

have more than one vote on any question or issue. Cumulative voting shall not be permitted.

Section 3.3 Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of ten percent (10%) of the votes entitled to be cast at such meeting shall constitute a quorum and an affirmative vote of a majority of those present at which a quorum is in attendance shall be necessary to transact business and to adopt decisions binding on all owners.

Section 3.4 Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. All proxies must be in writing and may be either general or for a particular meeting. A Proxy need not be an Owner.

ARTICLE IV

MEETINGS

Section 4.1 Place of Meetings. Meetings of the Association shall be held at such place within the County of Arapahoe, State of Colorado, as the Board of Directors may determine.

Section 4.2 Annual Meetings. The annual meetings of the Association shall be held each year on such date as shall be selected by the Board of Directors, provided that such meeting shall occur in each year no later than six months after the end of the Association's fiscal year. The first annual meeting shall occur in each year no later than six months after the end of the Association's fiscal year. The first annual meeting shall be called by the Board of Directors of the Association and shall be held within one year of the initial conveyance of a Lot by Declarant. At such meetings, the Owners may transact such business of the Association as may properly come before the meeting. At each annual meeting, members of the Board of Directors shall be elected from among the Owners. The Association may adopt a procedure whereby all terms of such Board members do not expire at the same time. At least one-third of such terms will expire annually. Notwithstanding anything to the contrary provided for herein, however, until 120 days after the Declarant has conveyed all the Lots in the Project or December 31, 1995, whichever first occurs, the members of the Board of Directors of the Association shall be appointed by Declarant, its successors or assigns, unless such right is relinquished earlier.

Section 4.3 Special Meetings. It shall be the duty of the President to call a special meeting of the Association as required by the President, a resolution of the Board of Directors or by petition of Owners representing an aggregate ownership interest of at least twenty-five percent (25%) of the Common Elements in the Project. The notice of any such special meeting shall state the time and place of such meeting and the specific purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless upon the consent of Owners representing an aggregate ownership interest of at least fifty percent (50%) of the Common Elements in the Project. Any such meeting shall be held within thirty (30) days after receipt by the President of such resolution or petition.

Section 4.4 Notice of Meeting. It shall be the duty of the Secretary to hand-deliver or to mail, by regular United States mail, a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each Owner. A waiver of notice, signed by all Owners before, at or after any meeting shall be a valid substitute for notice. The certificate of the Secretary that notice was properly given as provided in these Bylaws shall be prima facie evidence thereof.

Section 4.5 Adjourned Meetings. If any meeting of Owners cannot be convened because a quorum has not attended or if the business of the meeting cannot be concluded, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time for periods of no longer than one week without notice other than an announcement at the meeting, until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 4.6 Order of Business. The order of business at all meeting of the Owners shall be as follows:

- (a) Roll Call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading of minutes;
- (d) Election of Directors (annual meetings only);

- (e) Unfinished business;
- (f) New business;
- (g) Adjournment.

Section 4.7 Rules of Meetings. The Board may prescribe reasonable rules for the conduct of all meetings of the Board and Owners and in the absence of such rules, Robert's Rules of Order shall be used.

ARTICLE V

BOARD OF DIRECTORS SELECTION TERM OF OFFICE

Section 5.1 Management. The affairs of this Association shall be managed by a Board of Directors.

Section 5.2 Term of Office. Until the last Lot has been conveyed by Declarant to an Owner, the Declarant shall have the right to appoint the Board of Directors. At the first meeting after the Declarant has conveyed the last Lot, the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years and one (1) director for a term of three (3) years, and 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 the term of three (3) years.

Section 5.3 Removal. The initial Board Members appointed by the Declarant serve on the Board solely in their capacity as officers and/or employees of Offe Homes, Inc. Should any of said Members of the initial Board cease to be employed or transferred by Offe Homes, Inc., the transfer or termination of employment shall be considered as an act of resignation from the Board and a successor Board Member shall be appointed by the Declarant.

Any director may be removed from the Board, with or without cause, by a majority vote of Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 5.4 Compensation. No director shall receive compensation for any service he may render to the

Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5.5 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 written approval of all the directors.

Section 5.6 Membership. The initial Board of Directors is composed of the following:

Larry C. Offe P. O. Box 5034
Englewood, CO 80155

Gloria Offe P. O. Box 5034
Englewood, CO 80155

Douglas Radcliff P. O. Box 5034
Englewood, CO 80155

Said members serve on the Committee solely in their capacity as officers and/or employees of Offe Homes, Inc. Should any of said Members cease to be employed by Offe Homes, Inc. the termination of employment shall be considered as an action of resignation from the Committee and a successor Member shall be appointed by Declarant. The Declarant, for itself, its successors, transferees and assigns, hereby releases and waives any and all claims against the initial Members of the Board of Directors for acts or omissions done in good faith arising out of their service on the Board.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

Section 6.1 Nomination. Nomination for the election to the Board of Directors shall be made by a Nomination Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board as

it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or nonmembers.

Section 6.2 Election. Election to the Board of Directors shall be by secret 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 VII

MEETINGS OF DIRECTORS

Section 7.1 Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of 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.

Section 7.2 Special Meetings. Special meetings of the Board of Directors 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.

Section 7.3 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision 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.

ARTICLE VIII

BOARD OF DIRECTORS

Section 8.1 Association Responsibilities. The Owners will constitute the Association, who will have the responsibility of administering the Project through a Board of Directors. In the event of any dispute or disagreement between any Owners relating to the Project, or any questions of interpretation or application of the provisions of the Declaration, Articles of Incorporation, or Bylaws, such dispute or disagreement shall be submitted to the Board. The determination of such dispute or disagreement by the Board shall be binding on each and all such Owners, subject to the right of Owners to seek other remedies provided by law after such determination by the Board.