

BYLAWS  
OF  
SHERWOOD MEADOWS ASSOCIATION, INC.  
(A Non-Profit Colorado Association)

The name of the corporation shall be **Sherwood Meadows Association, Inc.** (hereinafter referred to as the "Association.") 2. **OFFICE** the registered office and the principal place of business of the Association shall be located at the Sherwood Meadows Condominiums, mailing address:

Post Office Box F  
Avon, Colorado 81620

3. OBJECT

**3.1 Purpose** The purpose for which **this** Association is formed is to govern the condominium property ("the Project") bearing the name **Sherwood Meadows** which has been or will be submitted to the provisions of the Condominium Ownership Act of ... \* the State of Colorado by the recording of the Declaration and Haps in the office of the clerk and Recorder of Eagle County, Colorado.

**3.2 Acceptance** All present and future Owners, tenants, . and any other persons using the facilities of the Project therein described in the Declaration and maps shall be subject to these Bylaws. The mere acquisition or rental of any of the condominium units or the mere act of occupancy of any of the condominium units shall signify that these Bylaws are accepted, ratified, and shall be complied with.

4. DEFINITIONS

**4.1 "Association"** means the Sherwood Meadows Association, Inc., a Colorado nonprofit corporation, its successors and assigns formed for the purpose of administering, operating, managing, improving, repairing, and maintaining the Project; assessing and collecting funds for common expenses; enforcing the Declaration, Articles of incorporation, Bylaws, and Rules and Regulations; and acting as attorney in fact or trustee for condominium unit Owners **as set** forth in the Declaration.

4.2

"Board" means the board of directors of the Association, which shall be the same as "board of managers" as that term **is** used in the Colorado Condominium Ownership Act.

**4.3 "Common elements"** means general common elements and limited common elements.

4.4 "Common expenses" means expenses of: administration, operation, and management of the Project, property owned by the Association, and the Association; enforcement of the Declaration, Articles of Incorporation, Bylaws, and Rules and Regulations

of the Association; taxes and charges on property owned by the Association; **construction, additions, alterations**, improvements, repair, maintenance, operation, and replacement of common elements and property owned by the Association; landscaping and care of grounds; common lighting; trash and garbage collection; wages; common water and sewer charges; legal and accounting fees; management fees; obligations and liabilities incurred by the managing Agent or Board on behalf of the Owners under or by reason of this Declaration and the Articles of Incorporation and Bylaws of the Association; and deficit remaining from a previous period; the creation of reasonable contingency, reserve, working capital, and sinking funds; reasonable costs and expenses relating to the common elements; common insurance expenses, including, but not limited to, fire and other hazard insurance premiums and premiums for a .. liability insurance policy, which policy, in addition to covering **public liability**, shall cover all **work on** common elements and **all** of the assets and property owned by or maintained by the Association; costs and obligations declared to be common expenses by provisions of the Declaration or by the Bylaws; and any **additional** expenses specifically approved as common expenses by Owners of more than 50 percent of the undivided ownership of the general common elements in the association. Such common expenses shall be paid in amounts and at times determined reasonable and necessary by the Association.

4.5 "condominium unit" means an individual air space unit together with **the** undivided interest in the common elements appurtenant to such unit.

4.6 "Declarant" means Stroop & Associates, Ltd., **a** Colorado Limited Partnership, its successors and assigns.

4.7 "Declaration" means the condominium Declaration, as **supplemented and amended**, applicable to the Project and **records** in the Office of the Clerk and Recorder, Eagle County, Colorado.

4.8 "General common elements" **means** the land in the Project or the interest therein on which a building or buildings are located; and foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, common entrances and **exits** of such building or buildings; basements, yards, lawns, **gardens**, and streets; **installation** of central common services such as power, light, gas, hot and cold water, heating, refrigeration, and central air conditioning, **if** in the elevators, tanks, pumps, motors, fans, compressors, ducts, and in general all apparatus and installations existing for common use such community amenities as may be provided for in the Declaration and specifically designated as general common elements on the maps and all other parts of the Project necessary or convenient to its existence, maintenance, and safety, or normally in common use.

4.9 "Individual air space unit," sometimes referred to simply as "unit," means an individual air space which is contained in an enclosed room or rooms **occupying all** or part of **a** floor or **153** floors in a building. Each individual air space unit is shown on the Maps, as hereinafter defined, and is identified thereon by a :: number which, together with the interest in the common elements appurtenant to such unit, identifies the condominium unit. The exact boundaries of an individual air space unit are the interior unfinished surfaces of such walls, floors, and **ceilings** which mark

the perimeter boundaries thereof and, where found along such walls, floors, and ceilings, the interior surfaces of built-in fireplaces with their flues in a closed position and windows and doors in the closed position, and the individual air space unit includes both portions of the building so described, the air space so encompass and together with all fixtures and improvements therein contained but not any general common elements which may be within an individual air space unit.

**4.10 "Limited common elements"** means those common elements designated in the Declaration and on the maps as reserved for use by fewer than all the owners of the individual air space units.

**4.11 "Managing Agent"** means the agent, if any, employed by the Association to manage the Project in accordance with directions of the Association of Owners acting through the Board. : 4.12 "Maps" means the map or maps, as supplemented and amended, filed for record with the clerk and Recorder of Eagle County, Colorado, to describe the Project. The maps shall depict the Project and its component parts to clearly show at least the following: (1) boundary description of the Project, (2) the location of all buildings and other improvements thereon, (3) the floor and wall thickness and building elevations, (4) condominium units by number, (5) general common elements, and (6) limited common elements with description of use limitation.

**4.13 "Mortgagee"** means any person or entity who is a mortgagee under a mortgage or a beneficiary under a deed of trust or similar security instrument encumbering a condominium unit. Any term expressing a percentage of mortgagees such as "majority of mortgagees" or "67 percent of the mortgagees" shall mean those mortgagees of the described percentage of the total undivided ownership of the common elements. "First mortgagee" means the mortgagee under such instrument which is paramount and most senior of all such instruments encumbering a condominium unit.

**4.14 "Owner"** means the record owner, whether one or more persons or entities, of the fee simple title to any condominium unit which is a part of the Project, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. Owner means "member" of the Sherwood Meadows Association, Inc. in accordance with the provisions of its Articles of Incorporation and Bylaws and under the Colorado non Profit Corporation Act. Each Owner shall be a member so long as he or she is an Owner. Any term expressing a percentage of ownership such as "majority of Owners" or "67 percent of the Owner" shall mean those Owners of the described percentage of the total undivided ownership of the common elements and those Owners entitled to cast the described percentage of the total votes in the Association

**4.15. "Project"** incanse the condominium property, including land and improvements, bearing the name Sherwood Meadows, situate in the Town of Avon, county of Eagle, State of Colorado, which has been submitted to the provisions of the Colorado condominium Ownership Act by the recording of the Declaration and Naps. The Project is described in Exhibit "B" to the Declaration, as supplemented.

**4.16.** All applicable portions of definitions as contained in Colorado Revised Statutes Section 38-33-103 (1973), shall apply to these Bylaws and the Project except as modified or changed by individual definition contained in these Bylaws..

**5. ASSOCIATION MEMBERSHIP AND MEETINGS.**

**5.1. Membership.** Each Owner shall be a member of the Association. Upon becoming an Owner of a condominium unit, a person shall automatically become a member of this Association and be subject to

these Bylaws. Such membership shall terminate without any formal Association action whenever any **person ceases to own a** condominium unit; "but such termination shall not **relieve or release** any such former Owner from any liability or **obligation incurred** or in any way connected **with this Association, nor impair any rights or remedies which the Association or others may have against such former Owner** arising out of or in any **way connected with being** an Owner or member of the Association.

5.2. Voting. One vote may be cast for each condominium unit: ten more than one person or entity are Owners of any one condominium unit, all such persons or entities shall be Owners. The vote such condominium unit shall be exercised **as they** among themselves determine, but in no event shall more than one vote be cast with respect to any one condominium unit. If total or partial title to a condominium unit is **held** by a corporation, the corporation shall cause a proxy to be executed **appointing one person** or alternate persons to attend all annual and special meetings of it and have the right to cast the vote of the corporation. Cumulative vote is optional.

5.3. Majority of Owners. As used in these Bylaws, the term "**majority of Owners**" shall mean those Owners entitled to cast more than 50 percent of the total votes in the Association, and shall mean Owners of more than 50 percent of the total undivided ownership of the general common elements. The term "**x percent of the Owners**" shall mean those Owners entitled to cast X percent of the total votes in the Association.

5.4. Quorum. Except as otherwise provided in the Declaration, the Association Articles of Incorporation, or these Bylaws, the presence in person or by proxy of Owners entitled to cast 10 percent **of the total votes in the Association** shall constitute a quorum. If, however, such **quorum** shall not be present or represented at any meeting, the Owners entitled to vote thereat shall have power to adjourn the meeting from time to time, **without notice** other than announcement at the meeting, until a quorum shall be constituted. Once a quorum is present, a majority of the votes represented, cast either in person or by proxy, shall be required for the adoption of a matter to be voted upon, except as otherwise provided in the Declaration, the Articles of Incorporation, or these Bylaws.

5.5. Place of Meeting. Meetings of the Owners in the Association shall be held at such place within the State of Colorado as the Board may determine.

5.6. Annual Meetings. The annual **meeting of the Owners in the Association** shall be held during the month of **August** each year (unless another month is designated by the Board) on a day and at an hour designated by the Board. At such **annual meeting**, there shall be elected by the owners a Board of Directors in accordance with these Bylaws. The owners may also transact such other business of the Association as may properly come before them.

5.7. Special Meetings. Special meetings of the **Owners in the Association** may be called at any time by or at the direction of the president or the Board. Upon written petition for a special

5.8. Notice. Written notice of each meeting of the Owner: "in the Association shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days and no more than 50 days before such meeting, except as otherwise provided in the Declaration, the Association Articles of Incorporation, or the Bylaws, to

each Owner entitled to vote thereat, addressed to the Owner's address last appearing in the books of the association, Supplied by such Owner to the Association for the purpose of the notice. Such, notice shall specify the place, day, and hour of the meeting, and, in such case of a special meeting, the purpose of the meeting.

**5.9. Proxies.** At all meetings of Owners in the Association each Owner may vote in person or by proxy. All proxies shall be writing and filed with the secretary of the meeting. Every proxy shall be revocable and shall automatically terminate upon conveyance by the owner of Owner's condominium unit. Corporations are required to appoint a proxy attorney in accordance with Section 5.2.

**5.10. Order of Business.** The order of business at all meeting of the Owners 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 meeting
- (d) Reports of committees.
- (d) Reports of officers.
- (e) Election of directors.
- (f) Unfinished business.
- (g) New business
- (h) Adjournment.

**5.11. Action Taken without a Meeting.** The Owners shall the right to take any action in the absence of a meeting which could take at a meeting by obtaining the written consent to act c. of all the owners. Any action so approved shall have the same effect as though taken at a meeting of the owners.

## **6. BOARD OF DIRECTORS.**

**6.1. Number and Qualification.** The persons named in the

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Articles of Incorporation as the initial Board, and any replace:

directors selected by the remaining directors in the event of a

vacancy, shall serve as the Board until the first annual meetir:

of the Association Owners. At such annual meeting, there shall elected from among the owners a

Board which shall thereafter go

the affairs of this Association. The Board shall consist of th

persons who shall serve for their terms of office as set forth low and until their successors have been duly elected and quali

... **6.2. Nomination.** Nomination for election to the Board st: be made from among the Owners by a Nominating Committee. Nomir tions may also be made from the floor at the annual meeting of The Nominating Committee shall consist of a chairman who shal:

a member of the Board and two or more Owners who may or may no be members of the Board. The Nominating Committee shall be apr ed by the Board. The Nominating Committee shall make as many , ations for election to the Board as it shall in its discretion to termine, but not less than the number of vacancies that are to be filled.

### 6.3. Election

Election to the Board shall be by secret, written ballot. At such election, the Owners or their proxies cast, in respect to each vacancy, one vote per condominium unit. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

**6.4. Regular Meetings.** Regular meetings of the Board shall be held no less frequently than quarterly and may be held monthly with notice, at such place and hour as may be fixed from time to time by the Board. Meeting addressed to the president or the Board signed by Owners who are entitled to vote at least 25 percent of all the votes of the Association, the president or Board, within 15 days therein shall give notice of a special meeting of Owners.

**6.5. Special Meetings.** Special meetings of the Board shall be held and called by the president of the Association, or by any three directors, after notice to each director, such notice to be given in person, or by mail, telephone, telegraph, or wireless so that notice is received not less than three days prior to the meeting.

**6.6. Quorum.** A majority of the number of Directors then holding office shall constitute a quorum for the transaction of business. Except as otherwise specifically set forth in these By laws, every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of office. At the first annual meeting of the Association owners, the Owners shall elect one director for a term of one year, one director for a term of two years, and one director a term of three years. At each annual meeting thereafter, Owners shall elect one director for a term of three years to replace the outgoing director. Except as otherwise provided in the Bylaws, the directors shall hold office until their successors have been elected and qualified.

**6.6.1. Removal and Filling Vacancy.** Any director may be removed from the Board, with or without cause, by vote of a majority of Owners and by the Board as provided in Section 6.12.3 below in the event of death, resignation, or removal of a director, that director's successor shall be selected by the remaining director on the Board and shall serve for the unexpired term of his or her predecessor director.

**Compensation.** No director shall receive compensation for any service rendered to the Association. A director may, however, be reimbursed for actual expenses incurred in the performance of duties as a director.

**6.10. Action taken without a Meeting.** Any action required by the Colorado Nonprofit Corporation Act or other law to be taken at a meeting of the directors 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, is signed by all of the directors entitled to vote with respect to the subject matter thereof, as the case may be. This consent shall have the same force and effect as a unanimous vote and may be stated as such in any document.

**6.11. Fidelity Bonds.** The Board may require that all officers, employees, and Managing Agents of the Association who handle or are responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense of the Association.



**6.12. Powers.** The Board shall have the powers necessary 1 the administration of **the** affairs of the Association and for the operation and maintenance of the Project as a first class residential condominium property including, but not limited to, the power to:

**6.12.1.**

Adopt, amend, and publish rules and regulations governing the operation and use of the general common element and the personal **or** conduct of the owners and their guests, tenants, Invitees, family members, or licensees thereon, and to establish penalties for the infraction whereof;

**6.12.2.** Suspend the voting rights of an Owner and the Owner's right to use any recreational facilities under the control of the Association during any period when such Owner shall **in** default in the payment of any assessment **levied** by the Association. Such rights, after **notice** and **hearing before** the Board, may also be suspended for a definite period **for** infraction of public rules and regulations:

**6.12.3.** Remove a director **from** the Board in the e such director shall be absent from three consecutive meetings of

Board;

**6.12.4.** Employ and remove a Managing Agent or Har Agents, employees, and independent contractors as the Board deems necessary, and prescribe Managing Agents' and employees' duties

**6.12.5.** Administer and enforce the covenants, conditions, restrictions, easements, **uses, limitations,** obligations, and all other provisions set forth in the Declaration submitting the Project to the provisions of the Colorado Condominium Ownership Act;

**6.12.6.** Incur such costs, expenses, and debts **as** may be necessary to keep in good order, condition, and repair all of the general and limited common elements and all items of com mon personal property and all property of any nature owned by the Association

**6.12.7.**

Collect delinquent assessments by suit or

otherwise and to enjoin or seek damages from an Owner as is **provided in the Declaration and these Bylaws**; enforce a late charge **and** collect costs, **attorney fees, and** interest as provided in Section II

**6.12.8.** Protect and defend by suit or otherwise, in the name of the Association, any part or all of the Project and Association property or interest; borrow funds in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions **of the Declaration or these Bylaws,** and to cause any two proper officers 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 **Owners in** the same proportion as their interest in the general common elements;

**6.12.9.** Enter into contracts to carry out its duties and powers

**6.12.10. Establish a bank account or bank accounts for the Association Treasury and for all separate funds which are required or may be deemed advisable;**

**6.12.11. Make repairs, additions, alterations, and improvements to the general common elements and limited common elements consistent with managing the Project as a first class condominium property and consistent with the best interests of the owners;**

**6.12.12. Keep and maintain full and accurate books and records showing all of the receipts, expenses, and disbursement and to permit examination thereof at any reasonable time by any owner;**

**6.12.13. Control and manage the use of general common use general common parking areas;**

**6.12.14. Delegate such powers to the Managing Agent of the Association as deemed appropriate by the Board, but the Board shall in all events remain responsible for actions of the Managing Agent:**

**6.12.15. Exercise for the Association all powers, duties, and authority vested in or delegated to the Association and not reserved to the Owners by other provisions of these Bylaws, the Articles of Incorporation, the Declarations, or the Colorado Nonprofit Corporation Act.**

**6.13. Duties. It shall be the duty of the Board to;**

**6.13.1. Cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Owners at the annual meeting of the owners, or at any special meeting when such statement is requested in writing by - 25 percent of the Owners;**

**6.13.2. Supervise all officers, agents, and employ ees of the Association, to see that their duties are properly per formed, and, as more fully provided in the Declaration and Section II of thcsc Bylaws, to set and collect assessments;**

**6.13.3. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates.. If a certificate states an assessment has been paid, such certification**

**6.13.4. Procure and maintain adequate liability and hazard insurance on property owned by the Association, and on the general and limited common elements, as it may deem appropriate;**

**6.13.5., cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate:**

**6.13.6. Cause the general common elements and limit common elements to be maintained;**



6.13.7. Prepare a budget for the Association at least annually in order to determine the amount of the common assessment payable by the Owners to meet the common expenses of the Association and allocate and assess such common ownership interests in and to general common elements, and by a majority vote of the Board to adjust, decrease, or increase the amount of the assessments, and remit or return any excess of assessments over expenses, working capital, sinking funds, reserve for deferred maintenance and for replacement to the Owners at the end of each operating year; there shall be no division of the assessment charges between general and limited common elements.

6.13.8. 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.

## 7. OFFICERS.

7.1. Enumeration of Officers. The officers of this association shall be a president' and vice-president, who shall at all times be members of the Board, and a secretary, a treasurer, and such other officers as the Board may from time to time create secretary, treasurer, and such other officers need not be members of the Board nor Owners.

7.2. Election of officers. The election of officer's shall take place at the first meeting of the Board following each annual meeting of the owners.

7.3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one year unless he or she shall sooner resign, or shall be removed, or other wise shall be unable or disqualified to serve.

7.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

7.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified there. in and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

7.6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

7.7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except that more than one of the special offices created pursuant to Section 7.4 maybe held by one person in addition to an enumerated office.

**7.8. President.** The president shall be elected from the Board of Directors and shall preside at all meetings of the Board and meetings of the Owners; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments; and may sign promissory note on behalf of the Association.

**7.9. Vice-President.** The vice-president shall act in the place and stead of the president in the event of his or her absence inability or refusal to act, and shall exercise and discharge such other duties as may be required by him or her by the Board.

**7.10. Secretary.** The secretary shall record the vote and keep the minutes of all meetings and proceedings of the Board and of the Owners; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Owners; keep appropriate current records show the Owners in the Association together with their addresses; may sign promissory notes on behalf of the Association; and perform such other duties as required by the Board.

**7.11. Treasurer.** The treasurer shall supervise the receipts and deposit in appropriate bank accounts of all monies of the Association and shall disburse such funds as directed by resolution of the Board; may sign promissory notes of the Association on behalf of the Association; keep proper financial records and books of account, cause an annual audit of the Association books to be made in an independent accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Owners at their regular annual meeting, and deliver a copy of each to the owners. The treasurer may assign these duties to the Managing Agent for the Association but shall remain responsible for proper discharge of these duties

**8. COMMITTEES.** The Board shall appoint a Nominating Committee, as provided in these Bylaws, and may establish an Architectural control Committee. In addition, the Board shall appoint other committees as deemed appropriate for carrying out the objectives of the Association.

#### **9. INDEMNIFICATION OF OFFICERS, DIRECTORS AND MANAGING AGENT.**

**9.1. Indemnification.** The Association shall indemnify director, officer, Managing Agent, his or her heirs, legal representatives, and successors against all losses, costs, and expenses, including attorney fees, reasonably incurred by him or her in connection with any 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 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 willful misconduct in the performance of his or her duty as such director, officer, or Managing Agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such director, officer, or Managing Agent may be entitled. All liability, loss, damage, cost, 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; provided, however, that nothing contained in this Section shall be deemed to obligate the Association to indemnify any Owner of a condominium unit who is or has been a director or officer of the Association with respect to any duties or obligation assumed or liabilities incurred by him or her under and by virtue of the Declaration.

9.2. Limitation of Liability. Contracts or other commitments made by the Board, officers, or the Managing Agent shall be made in those corporate capacities or as agent for the Association of Owners, and the directors, officers, or Managing Agents shall have no personal liability on such contract or commitment (except as Owner), and the liability of any Owner on any such contract or Commitment shall be deemed to be a common expense and limited to such Owner's proportionate share of such common expense.

10. BOOKS AND RECORDS. The Board shall cause to be kept for the Association detailed, accurate records of the receipts and expenditures affecting the Association. Such records shall be available for examination by the owners and their mortgagees at reasonable times on business days. Upon 10 days' notice to the managing Agent or Board and payment of a reasonable fee to the Association, any Owner shall be furnished a statement of his or her account setting for the amount of any unpaid assessments or other charges due and owing from such Owner. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any Owner at the principal office of the Association, where copies may be purchased by the owner at reasonable cost.

11. ASSESSMENTS. As provided in the Declaration, each Owner is obligated to pay to the Association monthly and special assessments which are secured by a continuing lien upon the condominium unit against which the assessment is made. From time to time, the Board by resolution shall fix the basic monthly assessments against each condominium unit. Special assessments shall be imposed in the amounts and with the due dates established by the Board. The Board or Managing Agent shall cause written notice of each assessment to be delivered or mailed to each Owner subject thereto. Any assessment which is not paid when due shall be delinquent. If the assessment is not paid within 10 days after the due date, the assessment, plus a late charge of no more than 10 percent of the assessment, plus costs and reasonable attorney fees whether or not suit is filed, shall bear interest from the date of delinquency the rate of 12 percent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same and foreclose the lien against the condominium unit. Suit to recover a money judgment for delinquent assessments shall be maintainable without foreclosing the lien, but such suit shall not be construed to be a waiver of the lien. No Owner may waive or otherwise escape liability for the assessments provided for herein by not using the general common elements or by abandonment of his or her condominium unit.

## 12. SERVICES.

The Association shall provide the services set forth in the Declaration which shall be paid for out of the assessments. All such services are generally intended to maintain and manage the project as a first class condominium property.

## 13. DEEDS OF TRUST AND MORTGAGES.

13.1. Notice to Association. An Owner who mortgages his or her unit shall notify the Association through the Managing Agent if, any, or the secretary of the Association, giving the name and address of his or her mortgagee or beneficiary under deed of trust. The Association shall maintain such information in a book entitled "Mortgagees of Condominium Units."

**13.2. Notice of Unpaid Assessments.** The Board, whenever so requested by a mortgagee of a condominium unit, shall report any unpaid assessment due from the owner of a mortgaged condominium unit which is not paid within 60 days of due date.

**13.3. Notice of Default.** The Board, whenever so request, by a mortgagee of a condominium unit, shall report any other default under the constituent condominium documents by the owner of a mortgaged condominium unit which default has not been cured within 60 days.

**13.4. Examination of Books.** Each Owner and each mortgage of a condominium unit shall be permitted to examine the books of account of the Association at reasonable times on business days

**13.5. Mortgagees as Proxies.** Owners shall have the right to irrevocably constitute and appoint mortgagees and beneficiaries: of deeds of trust their true and lawful attorneys to vote their interest in this Association at any and all meetings of the Association and to vest in such beneficiaries or their nominees any and rights, privileges, and powers that they have as Owner under the Articles of Incorporation and Bylaws of this Association or by virtue of the Declaration. Such proxy shall become effective upon the filing of a notice by the mortgagee or beneficiary with the secretary of the Association at such time or times as the mortgage or beneficiary shall deem its security in jeopardy by reason or the failure, neglect, or refusal of the Association, Managing Agent or the Owners to carry out their duties as set forth in the Declaration.

A release of the mortgage or the beneficiary's deed of trust shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve Owners as mortgagors, of their duties and obligations as condominium unit Owners or to impose upon the beneficiaries of the deeds of trust the duties and obligations of the owners.

**14. CORPORATE SEAL.** The Association shall have a seal in circular form having within its circumference the words: Sherwood Meadows Association, Inc.

**15. FISCAL YEAR.** The fiscal year of the Association shall begin on the first day after the filing of the Articles of Incorporation of the Colorado Secretary of State and shall end 364 days after such filing.

**16. GOVERNING LAW.** The Association is a Colorado nonprofit corporation and shall be governed by the Colorado Nonprofit Corporation Act, as amended from time to time. The Association and the Project are also submitted to the Colorado Condominium Ownership Act.

Should any of these Bylaws conflict with the Articles of Incorporation of this Association, the Articles of Incorporation shall control.

Should these Bylaws or the Articles of Incorporation conflict with the Declaration, the Declaration shall control.

Should the Articles of Incorporation of this Association conflict with Colorado law, including but not limited to, the above named acts, Colorado law shall control.

17. CONSTRUCTION OF PROVISIONS. The headings in these Bylaws are for convenience only and, in case of conflict between a heading, and the text, the text shall govern. When words are used in these Bylaws, unless the context shall otherwise specifically provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

18. SEVERABILITY. If any provision of these Bylaws or any provision, section, sentence, clause, phrase, or word, or the applicant thereof in any circumstance, is held in doubt or hold to be individual validity of the remainder of the Bylaws, and any other application provision, section, sentence, clause phrase, or word shall not be affected thereby.

19. AMENDMENT. These Bylaws may be amended at a meeting of the Board by a two-thirds vote of the directors then holding office at a meeting of Owners called for such purpose in which the amendment is approved by Owners representing an aggregate interest of such meeting of at least two-thirds of the general com on elements. The notice of such meeting of Owners shall contain a summary of the proposed changes or a copy of such proposed changes. The Bylaws may contain any provisions for the regulation or management of the affairs of the Association not inconsistent with law or the Articles of Incorporation and shall always contain each one of the particulars set forth in Colorado Revised Statutes Section 18-33-10 (Supp. 1975), as amended. 20. CERTIFICATION. The undersigned secretary of this Association does hereby certify that the above Bylaws were duly adopted by the Board as the Bylaws of this Association on this 2 1980.

ATTEST:

vilben lshoop  
Secretary  
Secretary

(SEAL)