarant at all times until the soonest occurrence of any one of the following events; (a) the relinquishment of this voting right by Declarant; (b) December 31, 1988; or (c) until ninety (90) days following the date that seventy-five percent (75%) of the Condominium Units in the entire Condominium Property (as may be enlarged and supplemented) have been sold by Declarant, shall be entitled to three (3) votes for each Condominium Unit then owned by Declarant; and upon said event(s) Declarant shall then be entitled only to one (1) vote for each Unit owned by Declarant. In the event any said Unit is owned by two or more persons, whether by joint tenancy, tenancy in common, or otherwise, the membership as to such lot shall be joint and a single membership for such Unit shall be issued in the names of all owners of said Unit, and they shall designate to the Association in writing at the time of issuance, one person who shall hold the membership and have the power to vote said membership. No membership shall be issued to any other person or persons except as they may be issued in substitution for outstanding memberships assigned to new Unit Owners.

2. **Transfer of Membership.** A membership in the Association and the share of a member in the assets of the Association shall not be assigned, encumbered or transferred in any manner except as an appurtenance to transfer of title to the Unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a Unit as further security for a loan secured by a lien on such Unit or improvements there-to. A transfer of membership shall occur automatically upon the transfer of title to the Unit to which the membership pertains, but the Association shall be entitled to treat the person or persons in whose name or names the membership is recorded on the books and records of the Association as a member for all purposes until such time as evidence of a transfer of title, satisfactory to the Association, has been submitted to the Secretary. A transfer of membership shall not release the transferor from liability for obligations accrued incident to such membership prior to such transfer. In the event of dispute as to ownership appurtenant thereto, title to the Unit as shown in the records of the Clerk and Recorder of the County of Arapahoe, Colorado shall be determinative.

3. **Voting.** Each member being present in person or by proxy shall be entitled to one vote for each Unit owned by said member.

4. **Quorum.** The presence either in person or by proxy, of at least fifty-one percent (51%) of the members of record shall constitute a quorum of the Association for all purposes unless the representation of a larger group shall be required by law, by the Declaration, by the Articles of Incorporation, or by these Bylaws, and in that event, representation of the number so required shall constitute a quorum.

5. **Proxies.** Votes may be cast in person or by proxy; proxies must be filed with the Secretary before the appointed time of each meeting.

6. **Proof of Ownership.** Any person on becoming an Owner of a Condominium Unit shall furnish to the Mangaging Agent or Board a machine or certified copy of the recorded instrument vesting that person with an interest or ownership in the Condominium Unit, which copy shall remain in the files of the Association. The requirements herein contained in this paragraph 6 shall be first met before an owner of a Condominium Unit shall be entitled to vote at any annual or special meeting of members.

## ARTICLE IV

### ADMINISTRATION

1. **General.** The members of the Association will have the responsibility of operating, implementing and administering the Association and its purposes through a Board of Directors as herein provided.

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 first annual meeting of members of the Association shall be held on or before the second Tuesday in January, 1984. Thereafter, the annual meetings of members of the Association shall be held on the second Tuesday in January or at such other time as a majority of the members may approve. At such meeting members shall be elected to the Board of Directors in accordance with the requirements set forth herein. The members may also transact such other business of the Association as may properly come before them. The order of business at all annual meetings shall be as follows:

- (a) Roll call and certifying proxies
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of minutes of preceding meetings
- (d) Reports of Officers
- (e) Reports of Committees
- (f) Election of Directors
- (g) Unfinished business
- (h) New business
- (i) Adjournment

4. **Special Meetings.** Special meetings of the members for any purpose or purposes other than those set forth in the Declaration or Articles of Incorporation may be called for by the President as directed by resolution of the Board of Directors or upon a petition signed by a majority of the members of the Association. Such petition shall state the purpose or purposes of such proposed meeting.

5. **Notice of Meetings.** The President or Secretary shall give or cause to be given notice of the time, place and purpose of holding each annual or special meeting by mailing or hand-delivering such notice at least ten (10) days but not more than twenty (20) days prior to such meeting, to each member of the Association at the respective addresses of said members as they appear on the records of the Association.

6. **Adjourned Meetings.** If the number of members necessary to constitute a quorum shall fail to attend in person or by proxy at the time and place of meeting, the Chairman of the meeting, or a majority in interest of the members present in person or by proxy, may adjourn the meeting from time to time until the necessary number of Association members shall be in attendance. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting.

7. **Waiver of Notice.** Any member may at any time waive any notice required to be given under these Bylaws or by statute or otherwise. The presence of a member in person at any meeting of the members shall be deemed such a waiver.

8. **Action of Members Without a Meeting.** Any action required to be taken, or any action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

## ARTICLE V

### BOARD OF DIRECTORS

1. **Number and Qualification.** The Association shall be governed by a Board of Directors (which shall be deemed to be a Board of Managers as required under the Condominium Ownership Act, C.R.S. Section 38-33-101, et seq., 1973, as amended) consisting of not less than three (3) nor more than seven (7) members of the Association all of whom shall serve for terms expiring annually upon the Annual meeting of the members of the Association. Where a member of the Association is other than a natural person, one of its officers, principals, partners or agents may be elected to the Board of Directors.

2. **Powers and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by law or by these Bylaws directed to be exercised and done by the members. The powers of the Board of Directors shall include, but not be limited to, all of the rights and duties of the Board of Directors as set forth elsewhere in these Bylaws and the Articles of Incorporation, and in the Declaration, and shall also include the power to promulgate such rules and regulations pertaining to such rights and duties as may be deemed proper and which are consistent with the foregoing. The Board of Directors may delegate such duties as appear in the best interests of the Association and to the extent permitted by law.

The Board of Directors shall have the power to designate, engage, and remove a Managing Agent and other personnel necessary for the operation, maintenance, repair, improvement and replacement of the Property. Without limiting the generality of the foregoing, the Board of Directors' powers and duties include, without limitation, the following all of which shall be done for and on behalf of the Condominium Unit Owners:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration submitting the Property to the provisions of the Condominium Ownership Act of the State of Colorado, the Bylaws of the Association and supplements and amendments thereto;

(b) To establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, rentals, use and occupancy of all the Condominium Units with the right to amend the same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member upon the adoption thereof;

(c) To incur such costs and expenses as may be necessary to keep in good order, condition and repair all of the General and Limited Common Elements and all items of Association personal property;

(d) To insure and keep insured all of the insurable Common Elements and Condominium Units in accordance with the Declaration. To insure and keep insured all of the common equipment and common personal property for the benefit of the owners of the Condominium Units and their first mortgagees. Further, to obtain and maintain comprehensive liability insurance covering the entire premises;

(e) To prepare a budget for the Condominium prior to the commencement of each fiscal year;

(f) To determine the amount of the common expense assessments and reserves payable by the Unit Owners to meet the common expenses of the Condominium Property, and allocate and assess such common expenses among the Unit Owners as set forth in the Declaration and by majority vote of the Board, to adjust, decrease or increase the amount of the monthly common expense assessments. To levy and collect special assessments whenever, in the opinion of the Board, it is necessary to do so in order to meet unforeseen increased operating or maintenance expenses or costs, or unforeseen additional capital expenses, or because of emergencies;

(g) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from a member as is provided in the Declaration and these Bylaws;

(h) To protect and defend in the name of the Association any part or all of the Condominium Project from loss and damage by suit or otherwise;

(i) To borrow funds in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Declaration and these Bylaws, and to execute all such instruments evidencing such indebtedness as the Board may deem necessary and give security therefor.

Such indebtedness shall be the several obligations of all of the members in the same proportion as their interest in the Common Elements. The persons who shall be authorized to execute promissory notes and security instruments shall be the President along with the Treasurer or Secretary;

(j) To enter into contracts to carry out the Board's duties and powers and to hire and fire all personnel necessary for the operation, maintenance, improvement, repair and replacement of the Common Elements (unless the same be delegated to a Managing Agent);

(k) To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable;

(l) To make or cause to be made repairs, additions, alterations and improvements to the Common Elements;

(m) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the members, and to cause a complete audit of the books and accounts;

(n) To prepare and deliver at least annually to each member a consolidated statement showing receipts, expenses or disbursements since the last such statement; \*

(o) To meet at least semi-annually; \*

(p) To control and manage the use of all parking areas, storage areas, solar energy collection, distribution and metering facilities, open spaces and other common property;

(q) To employ for the Association a Manager or Managing Agent who shall have and exercise those duties and powers granted to him by the Board, including those set forth above, but not those powers which the Board, by law, may not delegate provided, however, that any contract with such manager or managing agent shall not be for a term in excess of three (3) years and may be terminated for cause on thirty (30) days (or less) notice and without cause or payment of a termination fee on ninety (90) day (or less) notice;

(r) 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 governing and the operation of this Condominium Property; and

(s) Notwithstanding anything to the contrary set forth herein, the Board of Directors shall not, by act or omission, do or permit anything prohibited by the Declaration, Articles of Incorporation or these Bylaws concerning the Association and Property.

3. **Vacancies.** Vacancies on the Board of Directors caused by any reason shall be filled for the unexpired term of office by vote of the majority of the remaining directors even though they may consist of less than a quorum and each member so elected shall be a director until his successor is duly elected by the members of the Association at the expiration of the term.

4. **Removal of Directors.** At any regular or special meeting of the members, any one or more of the Directors may be removed, either with or without cause, at any time by the affirmative vote of seventy-five percent (75%) of the entire membership of record, and a successor may then be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the members of the Association shall be given an opportunity to be heard at the meeting.

5. **Compensation.** No compensation shall be paid to Directors for their services as Directors. No remuneration shall be paid to a Director for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken.

6. **Meetings.** There shall be a regular annual meeting of the Board of Directors immediately following the annual meeting of the members of the Association, and the Board may establish regular meetings to be held at such other places and such other times as shall be determined from time to time by a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for the meeting.

7. **Special Meetings.** Special meetings of the Board of Directors may be called by the President on ten (10) day notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place 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 like notice upon the written request of at least fifty percent (50%) of the Directors.

8. **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.

9. **Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business, but if at any meeting of the Board there be less than a quorum present, a majority of those present may adjourn the meeting from time to time.



10. **Adjournments.** The Board of Directors may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interest of the Association, provided that no meeting may be adjourned for a period longer than thirty (30) days.

11. **Action of Directors Without a Meeting.** Any action required to be taken, or any action which may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof.

12. **Executive Committee of Board of Directors.** The Board of Directors by resolution adopted by a majority of the Directors in office may designate and appoint an Executive Committee of the Board. The number of members of the Executive Committee and the persons who shall be members thereof shall not be fewer than two (2). Unless limited by resolution of the Board, the Executive Committee shall have and exercise all the authority of the Board of Directors, except that such Committee shall not have the authority to appoint or remove any member of such Committee or any officer or Director of the Association; amend the Articles of Incorporation; restate the Articles of Incorporation; adopt a plan of merger or adopt a plan of consolidation with another Association; authorize the voluntary dissolution of the Association or revoke proceedings therefore; adopt a plan for the distribution of assets of the Association; or amend, alter or repeal any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such Committee. All of the provisions in these Bylaws with respect to notice of meetings of Directors, quorum at such meetings, voting at such meetings and waivers of notice of such meetings shall be applicable to the meetings of the Executive Committee.

## ARTICLE VI

### OFFICERS

1. **Designation.** The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an Assistant Secretary and an Assistant Treasurer, and such other officers as in their judgment may be necessary.

2. **Election of Officers.** The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of Shareholders.

3. **Removal of Officers.** Upon an affirmative vote of a majority of the members of the Board of Directors present at a meeting, 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.

4. **President.** The President shall be the principal executive officer of the Association and subject to the control of the Board of Directors, shall direct, supervise,

coordinate and have general control over the affairs of the Association, and shall have the powers generally attributable to the Chief Executive Officer of a corporation. The President shall be elected from among the Board of Directors and shall preside at all meetings of the members of the Association and the Board of Directors.

5. **Vice President.** The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

6. **Secretary.** The Secretary shall be the custodian of the records and of the seal of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law, and that the books, reports and other documents and records of the Association are properly kept and filed; shall keep minutes of the proceedings of the members, Board of Directors and Executive Committee; shall keep at the registered office of the Association a record of the names and addresses of the Condominium Unit Owners entitled to vote; and, in general, shall perform all duties incident to the office of Secretary and such other duties as may from time to time be assigned to him by the Board of Directors or by the President. The Board may appoint one or more Assistant Secretaries who may act in place of the Secretary in case of his death, absence, inability or failure to act.

7. **Treasurer.** The Treasurer shall have charge and custody of, and be responsible for all funds and securities of the Association, shall deposit all such funds in the name of the Association in such depositories as shall be designated by the Board of Directors, shall keep correct and complete books and records of account and records of financial transactions and condition of the Association and shall submit such reports thereof as the Board of Directors may from time to time require; and, in general, shall perform all the duties incident to the office of Treasurer, and such other duties as may from time to time be assigned to him by the Board of Directors or by the President. The Board may appoint one or more Assistant Treasurer who may act in place of the Treasurer in case of his death, absence, inability or failure to act.

8. **Compensation.** No compensation shall be paid to officers for their services as officers. No remuneration shall be paid to an officer for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken.

## ARTICLE VII

### INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Association shall indemnify every Director or officer, his heirs, executors, administrators and representatives against all loss, costs and expenses, including counsel fees reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Director or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful 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 Board of Directors may determine that the person to be indemnified has not been guilty of gross negligence or willful 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 of, arising out of, or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as an expense of the operation, implementation and maintenance of the Property provided, however, that nothing contained in this Article VII shall be deemed to obligate the Association to indemnify any member or Condominium Unit Owner who is or has been a Director or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Condominium Unit Declaration as a member or Condominium Unit Owner covered thereby.

## ARTICLE VIII

### CORPORATE SEAL

1. The Board of Directors shall provide a suitable corporate seal containing the name of the Association, which seal shall be in the custody and control of the Secretary.

2. The corporate seal shall be in circular form and shall have inscribed thereon the name of the Association and the word "Colorado" in the circle and word "Seal" in the middle. If and when so directed by the Board of Directors, a duplicate seal may be kept and used by such officer or other person as the Board of Directors shall name.

## ARTICLE IX

### OBLIGATIONS OF OWNERS

1. **Assessments.** All members shall be obligated to pay the assessments imposed by the Association to meet the common expenses. The assessments shall be made pro rata according to the provisions of the Declaration. Assessments shall be due

in advance and the Board may further require up to three (3) monthly assessments ("Reserves") be paid and maintained by all members (except Declarant of the Declaration) upon becoming an Owner of a Unit. No interest to members shall accrue on said Reserves and shall be deemed Association property when paid. However, the Association shall properly account for such Reserves upon request, as provided herein. 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, he shall have fully paid all assessments made or levied against him and the Condominium Units owned by him.

2. **Notice of Lien of Suit.** A member shall give notice to the Association of every lien or encumbrance upon his Condominium Unit, other than for taxes and special assessments, and notice of every suit or other proceeding which may affect the title to his Condominium Unit, and such notice shall be given in writing within five (5) days after the Owner has knowledge thereof.

3. **Maintenance and Repair.**

(a) Every member must perform promptly, at his own expense, all maintenance and repair work within his own Condominium Unit which, if omitted, would affect the appearance or the aesthetic integrity of part or all of the Condominium Property.

(b) All the repairs of internal installations of the Unit such as water, light, gas, power, sewage, telephone, sanitary installations, doors, windows, electrical fixtures and all other accessories, equipment and fixtures shall be at the member's expense.

(c) A member shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any General or Limited Common Element damaged by his negligence or by the negligence of his tenants or agents or guests or those Limited Common Elements which an Owner, pursuant to the Declaration, is obligated to maintain.

4. **General.**

(a) Each member shall comply strictly with the provisions of the Declaration and these Bylaws and amendments thereto.

(b) Each member shall always endeavor to observe and promote the cooperative purposes of or the accomplishment of which this Condominium was built.

5. **Uses of Units - Internal Changes.** All units shall be utilized for only residential purposes as is provided in the Declaration.

6. **Use of General Common Elements and Limited Common Elements.** Each Owner may use the General Common Elements, the Limited Common Elements, sidewalks, pathways, roads and streets and other Common Elements, located within the

entire Condominium Project in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners, and subject to the rules and regulations contained in these Bylaws as may be established by the Board.

7. **Right of Entry.** Each member shall and does grant the right of entry to the Managing Agent or to any other person authorized by the Board in case of an emergency originating in or threatening his Unit, whether the member is present at the time or not.

8. **Rules and Regulations.**

(a) The initial rules and regulations, if any, shall be effective until amended or supplemented by the Board.

(b) The Board reserves the right 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. Copies of such rules and regulations shall be furnished to each Owner prior to the date when the same shall become effective.

9. **Destruction and Obsolescence.** Each member upon becoming an Owner of a Condominium Unit, hereby grants his power of attorney in favor of the Association, irrevocably appointing the Association his attorney-in-fact to deal with the member's Condominium Unit upon its damage, destruction or obsolescence, and to consent to any subsequent changes in the member's pro rata share of ownership of each Unit in the Common Elements caused by any enlargement and supplementation of the Condominium Property, all as provided in the Declaration.

ARTICLE X

MISCELLANEOUS

1. **Contracts.** The Board of Directors may authorize any officer or agent of the Association to enter into any contract or execute and deliver any instrument in the name of the Association, except as otherwise specifically required by the Declaration, the Articles of Incorporation or these Bylaws.

2. **Auditing.** At the closing of each fiscal year, the books and records of the Association shall be audited and a report of the same prepared by an Accountant or Bookkeeper. Based on such reports, the Association will have available for inspection by its members, a statement of the income and disbursements of the Association for each fiscal year.

3. **Inspection of Books.** Financial reports, such as are required to be furnished, and the membership records of the Association shall be available at the principal office of the Association at convenient weekday business hours, to be determined by

the Board of Directors from time to time, for inspection by any members, or by any individual or entity holding a first mortgage on a Unit within the Property. Upon ten (10) days notice to the Board of Directors and payment of a reasonable fee to be set by the Board of Directors, any Condominium Unit Owner shall be furnished a statement of his account setting forth the amount of any reserves, unpaid assessments or other charges due and owing from or to such Owner.

4. **Execution of Association Documents.** With the prior authorization of the Board of Directors, all notes, checks and contracts or other obligations shall be executed on behalf of the Association by any two (2) officers of the Association.

5. **Fiscal Year.** The fiscal year of the Association shall be determined by the Board of Directors and shall be subject to change by the Board of Directors should Association practice subsequently necessitate such change.

6. **Budget.** At each annual meeting of the members of the Association, the Board of Directors present for approval thereby a proposed budget of the operation during the forthcoming year. Said budget shall include such items of expense as shall be determined from time to time by the Board of Directors based upon actual and/or estimated expenses, capital outlays and required reserves for the following period.

7. **Notices in General.** All notices or demands intended to be served upon the Association, its Board of Directors, whether pursuant to the Declaration or not, shall also be sent by registered or certified mail, postage prepaid, to the following address: c/o Bruce A. Mutchler, 7168 South Dahlia Court, Westminster, Colorado 80122, unless and until this Bylaw be amended to the contrary.

8. **Election.** The Association shall cause to be filed an affirmative election with the Internal Revenue Service to permit the Association tax-exempt treatment pursuant to Code Section 528 of the Internal Revenue Code of 1954, as amended.

9. **No Waiver of Rights.** The omission or failure of the Association or any Condominium Unit Owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, or other provisions of the Condominium Declaration, the Bylaws, or the Rules and Regulations adopted pursuant thereto shall not constitute or be deemed a waiver, modification or release thereof, and the Board or the Managing Agent shall have the right to enforce the same thereafter.

10. **Notice to Association.** A member who mortgages his Condominium Unit shall notify the Association through the Managing Agent, if any, or the Association's Secretary, giving the name and address of his mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Units."

11. **Notice of Unpaid Common Expenses.** The Association, whenever so requested in writing by a mortgagee of a Condominium Unit, shall promptly report any then unpaid common expenses due from the Owner of its mortgaged Unit, or any other default by the Owners of a mortgaged unit, which is not cured within thirty (30) days.

12. **Notice of Default.** When giving notice to a member of a default in paying common expenses or other default, the Board shall send a copy of such notice to each holder of a mortgage covering such Condominium Unit.

13. **Statement as to Recreational Facilities.** The Property as is presently constituted does not contain any major recreational facility, nor is it contemplated that any new additions of the Property shall contain any major recreational facility.

14. **Effect on Unit Owners of Additions to the Property.** If any new additions of Condominium Units, Common Elements and Limited Common Elements occur as provided in the Declaration, the New Unit Owners (except the Declarant) shall automatically be members of the Association and be entitled to one (1) vote for each Unit owned. The Declarant shall be entitled to three (3) votes for each New Unit held by Declarant until the soonest occurrence of one of the following events: (a) the relinquishment of this voting right by Declarant; (b) December 31, 1988; or (c) until ninety (90) days following the date that seventy-five percent (75%) of the Condominium Units in the entire Condominium Property are sold by Declarant. Upon said event(s) the Declarant shall then be entitled only to one (1) vote for each Unit owned by Declarant. Therefore, the Unit Owners voting rights shall be diminished accordingly. All common expenses for all Owners in the Condominium Property shall at all times be shared equitably and shall change proportionately as additional Condominium Units are submitted to the Condominium Property. All additional Limited and General Common Elements submitted to the Condominium Property shall be owned in common equally with all other Limited and Common Elements by all Owners as if said additions were originally submitted under the Declaration.

15. **Statement as to Additional Liens and Debts.** In accordance with the requirements of the Colorado Condominium Ownership Act, it is possible that liens (in addition to mechanic's liens, assessment liens and tax liens) may be obtained against the Common Elements, including judgment liens and mortgage liens.

## ARTICLE XI

### AMENDMENT OF BYLAWS

1. **Amendment by the Members.** These Bylaws may be amended by the affirmative vote of seventy-five percent (75%) of the members of the Association present or represented by proxy at any regular or special meeting, provided that a quorum as prescribed in Article III herein, is present at any such meeting. Amendments may be proposed by the Board of Directors or by petition signed by at least fifty-one percent (51%) of the members. A statement of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment shall be voted upon. These Bylaws may not be amended insofar as such amendment would be inconsistent with the Declaration.

2. **Amendment by the Directors.** The Directors of the Association by the affirmative vote of two-thirds (2/3) of all of the Directors of the Association may amend

or alter the Bylaws of the Association at any regular meeting or at any special meeting provided that no such alteration or amendment by the Board of Directors shall increase the powers of the Board of Directors. The statement of any proposed amendment shall accompany notice of any regular or special meeting at which such proposed amendment shall be voted upon. These Bylaws may not be amended insofar as such amendment would be inconsistent with the Declaration.

IN WITNESS WHEREOF, the undersigned have hereun to set their hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 1982., ratified by meeting of Directors, April 14, 1983

BOARD OF DIRECTORS:

Donald E. Gager, President

Richard E. Smith Secretary

x Kenneth L. Allen

KNOW ALL MEN BY THESE PRESENTS, that the undersigned Secretary of the Association known as Cedar Meadows Condominium does hereby certify that the above and foregoing Bylaws were duly adopted by the Director of said Association, as the Bylaws of said Association on the \_\_\_\_\_ day of \_\_\_\_\_, 1982., ratified by meeting of Directors, April 14, 1983

[SEAL]

Richard E. Smith  
Secretary