

**BYLAWS
OF
PINERY 20 HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is PINERY 20 HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be c/o U.S. Home Corporation, 5970 Greenwood Plaza Boulevard, Suite 310, Englewood, Colorado 80111, but meetings of members and directors may be held at such places within the State of Colorado as may from time to time be designated by the Executive Board of the Association ("Executive Board" or "Board").

**ARTICLE II
PURPOSE**

The purpose for which the Association is formed is to govern the Units, exercise the rights, power and authority, and fulfill the duties of the Association, as provided in that certain Declaration of Covenants, Conditions and Restrictions of The Pinery, Filing No. 20, and any amendments and supplements thereto, recorded or to be recorded in the office of the Clerk and Recorder of Douglas County, Colorado ("Declaration") (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined), and those certain Articles of Incorporation of Pinery 20 Homeowners Association, Inc., and any amendments thereto, now or hereafter filed in the office of the Secretary of State of the State of Colorado, as amended ("Articles of Incorporation"). All present and future Unit Owners, tenants, occupants, and any other Person who may use the Units, the Common Elements, or any portion thereof, or any facilities or appurtenances thereto or thereon, in any manner, shall be subject in all respects to the covenants, conditions, restrictions, reservations, easements, regulations, and all other terms and provisions set forth in the Declaration, Articles of Incorporation and these Bylaws. The mere acquisition, rental or occupancy of any Unit, or any portion thereof, shall signify that all terms and provisions of the Declaration, Articles of Incorporation and these Bylaws are accepted, ratified and shall be complied with.

**ARTICLE III
MEETINGS OF MEMBERS**

1. Annual Meetings. The first annual meeting of the Members shall be held within twelve (12) months from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year as the month in which the first annual meeting was held, the specific date and time thereof to be designated by the Executive Board from time to time. At each annual meeting, the Members shall elect directors to fill vacancies and conduct such other business as may properly come before the meeting.

2. Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the

April 2

Executive Board or by Unit Owners having at least twenty percent (20%) of the votes of the Association.

3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary of the Association or Person authorized to call the meeting. Not less than ten (10) nor more than fifty (50) days in advance of such meeting, the Person giving such notice, as aforesaid, shall cause notice of the meeting to be hand delivered or sent prepaid by United States mail to the mailing address of each Unit or to any other mailing address designated in writing by the Unit Owner. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, and any proposal to remove an officer or member of the Executive Board.

4. Quorum

(a) A quorum is deemed present throughout any meeting of the Association if Persons entitled to cast twenty percent (20%) of the votes which may be cast for election of the Executive Board are present, in person or by proxy, at the beginning of the meeting.

(b) Unless otherwise specifically provided by the Declaration, the Articles of Incorporation, these Bylaws or by statute, all matters coming before a meeting of Members at which a proper quorum is in attendance, in person or by proxy, shall be decided by the vote of a majority of the votes validly cast at such meeting.

5. Proxies

(a) If only one of the multiple Unit Owners of a Unit is present at a meeting of the Association, such Unit Owner is entitled to cast all votes allocated to that Unit. If more than one of the multiple Unit Owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the Unit Owners, unless the Declaration expressly provides otherwise. There is majority agreement if any one of the multiple Unit Owners casts the vote(s) allocated to that Unit without protest being made promptly to the Person presiding over the meeting by any of the other Unit Owners of the Unit.

(b) Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit Owner. If a Unit is owned by more than one Person, any Unit Owner of such Unit may register protest to the casting of votes by any other Unit Owner of such Unit through a duly executed proxy; but each Unit shall only have the total number of vote(s) allocated to it, as provided in the Declaration. A Unit Owner may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the Person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date unless it provides otherwise.

6. Security Interest Holders of First Security Interests. Each Security Interest Holder of a First Security Interest shall have the right to designate a representative to attend all meetings of Members.

ARTICLE IV
EXECUTIVE BOARD - SELECTION - TERM OF OFFICE

1. Number. The affairs of this Association shall be managed by an Executive Board of three directors. Directors shall be Members which, in the case of Declarant, may include any officer, director, employee or authorized agent of Declarant and, in the case of other corporate Members, may include the officers and directors of each such corporate Member.

2. Term of Office.

(a) No later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units that May Be Created to Unit Owners other than a Declarant, at least one (1) member and not less than twenty-five percent (25%) of the members of the Executive Board must be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units that May Be Created to Unit Owners other than a Declarant, not less than thirty-three and one-third percent (33-1/3%) of the members of the Executive Board must be elected by Unit Owners other than the Declarant.

(b) Except as otherwise provided in these Bylaws, during the Period of Declarant Control, the Declarant or Persons appointed by the Declarant may appoint all officers and directors and remove all officers and directors of the Executive Board appointed by it. Not later than termination of the Period of Declarant Control, the Unit Owners shall elect an Executive Board of at least three (3) members, at least a majority of whom must be Unit Owners other than the Declarant or designated representatives of Unit Owners other than the Declarant. The Executive Board members so elected shall take office upon election.

(c) Any director of the Executive Board who is elected by the Members prior to termination of the Period of Declarant Control shall serve for one (1) year or until such director's duly-elected successor takes office on the Executive Board, whichever occurs later. At the first annual meeting of the Association held subsequent to termination of the Period of Declarant Control, the Members shall elect one director for a term of one year, one director for a term of two years, and one director for a term of three years. At each annual meeting thereafter, the Members shall elect the same number of directors as there are directors whose terms are expiring at the time of each election, for terms of two years.

3. Removal. The Unit Owners, by a vote of sixty-seven percent (67%) of the Association votes cast by Persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any member of the Executive Board with or without cause, other than an Executive Board member

appointed by the Declarant. Declarant may at any time remove, and appoint the successor of, any member of the Executive Board who was appointed by the Declarant. In the event of death, resignation or removal of a director, his or her successor shall be selected by a majority of the remaining members of the Executive Board, whether or not such remaining members constitute a quorum, and shall serve for the unexpired term of the director being replaced; provided, however, that the Declarant may appoint the successor of any director who served in such capacity as a result of being appointed by the Declarant.

4. Compensation. No director shall receive compensation for any service rendered to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of the director's duties.

5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

1. Nomination. Nomination for election to the Executive Board may be made by a nominating committee if such a committee is appointed, from time to time, by the Executive Board. Nominations may also be made from the floor at any Member meeting.

2. Election. Election to the Executive Board shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The Persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI MEETINGS OF EXECUTIVE BOARD

1. Regular Meetings. Regular meetings of the Executive Board shall be held not less often than quarterly, without notice, at such place and hour as may be fixed from time to time by the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

2. Special Meetings. Special meetings of the Executive Board shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days' notice to each director.

3. Quorum; Actions of Executive Board. A quorum is deemed present throughout any meeting of the Executive Board if Persons entitled to cast fifty percent (50%) of the votes on the Executive Board are present at the beginning of the meeting. 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 Executive Board

ARTICLE VII
POWERS AND DUTIES OF THE EXECUTIVE BOARD

1. **Powers.** The Executive Board shall have power to:

(a) adopt and publish rules and regulations governing the use of the Units, the Common Elements, the Common Interest Community, or any portion thereof, and any facilities thereon and the personal conduct of the Members, their guests and other Persons thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and the right of a Member to use recreational facilities, if any, during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of these Bylaws or published Association rules and regulations;

(c) enter into, make, perform or enforce contracts, licenses, leases and agreements of every kind and description; provided, however, that the foregoing rights with respect to contracts and leases shall be subject to the express limitations, if any, contained in the Act;

(d) provide for direct payment of assessments to the Association from Unit Owners' checking, credit or other accounts;

(e) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;

(f) declare the office of a member of the Executive Board to be vacant in the event such member shall be absent from three (3) regular meetings of the Executive Board during any one year period; and

(g) employ a manager, an independent contractor, or such other employees as they deem necessary, and prescribe their duties.

2. **Duties.** It shall be the duty of the Executive Board to:

(a) cause to be kept a complete record of all its acts and corporate affairs and present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by Unit Owners entitled to cast at least one-fourth (1/4) of the votes at such meeting;

(b) supervise all officers, agents, and employees of the Association, and see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) determine the amount of the annual assessment against each Unit, from time to time, in accordance with the Association budget, and revise the amount of the annual assessment if such budget is rejected by the Unit Owners; and

(2) foreclose the lien against any Unit for which assessments are not paid within such time as may be determined by the Executive Board from time to time, or bring an action at law against the Person personally obligated to pay the same;

(d) issue, or cause an appropriate officer or authorized agent 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 that an assessment has been paid, such certificate shall be conclusive evidence of such payment as to all Persons who rely thereon in good faith;

(e) procure and maintain insurance, as more fully provided in the Declaration;

(f) provide for maintenance, repair and/or reconstruction of the Common Elements, other property, and Improvements, as more fully provided in the Declaration; and

(g) keep financial records sufficiently detailed to enable the Association to comply with the requirement that it prove statements of unpaid assessments. All financial and other records shall be made reasonably available for examination by any Unit Owner and such Unit Owner's authorized agents.

Any of the aforesaid duties may be delegated by the Executive Board to any other Person(s) or to the Association's managing agent.

3. Limitation on Powers. The Executive Board may not act on behalf of the Association to amend the Declaration, to terminate this Common Interest Community, or to elect members of the Executive Board or determine the qualifications, powers and duties, or terms of office of Executive Board members, but the Executive Board may fill vacancies in its membership for the unexpired portion of any term.

ARTICLE VIII
RIGHTS OF THE ASSOCIATION

The Association may exercise any and all rights or privileges given to it under the Declaration, the Articles of Incorporation or these Bylaws, or as may otherwise be given to it by law, and every other right or privilege reasonably to be implied therefrom or reasonably necessary to effectuate any such right or privilege.

ARTICLE IX
OFFICERS AND THEIR DUTIES

1. Enumeration of Offices. The officers of this Association may be a president and vice-president, a secretary, a treasurer, and such other offices as the Board may from time to time by resolution create.

2. Election of Officers. The election of officers shall take place at the first meeting of the Executive Board following each annual meeting of the Members.

3. Term. The officers of this Association shall be elected annually by the Executive Board and each shall hold office for one (1) year unless the officer shall sooner resign, or shall be removed, or shall otherwise be disqualified to serve.

4. Special Appointments. The Executive 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.

5. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Executive Board. Any officer may resign at any time by giving written notice to the Executive 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 therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6. Vacancies. A vacancy in any office may be filled by appointment by the Executive Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

7. Multiple Offices. The offices of president and secretary may not be held by the same person. However, any person may simultaneously hold two or more of any of the other offices subject to any applicable requirements or limitations contained in the Declaration, Articles of Incorporation, these Bylaws or applicable law.

8. Duties. The duties of the officers, which are delegable to other persons or the managing agent, are as follows:

(a) President: The president shall preside at all meetings of the Executive Board and Members; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments; and shall co-sign or authorize a designated agent to co-sign promissory notes and checks of the Association.

(b) Vice-President: The vice-president shall act in the place and stead of the president in the event of the president's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of the vice-president by the Executive Board.

(c) Secretary: The secretary or a designated agent shall record the votes and keep the minutes of all meetings and proceedings of the Executive Board and of the Members; shall keep the corporate seal of the Association and affix it on all papers requiring said seal; shall serve notice of meetings of the Board and of the Members; shall keep appropriate current records showing the names of the Members together with their addresses; shall prepare, execute, certify and record amendments to the Declaration on behalf of the Association; and shall perform such other duties as required by the Board.

(d) Treasurer: The treasurer or a designated agent shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Executive Board; shall sign or authorize a designated agent to sign promissory notes and checks of the Association; shall keep proper books of account; shall cause an annual compilation report of the Association books to be made by a Certified Public Accountant at the completion of each fiscal year or, at the option of the Executive Board or as required by the Declaration, an annual review or audited financial statement may be required; and shall prepare an annual budget to be presented to the membership, and deliver a copy of each to the Members.

(e) Any officer of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

ARTICLE X COMMITTEES

The Association shall appoint an Architectural Review Committee, subject to the provisions of the Declaration, and may appoint a nominating committee. In addition, the Executive Board may appoint other committees as it deems appropriate in carrying out its purposes.

ARTICLE XI BOOKS AND RECORDS

The Association shall make available to Unit Owners current copies of the Declaration, Articles of Incorporation, these Bylaws, the rules and regulations, books, records and financial statements of the Association. "Available" shall mean available

for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

ARTICLE XII
CORPORATE SEAL

The Association shall have a seal in circular form and within its circumference the words: PINERY 20 HOMEOWNERS ASSOCIATION, INC.

ARTICLE XIII
AMENDMENTS

These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of the votes of a quorum of Members present in person or by proxy; provided, however, that the written approval of HUD or VA shall be required for any amendments enacted during the Period of Declarant Control if, at the time such amendment is enacted, HUD has insurance or VA has a guarantee(s) on one or more First Security Interests.

ARTICLE XIV
CONFLICTS OF PROVISIONS

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

ARTICLE XV
FISCAL YEAR

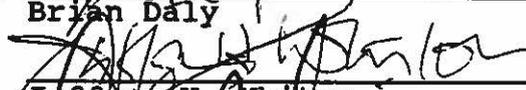
The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the members of the Executive Board of Directors of PINERY 20 HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands effective this 21st day of April, 1995.

EXECUTIVE BOARD OF DIRECTORS:



Brian Daly



Jeffrey H. Whitton



Larry Geiger

