

BY-LAWS
OF
COLONY RIDGE OWNERS ASSOCIATION INC.

ARTICLE I - PURPOSE & OBJECTIVES

1. The objects and purposes for which the Corporation is formed are as follows:
 - A. To maintain or improve roads and streets, including snow removal, for the benefit of the owners of Colony Ridge Subdivision.

ARTICLE II

The name of the Corporation is the Colony Ridge Owners' Association, hereinafter referred to as the "Association". The Association office address is P.O. Box 7324, Loveland, CO 80537.

ARTICLE III - MEMBERS

1. *ANNUAL MEETING*

The annual meeting of the members shall be held on the first Monday in October each year, at the hour of 7:00 p.m. for the purpose of electing officers and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday such meeting shall be held on the next succeeding business day.

2. *SPECIAL MEETINGS*

Special meetings of the members, for any purpose or purposes, may be called by the President and shall be called by the President at the request of not less than the majority of all owners.

3. *PLACE OF MEETING*

The officers may designate any place, convenient to the membership, as the place of meeting for any annual meeting or for any special meeting called by the President.

4. *NOTICE OF MEETING*

Written or printed notice stating the place, day and hour of the meeting and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 30 days before the date of the meeting, either personally or by mail, by or at the direction of the President or the Secretary. If

mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the Association membership rolls of the Corporation with postage thereon prepaid.

5. *VOTING LISTS*

The officer having charge of the membership rolls of the Corporation shall make, at least 7 days before each meeting of members, a complete list of the members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order with the address of such member, which list for a period of 30 days prior to such meeting shall be kept on file by the Secretary/Treasurer of the Association and shall be subject to inspection by any member at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting.

6. *QUORUM*

A. *ANNUAL MEETINGS*

At any annual meeting of members the majority of the lot owners entitled to vote, represented in person, shall constitute a quorum at a meeting of members. If less than said number of the outstanding members are represented at a meeting, a majority of the members so represented such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

B. *SPECIAL MEETINGS*

At any special meeting of members the majority of the lot owners entitled to vote shall be shall be 60 percent to constitute a quorum. (Reference, Article VI, Section 5, Declaration of Covenants recorded June 12, 1981, in the County of Larimer, State of Colorado.)

7. *PROXIES*

Proxies shall be authorized for the sole purpose of assessments at annual or special meetings.

8. *VOTING*

Each member entitled to vote in accordance with the terms and provisions of the Certificate of Incorporation and these By-laws shall be entitled to one vote. Upon the demand of any member, the vote for Directors and upon any question before the meeting shall be by ballot. All elections for officers shall be decided by plurality vote: all other questions shall be decided by majority vote.

9. *ORDER OF BUSINESS*

The order of business at all meetings of the members, shall be as follows:

1. Roll Call
2. Proof of notice of meeting or waive of notice
3. Reading of minutes of preceding meeting
4. Reports of Officers
5. Reports of Committees
6. Election of Officers
7. Unfinished Business
8. New Business.

ARTICLE IV - ADMINISTRATION

1. *ASSOCIATION OFFICERS*

The Owners shall have the right to act as an Incorporated Association and shall elect annually at their meeting: a President, Vice-president and Secretary/Treasurer who shall serve a one year term without compensation. No elected officer or appointed committee member may incur debt to the Association without the approval of the Association.

2. *COMMITTEES*

Elected officers of the Association shall have the right to appoint Members, or select Members from volunteers to serve on committees to work in liaison with the officers to conduct Association business. Committee member term length shall be as needed to complete assigned duties but not to exceed one year without re-appointment. Committee members shall serve without compensation.

3. *COVENANTS*

Recorded Covenants (dated: June 12, 1981; July 21, 1981, and February 26, 1986) for Colony Ridge Subdivision shall continue in effect until such time as the Owners' Association deems it necessary to revise such documents for record.

4. *GIFTS*

The Association Officers may accept, on behalf of the Association, any contribution, gift, bequest or devise for the general purposes or for the special purposes of the Association.

ARTICLE V - OFFICERS

1. NUMBER

The officers of the Association shall be a President, a Vice-president, and a Secretary/Treasurer, each of whom shall be elected by the Association members.

2. ELECTION AND TERM OF OFFICE

The officers of the Association shall be elected at each annual meeting of the Association. Each officer shall hold office until their successor has been duly elected or until their death or until they resign or have been removed in the manner hereinafter provided.

3. REMOVAL

Any officer or agent elected or appointed by the members may be removed by the members whenever in their judgment the best interests of the Association would be served thereby.

4. VACANCIES

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the remaining officers from the unexpired portion of the term.

5. PRESIDENT

The President shall be the principal executive officer of the Corporation and subject to the control of the Association Membership shall in general supervise and control all of the business and affairs of the association. He shall, when present, preside at all meetings of the members. He may sign, with the Secretary or any other proper officer of the Association authorized by the membership, contracts, or other instruments that the membership have authorized to be executed. The President shall: (1) preside at annual and special meetings; (2) see that committee responsibilities are carried out; (3) shall have signature authority to sign checks in the Treasurer's absence; (4) shall appoint a Member Committee of three to conduct an annual audit of the Association Treasury funds; (5) make an annual report to the Association Membership; and in

general shall perform all duties occurring in the office of President and such other duties as may be prescribed by the membership from time to time.

6. *VICE-PRESIDENT*

In the absence of the President or in event of his death, inability or refusal to act, the Vice-president shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-president shall perform such other duties as from time to time may be assigned to him by the President.

7. *SECRETARY*

The Secretary shall: (1) record the votes and keep the minutes of all meetings and proceeding of the Association; (2) serve the notice of Association meetings; (3) keep appropriate current records showing the members of the Association together with their addresses and phone numbers; (4) see that all notices are duly given, in accordance with the provisions of the By-laws, including the Notices of Defaults and Lien Actions are duly given; and such other duties as from time to time may be assigned by the President or be required by the Association.

8. *TREASURER*

The Treasurer shall: (1) receive and deposit in appropriate bank accounts, all moneys of the Association and shall disburse such funds as directed by Association resolution; (2) sign all checks and promissory notes of the Association; (3) keep proper books of account; (4) cause an annual audit to be made by the Association Audit Committee; (5) prepare an annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting; (6) make available to each member the annual budget statement.

9. *SALARIES*

The officers shall not receive salaries, but no officers shall be prevented from receiving payment for expenses as authorized by the Association.

ARTICLE VI - COMPLAINT PROCEDURES

Each member has the right to make complaints to the Association at any time concerning any and all matters for which the Association is responsible for.

Any member making such a complaint shall file a written complaint with any officer of the Association and such complaint shall state: the name, address and phone number of the complaining member, the specific complaint and date of said complaint.

Upon receipt of the complaint by any officer of the Association it shall be immediately forwarded to the Secretary of the Association. Within five (5) days of the receipt of said complaint by the Secretary, a notice of receipt shall be forwarded to the complaining member, all officers of the Association and any and all other persons who may be interested and involved in said complaint. Said notice shall state the time, place and hour of a meeting to be held by the Officers to review the complaint.

If the complaint is received at any time prior to ten (10) days before the next regularly scheduled meeting of the Association it shall be reviewed at that regularly scheduled Board of Directors meeting. However, if the complaint is received within ten (10) days of the next regularly scheduled meeting of all members of the Association, the complaining person and any other interested person shall agree that it shall be heard at said next regularly scheduled meeting. In the event that there is no agreement, said complaint shall be held at a special meeting of the Board of Directors which must be held no later than ten (10) days subsequent to the said next regularly scheduled meeting of the Association.

Upon review of the complaint, the Association is empowered to take whatever action it is empowered to take under the Articles of Incorporation, the By-laws, the Declaration of Protective Covenants and the laws of the State of Colorado in order to carry out its decision with regard to any such complaint.

ARTICLE VII - ASSESSMENTS

1. The membership fee and road assessment fee shall be determined by the Association.
 - (a) Provided that all dues or assessments must be approved by at least a majority of lot owners of the landowners within Colony Ridge Subdivision.
 - (b) The failure to pay said fee shall cause a lien to be placed upon the property owned by said member.
 - (c) The lien so placed upon the property may be foreclosed upon in the same manner as mechanic's lien as provided for by Colorado law which lien shall also include the right to recover all costs and attorney's fees.
2. As more fully provided in the Declaration, each member is obligated to pay the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are

not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 2% above the prime rate per annum and the Association may bring an action of law against the property and interest costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of their Lot.

ARTICLE VIII - FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of October in each year.

ARTICLE IX - SEAL

The Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation, the state of incorporation, the year of incorporation and the words, "Corporate Seal".

ARTICLE X - WAIVER OF NOTICE

Unless otherwise provided by law, whenever any notice is required to be given to any member or officer of the Association under the provisions of these By-laws or under the provisions of the Articles of Incorporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI - AMENDMENTS

These By-laws may be altered, amended or repealed and new By-laws may be adopted by a vote of the members representing a majority of the lot owners at any annual members' meeting or at any special members' meeting when the proposed amendment has been sent out in the notice of such meeting.

ARTICLE XII - DEFINITIONS

Section 1. "Association" shall mean and refer to Colony Ridge Owners Association, Inc., its successors and assigns.

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

- Section 3. "Common Area" shall mean only the roads/streets of the subdivision for which the Owners' Association has the maintenance responsibility.
- Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties.
- Section 5. "Owner" shall mean and refer to the record owner, whether one or more person or entities of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. For the purpose of voting, there shall be one (1) vote per lot.
- Section 6. "Member" shall mean and refer to those persons entitled to membership who are lot owners.
- Section 7. "Assessments" shall mean all moneys due the Association from members as duly assessed against the membership as provided in Article VII hereof.
- Section 8. "Declarant" shall mean and refer to Double Yew Corporation, its successors and assigns, including Winchester Financial Corporation, having acquired undeveloped lots for the purpose of development.

ARTICLE XI - AMENDMENTS

By-laws accepted by the Colony Ridge Owners' Association by majority vote on this _____ day of _____, 1992.

IN WITNESS WHEREOF, we, being all of the officers of the Colony Ridge Owners' Association, Inc., have hereunto set our hands this _____ day Of _____, 1992.
