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**BYLAWS
OF
THE LANDINGS AT PODTBURG VILLAGE HOMEOWNERS' ASSOCIATION**

ARTICLE 1

DEFINITIONS

1.1 "Declaration" means the Declaration of Covenants, Conditions, and Restrictions for Podtburg Village, P.U.D. (a Common Interest Community) recorded with the Clerk and Recorder of Weld, Colorado, together with any amendments.

1.2 All other words and terms used in these Bylaws shall have the meanings given to them in the Declaration and in the Colorado Common Interest Ownership Act, as amended.

ARTICLE 2

MEETINGS OF OWNERS

2.1 Annual Meeting. The annual meeting of the Owners shall be held each year on such date as shall be selected by the Board of Directors for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

2.2 Budget Meeting. Meetings of Owners to consider proposed budgets shall be called in accordance with the Act. The budget may be considered at annual or special meetings called for other purposes as well.

2.3 Special Meetings. Special meetings of the Association may be called by the president, by a majority of the members of the Board of Directors or by Owners comprising 20 percent of the votes in the Association.

2.4 Place of Meetings. Meetings of the Owners shall be held at any suitable place convenient to the Owners, as may be designated by the Board of Directors or the president.

2.5 Notice of Meetings. The secretary shall cause notice of meetings of the Owners to be hand-delivered or sent prepaid by United States mail to the mailing address of each Lot or to the mailing address designated in writing by the Owner, not less than 10 nor more than 50 days in advance of a meeting. The notice of any meeting shall 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 a Director. No action shall be adopted at a meeting except as stated in the notice.

2.6 Waiver of Notice. Any Owner may, at any time, waive notice of any meeting of the Owners in writing, and the waiver shall be deemed equivalent to the receipt of notice.

2.7 Quorum. Except as otherwise provided in these Bylaws, the Declaration, or by law, at any meeting of the Owners the presence in person or by proxy of Owners entitled to cast 10 percent of all votes entitled to be cast on the matter to be voted upon shall constitute a quorum. If a quorum exists at the beginning of any meeting, a quorum is deemed present throughout that meeting despite any subsequent departure of members.

2.8 Majority Vote. The vote of a majority of the Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Owners for all purposes except where a higher percentage vote is required in the Declaration, these Bylaws or by law.

2.9 Proxies. The vote allocated to a Lot may be cast under a written proxy duly executed by a Lot Owner. A Lot Owner may revoke a proxy given under this section only 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 11 months after its date, unless it specifies a shorter term.

2.10 Adjournment of Meeting. At any meeting of Owners, whether or not a quorum is present, a majority of Owners who are present at that meeting, either in person or by proxy, may adjourn the meeting to another time.

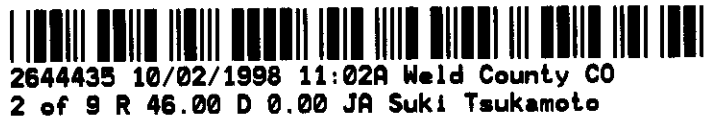
2.11 Action by Consent. Any action which may be taken at a meeting of the Owners may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Owners entitled to vote on such action.

ARTICLE 3

BOARD OF DIRECTORS

3.1 Powers and Duties. The affairs of the Common Interest Community and the Association shall be governed by the Board of Directors. The Board of Directors may act in all instances on behalf of the Association, except as provided in the Declaration, these Bylaws or the Act. The Board of Directors may not act on behalf of the Association to amend the Declaration, to terminate the Common Interest Community, or to elect Directors or determine the qualifications, powers and duties, or terms of office of Directors, but the Board of Directors may fill vacancies on the Board as provided in Section 3.5 below. The Board of Directors shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community, including without limitation the following powers and duties:

- 3.1.1 Adopt and amend Bylaws and rules and regulations;
- 3.1.2 Prepare budgets for revenues, expenditures and reserves;
- 3.1.3 Adopt and amend budgets for revenues, expenditures and reserves;





- 3.1.4 Collect assessments for Common Expenses from Owners;
- 3.1.5 Hire and discharge managing agents;
- 3.1.6 Hire and discharge employees, independent contractors and agents other than managing agents;
- 3.1.7 Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Association's Declaration, Bylaws or rules and regulations in the Association's name, on behalf of the Association or two or more Owners on matters affecting the Common Interest Community;
- 3.1.8 Make contracts and incur liabilities;
- 3.1.9 Regulate the use, maintenance, repair, replacement and modification of Common Elements;
- 3.1.10 Cause additional improvements to be made as a part of the Common Elements;
- 3.1.11 Acquire, hold, encumber and convey, in the Association's name, any right, title or interest to real estate or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to the Act;
- 3.1.12 Grant easements for any period of time, including permanent easements, and grant leases, licenses and concessions for no more than one year, through or over the Common Elements;
- 3.1.13 Impose and receive a payment, fee or charge for services provided to Lot Owners and for the use, rental or operation of the Common Elements;
- 3.1.14 Impose a reasonable charge for late payment of assessments and, after notice and hearing, levy a reasonable fine for a violation of the Declaration, Bylaws, rules and regulations of the Association;
- 3.1.15 Impose a reasonable charge for the preparation and recording of amendments to the Declaration or statements of unpaid assessments;
- 3.1.16 Provide for the indemnification of the Association's officers and the Board of Directors and maintain directors' and officers' liability insurance;
- 3.1.17 Exercise any other powers conferred by the Declaration or Bylaws;

3.1.18 Exercise any other power that may be exercised in the Colorado by a legal entity of the same type as the Association;

3.1.19 Exercise any other power necessary and proper for the governance and operation of the Association; and

3.1.20 By resolution, establish committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee. All committees must maintain minutes and publish notice of their actions to Owners and the Board of Directors. However, actions taken by a committee may be appealed to the Board of Directors by any Owner within 45 days of publication of notice of that action, and the committee's action must be ratified, modified or rejected by the Board of Directors at its next regular meeting.

3.2 Number and Qualifications. Until the termination of the period of Declarant control, the Board of Directors shall consist of two persons. Following such date the Board of Directors shall consist of such number of persons (not less than three nor more than seven) as may be determined from time to time by resolution of the Board of Directors, provided that the majority of the Directors (except the Directors appointed by the Declarant) shall be Owners.

3.3 Terms of Office. The terms of office of the initial Directors named in the Articles of Incorporation or any other Directors appointed by the Declarant shall be for the period until their successors are elected by the Owners. The terms of any Directors elected by the Owners shall be for one year until termination of the period of Declarant control. Thereafter, at the next annual meeting of Owners following such termination of Declarant control, the Owners shall elect not more than three Directors for a term of one year, not more than two Directors for a term of two years and not more than two Directors for a term of three years. At each annual meeting thereafter, the Owners shall elect the appropriate number of Directors, depending on the group of Directors whose term has been expired, for a term of three years.

3.4 Managing Agent. The Board of Directors may employ a managing agent for the Common Interest Community, at a compensation established by the Board of Directors, to perform duties and services authorized by the Board of Directors. The Board of Directors may delegate to the managing agent only the powers granted to the Board of Directors by these Bylaws under Sections 3.2.2, 3.2.4, 3.2.6 and 3.2.9 above. Additionally, licenses, concessions and contracts may be executed by the Managing Agent pursuant to specific resolutions of the Board of Directors. The managing agent shall also:

3.4.1 Maintain fidelity insurance coverage or a bond in an amount of not less than \$50,000.00 or such higher amount as the Board of Directors may require;

3.4.2 Maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the managing agent, and



maintain any reserve account of Association separate from operational accounts of the Association; and

3.4.3 Prepare and present to the Association (either itself, or through a public accountant or a certified public accountant) an accounting for Association funds and a financial statement not less frequently than annually.

3.5 Vacancies. Vacancies on the Board of Directors, caused by any reason other than the removal of a Director by a vote of the Owners, may be filled at a special meeting of the Board of Directors held for that purpose at any time after the occurrence of the vacancy, even though the Directors present at that meeting may constitute less than a quorum. The filling of vacancies shall be made in the following manner:

3.5.1 As to vacancies of Directors whom Owners other than the Declarant elected, by a majority of the remaining elected Directors constituting the Board of Directors; and

3.5.2 As to vacancies of Directors whom the Declarant has the right to appoint, by the Declarant.

Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced.

3.6 Removal of Directors. The Owners, by a two-thirds vote of all persons present and entitled to vote at any meeting of the Owners at which a quorum is present, may remove any Director serving on the Board of Directors, other than a Director appointed by the Declarant, with or without cause. At the meeting where any Director has been removed, or at any subsequent properly called meeting of the Owners, the Owners shall elect a new Director to fill the unexpired term of the removed Director.

3.7 Regular Meetings. Regular meetings of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of the Owners. The Board of Directors may provide, by resolution, for the holding of additional regular meetings without other notice than such resolution.

3.8 Special Meetings. Special meetings of the Board of Directors may be called by the president or by a majority of the Directors on at least three business days' written notice to each Director. The notice shall be hand-delivered or mailed and shall state the time, place and purpose of the meeting.

3.9 Waiver of Notice. Any Director may waive notice of any meeting in writing. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice. If all Directors are present at any meeting, no notice shall be required, and any business may be transacted at such meeting.

3.10 Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute a decision of the Board of Directors. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting. At any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.11 Action by Consent. 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 action to be taken.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Association shall be the president, the vice president, the secretary and the treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may elect an assistant treasurer, an assistant secretary and other officers as it finds necessary. The president and vice president, but no other officers, shall also be Directors. Any two offices may be held by the same person, except the offices of president and secretary. The office of vice president may be vacant.

4.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board following the annual meeting of the Owners. They shall take office upon election and hold office at the pleasure of the Board of Directors.

4.3 Removal and Resignation of Officers. Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause. A successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for that purpose. The officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect on the date of receipt of the notice or any later date specified in the notice. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

4.4 Vacancy. A vacancy in any office may be filled by a majority vote of the members of the Board of Directors.

4.5 President. The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Owners and of the Board of Directors. The president shall have all of the general powers and duties which are incident to the office of president of a nonprofit corporation organized under the laws of the State of Colorado. The president may fulfill the role of treasurer in the absence of the treasurer. The president may cause to be prepared and may execute amendments, attested by the secretary, to the Declaration and these Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

4.6 Vice President. The vice president shall take the place of the president and perform the president's duties whenever the president is 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 Director to act in the place of the president on an interim basis. The vice president shall also perform other duties as directed by the Board of Directors or by the president.

4.7 Secretary. The secretary shall keep the minutes of all meetings of the Owners and the Board of Directors. The secretary shall have charge of the Association's books and papers as the Board of Directors may direct and shall perform all the duties incident to the office of secretary of a nonprofit corporation organized under the laws of the State of Colorado. The secretary may cause to be prepared and may attest to execution by the president of amendments to the Declaration and the Bylaws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

4.8 Treasurer. The treasurer shall be responsible for Association funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. This officer shall be responsible for the deposit of all monies and other valuable effects in depositories designated by the Board of Directors and shall perform all the duties incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Colorado. The treasurer may endorse on behalf of the Association, for collection only, checks, notes and other obligations and shall deposit the same and all monies in the name of and to the credit of the Association in banks designated by the Board of Directors. The treasurer may have custody of and shall have the power to endorse for transfer, on behalf of the Association, stock, securities or other investment instruments owned or controlled by the Association or as fiduciary for others. Reserve funds of the Association shall be deposited in segregated accounts. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, authorized by the treasurer, and executed by two Directors, one of whom may be the treasurer if the treasurer is also a Director.

4.9 Agreements, Contracts, Deeds and Checks. Except as provided in Sections 4.5, 4.7, and 4.8 above, all agreements, contracts, deeds, checks and other instruments of the Association shall be executed by the officer or officers of the Association, or such other person or persons, as may be designated by resolution of the Board of Directors.

ARTICLE 5

INDEMNIFICATION

The Directors and officers of the Association shall have the liabilities and be entitled to indemnification as provided in the Colorado Nonprofit Corporation Act, the provisions of which are incorporated by reference and made a part of this document.



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ARTICLE 6

BOOKS AND RECORDS

All records maintained by the Association or the managing agent shall be available for examination and copying by any Owner, any holder of a Security Interest in a Lot or its insurer or guarantor, or by any of their duly authorized agents or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

ARTICLE 7

MISCELLANEOUS

7.1 Notices. All notices to the Association or the Board of Directors shall be delivered to the office of the managing agent, or, if there is no managing agent, to the office of the Association, or to such other address as the Board of Directors may designate by written notice to all Owners and to all holders of Security Interests in the Lots who have notified the Association that they hold a Security Interest in a Lot. Except as otherwise provided, all notices to any Owner shall be sent to the Owner's address as it appears in the records of the Association. All notices to holders of Security Interests in the Lots shall be sent to their respective addresses, as designated by them in writing to the Association. Notices shall be hand delivered or sent by United States mail, first class with postage prepaid. All notices shall be deemed to have been given when hand delivered or three days after being deposited in the United States mail, except notices of changes of address, which shall be deemed to have been given when received.

7.2 Fiscal Year. The Board of Directors shall establish the fiscal year of the Association.

7.3 Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 8

AMENDMENTS

The Bylaws may be amended by the vote of two-thirds of the members of the Board of Directors at any meeting duly called for such purpose. No amendment of the Bylaws of this Association shall be adopted which would affect or impair the validity or priority of any Security Interest in any Lot.

