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DECLARATION OF PROTECTIVE COVENANTS  
FOR  
SILVER SPURS RANCH

Colorado Mountain Development, Inc. the developer and owner of real property situated in the County of Huerfano and State of Colorado, known as Silver Spurs Ranch and legally described on Exhibit A attached hereto, in order to protect the living environment and preserve the values in Silver Spurs Ranch, does hereby declare that the land shall be held, leased, sold and conveyed, subject to the covenants, restrictions and provisions hereinafter set forth, and that each covenant, restriction and provision shall inure to and run with the land and shall apply to and bind the successors and assigns of the present owners. The property composing the above mentioned land is made specifically subject to the following described covenants.

ARTICLE 1 - INTENT

It is the intent of these covenants to protect and enhance the value, desirability and attractiveness of said property, and to prevent the construction of improper or unsuitable improvements. Restrictions are kept to a minimum while keeping in constant focus the right of property owners to enjoy their property in attractive surroundings free of nuisances, undue noise, and danger. Further, it is intended that the natural environment be disturbed as little as possible.

ARTICLE 2 - PROPERTY OWNERS ASSOCIATION

The Silver Spurs Ranch Property Owners Association will be operated according to the by-laws of the association,

- (a) Members: Every property owner shall automatically become a member of the Silver Spurs Ranch Property Owners Association upon purchase of a lot in Silver Spurs Ranch subdivision.
- (b) Purpose: The purpose of the association is to use its authority, as given in the by-laws:
  - 1) To enforce these protective covenants.
  - 2) To assess property owners yearly dues. Should any property owner fail to pay assessments when due, the Property Owners Association may file a lien against the owner for collection purposes.
  - 3) To provide upkeep and improvements to all non-county roads in Silver Spurs Ranch.
  - 4. To represent all property owners in matters of mutual interest.
  - 5. To administer and lease grazing rights.

2012 HOA Dues - 295/yr

### ARTICLE 3 - DWELLINGS

No permanent structure shall be built on Silver Spurs Ranch unless such structure is given prior approval from the Property Owners Association Board. All primary dwellings shall consist of not less than 1,000 square feet of living space. No commercial activity shall be permitted unless approved by the Property Owners Association Board.

### ARTICLE 4 - SETBACKS

No structure may be erected within one hundred feet of the right-of-way line of any road within Silver Spurs Ranch, nor within fifty feet of any side or rear line of any parcel unless approved by the Property Owners Association Board.

### ARTICLE 5 - TRASH AND RUBBISH

Rubbish, garbage or other waste shall be kept and disposed of in a sanitary manner, and all containers shall be kept in a clean, sanitary condition.

### ARTICLE 6 - UTILITY EASEMENTS

A ten (10) foot utility easement or such greater distance as may be required by the utility company making the extension is hereby set aside on each side of all side and common rear lot lines and a twenty (20) foot utility easement is hereby set aside on the interior side of all exterior lot lines. All future electric lines shall be extended aboveground.

### ARTICLE 7 - NUISANCES

No owner shall cause or allow the origination of excessive odors or sounds from his parcel. No owner shall cause or allow any other nuisances of any kind whatsoever to exist on his parcel. In case of a dispute, at the request of an owner, the Property Owners Association board shall make the final determination of what constitutes a nuisance.

### ARTICLE 8 - ANIMALS

Animals will be allowed on Silver Spurs Ranch for personal use of parcel owners. Any animals raised for commercial activity must be approved by the Property Owners Association. Commercial feed lots and swine shall be prohibited from Silver Spurs Ranch.

### ARTICLE 9 - MOTOR VEHICLES

No motorized vehicle which is either non-operational or non-licensed shall be kept or stored on any parcel, unless said vehicle is kept or stored in a fully enclosed building.

**ARTICLE 10 - TEMPORARY RESIDENCES**

— No structure of temporary character, recreational vehicle, camper unit, trailer, basement, tent or accessory building shall be used on any parcel as a residence. Recreational vehicles, camper units and tents may be used for vacation camping for periods not to exceed a cumulative total of ninety (90) days in any calendar year.

**ARTICLE 11 - MOBILE HOMES**

— Mobile homes shall not be permitted on any parcel within Silver Spurs Ranch.

**ARTICLE 12 - LAND USE**

Commercial wood harvesting, mining (including the removal of soil, gravel or rock) and oil or gas production is prohibited. Further subdivision of less than thirty-five acres is prohibited.

➤ Any subdivided parcel will be covered by these Covenants and the owner shall become an automatic member of the Silver Spurs Ranch Property Owners Association.

**ARTICLE 13 - ENFORCEMENT**

➤ Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant.

**ARTICLE 14 - TERMS OF COVENANTS**

These covenants and restrictions are to run with the land and shall remain in full force and effect for ten years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten years, unless an instrument signed by not less than two-thirds majority of the land owners of the parcels has been recorded, changing said covenants in whole or part.

**ARTICLE 15 - SEVERABILITY**

Invalidation of any of these covenants or any part thereof by judgment or court order shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

**ARTICLE 16 - COUNTY REGULATIONS**

To the extent that the applicable county or other governmental regulations, rules, codes, ordinances or laws are more restrictive in their allowable land utilization than these covenants, they shall supersede these covenants and govern at all times.

**ARTICLE 17 - ANNEXATION**

Developer owns additional real property in Huerfano County, Colorado, which is more particularly described in Exhibit "B" to these covenants, attached hereto and made a part

hereof. Developer may from time to time within ten years after the date of the recording of this Declaration of Protective Covenants for Silver Spurs Ranch annex any or all of the real property described in Exhibit "B" hereto to the development known as Silver Spurs Ranch by recording one or more Annexation Statements. Upon the recording of such Annexation Statement in the public records of Huerfano County, Colorado, all of the real property described in such Annexation Statement shall be deemed to be part of the development and subject to all of the terms and provisions of these covenants.

#### **ARTICLE 18 - BUILDING PERMITS**

Huerfano County requires a building permit before a property owner can construct a dwelling on his property. Building permits may be obtained from the Huerfano County Building Department in Walsenburg, Colorado.

#### **ARTICLE 19 - COMMON EXPENSES**

(a) All parcels within Silver Spurs Ranch shall be subject to assessment for Property Owners fees in an amount to be determined by the association.

(b) All of the properties contained in the Subdivision shall be exempt from the Colorado Common Ownership Act pursuant to C.R.S. 38-33.3-116. Because these covenants hereby provide that the annual average common expense liability of each unit restricted to residential purposes, exclusive of optional user fees and insurance premiums paid by the Association may not exceed at any time the maximum amount provided for in the above referred to statute as it may from time to time be amended.

(c) Under no circumstances, unless these covenants shall be amended in accordance with the provisions contained herein, shall the Association dues exceed the maximum amount as may from time to time be provided by C.R.S. 38-33.3-116, which allows the Subdivision to be exempt as provided therein.

#### **ARTICLE 20 - WATER**

Water shall be supplied by each owner drilling an individual well on his lot at his own expense.

#### **ARTICLE 21 - SEWAGE**

Due to the climatic condition of Huerfano County, evapotranspiration sewage effluent disposal systems will not be allowed in this subdivision. Each lot owner must obtain County Health Department approval for the installation and use of an on-site sewage disposal system. Some lots in the subdivision may require an engineer-designed septic system due to shallow bedrock.

ARTICLE 22 - FEES AND ENFORCEMENT

Assessments for fees will commence upon conveyance at the date of closing. Whenever the obligation to pay fees arises after the start of the calendar year, the first year's fees will be prorated to the commencement date for the parcel involved. Fees shall be payable in advance in January of each year. Each property owner shall be responsible for payment of all fees and any costs (including attorney fees) necessary to enforce any violation of these covenants affecting his or her parcel. Failure to pay fees shall be deemed a violation of these covenants. Unpaid fees and costs shall cause a lien to be recorded against the property and such lien may be foreclosed through a judicial foreclosure of the property.

Developer does not pay any dues or assessments on lots it owns or on properties it may regain through foreclosure but, developer may make, at its sole discretion, contributions to the association from time to time until such time as the control of the association is transferred to the owners.

IN WITNESS WHEREOF, the developer has executed these Declaration of Protective Covenants on this 10th day of November, 1994.

Colorado Mountain Development, Inc., a Colorado Corporation

By: [Signature] President

STATE OF COLORADO }
}ss.
COUNTY OF ARAPAHOE }

The foregoing instrument was acknowledged before me this 10th day of November, 1994 by Jerry R. Dunn, President of Colorado Mountain Development, Inc.

Witness my official hand and seal.



[Signature] Notary
14 Inverness Dr E D 100
Englewood, CO 80112
Address:

My Commission Expires: 2/9/98

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State of Colorado filed for record the 23 day of JAN A.D. 1995 at 1015 o'clock A Judy Benine  
County of Huerfano Rec # 317959 Book 400 & Page No. 322 By AP Deputy Recorder

FIRST AMENDMENT TO DECLARATION OF COVENANTS  
FOR  
SILVER SPURS RANCH

THIS AMENDMENT is made this 17th day of January, 1995 by COLORADO MOUNTAIN DEVELOPMENT, INC., a Colorado corporation, 14 Inverness Dr. E., D-100, Englewood, CO 80112, hereinafter referred to as "Developer".

WHEREAS, the Declaration of Covenants for Silver Spurs Ranch ("Declaration") was recorded in the real property records of Huerfano County, Colorado on November 14, 1994 at Book 399, Page 46; and

WHEREAS, the Developer wishes to reaffirm these declarations and make an amendment thereto.

NOW, THEREFORE, the Developer does hereby amend the above referred to covenants to add an additional provision to be entitled ARTICLE 23, which states as follows:

ARTICLE 23

Electrical Extension Policy

It is the intent of the Developer, to the best of its ability, to provide a procedure for electrical service to each parcel in the subdivision. This will be accomplished through the Silver Spurs Ranch Property Owners Association which will create a special bank account captioned Silver Spurs Ranch Property Owners Association Electrical Trust Account. Upon the purchase of a parcel in the Silver Spurs Ranch development, each owner shall be responsible for the payment of \$2700 or such greater sum as may be determined from time to time to be placed in this restricted account for the sole purpose of extending electrical transmission throughout the subdivision. This obligation shall be incumbent for each owner and for each parcel owned. Therefore, should a buyer purchase more than one parcel, that buyer shall be responsible for a separate assessment of \$2700 on each parcel. The construction is intended to begin within one year from January 1, 1995 and be completed within a maximum of five years, or at a sell-out of 80 percent of the parcels in the subdivision, whichever occurs first.

Payment to this electrical extension fund may be made in cash or by special assessment note.

The completion of the intended construction depends on various items such as inclement weather, the electrical supplier's construction schedule, and the Developer's rate of sell-out. There is no guarantee that the electrical lines will be extended as planned. In the event the Developer is unable to sell all of the lots in the subdivision there is no assurance that the amount held in trust for the purpose of extending electrical service will be sufficient to complete the construction project. The property owners' association will administer the plan and the implementation of electrical service throughout the ranch. Electrical service in the area is provided by the San Isabel Electrical Association.

The obligation to make the payment of this special assessment shall be treated as an obligation the same as dues for the owners' association and the same procedures for the filing of a lien and foreclosing of the lien for nonpayment of this assessment shall be enforced as for the nonpayment of association dues.

All other terms and conditions of the Declaration of Covenants for Silver Spurs Ranch are incorporated herein by reference as if set out in detail as they were recorded on November 14, 1994. No other changes in the Declaration of Covenants are made other than those set forth herein.

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal on the date first set forth above.

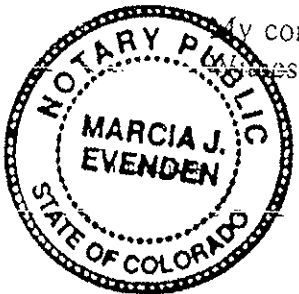
Colorado Mountain Development, Inc.

By [Signature]  
President

STATE OF COLORADO )  
                                          ) ss  
COUNTY OF ARAPAHOE )

Subscribed and sworn to before me this 17th day of January, 1995,  
by Jerry R. Dunn, President of Colorado Mountain Development, Inc.

My commission expires: 2/9/98  
Witness my hand and official seal.



[Signature]  
Notary Public

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SECOND AMENDMENT TO DECLARATION OF COVENANTS  
FOR  
SILVER SPURS RANCH

THIS AMENDMENT is made this 3rd day of March, 1995 by COLORADO MOUNTAIN DEVELOPMENT, INC., a Colorado corporation, 14 Inverness Dr. E., D-100, Englewood, CO 80112, hereinafter referred to as "Developer".

WHEREAS, the Declaration of Covenants for Silver Spurs Ranch ("Declaration") was recorded in the real property records of Huerfano County, Colorado on November 14, 1994 at Book 399, Page 46; with the First Amendment to the Declaration of Covenants recorded on January 23, 1995 in Book 400 at Page 322; and

WHEREAS, the Developer wishes to reaffirm these previously recorded declarations and make an additional amendment thereto.

NOW, THEREFORE, the Developer does hereby amend the above referred to covenants in the following manner:

1. ARTICLE 24

Resubdivision

A purchaser of property in the Silver Spurs Ranch subdivision may not resubdivide the property unless such subdivision of a lot would result in having any one piece not less than 35 acres in size after said resubdivision. In the event a large lot is resubdivided into 35 acre parcels, the owner of said parcel agrees to comply with all rules and regulations of the county and state with regard to said resubdivision. The developer will allow such resubdivision upon its written approval after examining the plan of resubdivision. Any such lots that are resubdivided shall be assessed as a full lot in the subdivision and will be responsible for the then existing annual dues and assessments for the owners' association based upon the fee charged to an individual lot. Any newly created lots as a result of resubdivision shall also be liable for the electrical extension fee.

Any roads built to accomplish said subdivision may be roads that will be accepted by the owners' association, however, there is no guarantee that the roads will be accepted for maintenance and prior approval of the plan and road design must be obtained in writing by the owners' association before a request is made for maintenance. Otherwise, such roads will be a private road, being the responsibility of the adjoining owners to maintain.



EST. 401 P.S. 663

2. Pursuant to ARTICLE 17 of the previously recorded Declaration of Covenants, the property designated in Exhibit A attached hereto is hereby annexed into the covenants as if fully set forth in these covenants.

All other terms and conditions of the Declaration of Covenants for Silver Spurs Ranch are incorporated herein by reference as if set out in detail herein.

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal on the date first set forth above.

Colorado Mountain Development, Inc.

*[Handwritten Signature]*  
By \_\_\_\_\_  
President

STATE OF COLORADO )  
 ) ss  
COUNTY OF ARAPAHOE )

Subscribed and sworn to before me this 3rd day of March, 1995; by Jerry R. Dunn, President of Colorado Mountain Development, Inc.

My commission expires: 2-9-98  
Witness my hand and official seal.



*[Handwritten Signature]*  
Notary Public

EXHIBIT "B"

Township 29 South, Range 65 West of the 6th P.M.

- Section 19: Part of E $\frac{1}{2}$ SW $\frac{1}{4}$  containing 3.25 acres being a former right of way granted back to CF&I.
- Section 19: SW $\frac{1}{4}$ SW $\frac{1}{4}$  lying North of Hawk Canyon Road, N $\frac{1}{2}$ SW $\frac{1}{4}$  less 2.63 acres to Thomas, SE $\frac{1}{4}$ SW $\frac{1}{4}$  less 20 acres to Chicosa Fuel.
- Section 30: NW $\frac{1}{4}$  lying North of Hawk Canyon Road.

Township 29 South, Range 66 West of the 6th P.M.

- Section 1: S $\frac{1}{2}$ NW $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SW $\frac{1}{4}$ , and South 350 feet of SE $\frac{1}{4}$ SW $\frac{1}{4}$  being S $\frac{1}{2}$ S $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ .
- Section 2: NW $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ , S $\frac{1}{2}$  less 50.04 acres in Rouse and 1st Addition to the Town of Rouse not platted in Lots and Blocks.
  - 2: Lots 1, 2, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, Block 2, Town of Rouse.
  - 2: Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 19, 20, 21, 22, 23, 24, Block 3, Town of Rouse.
  - 2: Lots 5, 12, 19, 20, 21, 22, 23, Block 4, Town of Rouse.
  - 2: Lots 3, 4, 9, 10, 11, 12, 13, 14, 17, 18, 19, 20, 21, 22, 24, Block 5, Town of Rouse.
  - 2: Lots 2, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, Block 6, Town of Rouse.
  - 2: Lots 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, Block 7, Town of Rouse.
  - 2: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 14, 15, 16, Block 8, Town of Rouse.
  - 2: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, Block 9, Town of Rouse.
  - 2: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, Block 12, Town of Rouse.
  - 2: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, Block 13, Town of Rouse.
  - 2: Lots 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, Block 14, Town of Rouse.
  - 2: Lots 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, Block 16, Town of Rouse.
  - 2: Lots 1, 2, 5, 6, 7, 8, 9, 10, 11, Block 17, Town of Rouse.
  - 2: Lots 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, Block 18, Town of Rouse.
  - 2: Lots 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, Block 19, Town of Rouse.
  - 2: Lots 1, 3, 4, 5, 6, 7, 8, Block 20, Town of Rouse.
- Section 3: All, less 1 acre in NE $\frac{1}{4}$  to School District #22.
- Section 10: All.
- Section 11: All.
- Section 12: SW $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ , SE $\frac{1}{4}$ .
- Section 13: W $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ , N $\frac{1}{2}$  less 1 acre to School District #22.
- Section 14: All.
- Section 15: N $\frac{1}{2}$ , SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ .
- Section 22: E $\frac{1}{2}$ NE $\frac{1}{4}$ .
- Section 23: N $\frac{1}{2}$ , SE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$ .
- Section 24: All.
- Section 25: N $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$  lying North of Hawk Canyon Road.

BYLAWS  
OF  
SILVER SPURS RANCH PROPERTY OWNERS ASSOCIATION, INC.  
(As amended June 5, 2001)

Article I. OFFICIAL ADDRESS

The official address of the Association in the State of Colorado shall be P.O. Box 293, Walsenburg, Colorado, 81089, County of Huerfano. The Association may have such other addresses, either within or without the State of Colorado, as the Board of Directors may designate or as the business of the Association may require. The terms "corporation" and "association" are interchangeable.

Article II. MEMBERSHIP

Section 1. Each owner of a lot duly recorded on a current subdivision map shall be a member of the Association. Each owner who is a member shall remain a member until he no longer qualifies as an owner.

Section 2. A member in good standing is any owner whose dues and assessments are paid up and current and whose rights under these Bylaws are not suspended.

Section 3. The name and address of each member and lot number owned shall be entered in a Membership Register maintained by the Secretary.

Section 4. If more than one person owns a residential lot, all of said persons shall be deemed one member.

Section 5. The Secretary shall have the right to demand proof of lot ownership prior to accepting a person or entity as a member.

Article III. MEMBERSHIP MEETINGS

Section 1. Annual Meeting. The annual meeting of the Members shall be held the third Saturday of July or as determined by the Board of Directors. The purpose of the meeting shall be to elect Directors, approve an annual budget and transact such other business as may come before the meeting. If the election of Directors shall not be held on the day designated for any annual meeting of the Members, the Board of Directors shall cause the election to be held at a special meeting of the Members as soon thereafter as possible.

Section 2. Special Meetings. Special meetings of the Members, for any purpose or purposes, may be called by the President or by the Board of Directors, and shall be called by the President at the request of not less than twenty (20) percent of total votes of the Membership in good standing.

Section 3. Place of Meeting. The Board of Directors may designate any place within the State of Colorado, unless otherwise prescribed by statute, as the place of meeting for any annual meeting or any special meeting called by the Board of Directors.

Section 4. Notice of Meeting. Written notice, stating the place, day and hour of the annual meeting and in case of special meetings, the purpose or purposes for which the meeting is called, shall be delivered to each Member entitled to vote at such meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the President or Secretary of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his or her address as it appears on the books of the Association, with postage thereon paid. If three successive letters mailed to the last known address of any Member are returned as undeliverable, no further notices to such Member shall be necessary until another address for such Member is made known to the Association.

Section 5. Quorum. Twenty (20) percent of the votes of the Membership in good standing, represented in person or by proxy, shall constitute a quorum at a meeting of Members.

Section 6. Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by a Member or by his or her duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy. Two independent monitors will assist in the vote count.

Section 7. Informal Action by Members. Unless otherwise provided by law, any action required to be taken at a meeting of the Members, or any other action which may be taken at a meeting of the Membership, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by at least two-thirds (2/3) of the Membership.

#### Article IV. BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Association shall be managed by its Board of Directors in compliance with the Covenants of the Association, these Bylaws and, so far as is feasible, with an annual budget proposed by the Board and presented for approval to Association Members at their annual meeting.

Section 2. Number, Tenure and Qualifications. The number of Directors of the Association shall be no less than one or more than five. In year 2000, the two Directors with the most votes shall be elected for three years, the next two Directors with the most votes shall be elected for two years and the remaining one Director elected for one year. Every year thereafter all Director vacancies shall be filled by election at the annual Membership meeting. Qualifications to serve as a Director are: a) the individual must be an owner of a Silver Spurs Ranch lot, and b) the owner must be in good standing.

Section 3. Regular Meetings. A regular meeting of the Board of Directors shall be held immediately after, and at the same place as the annual meeting of Members. The Board of Directors shall fix the time and place for additional meetings.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by the President or any three Directors. The persons calling the special meeting may fix the time and place of the meeting.

Section 5. Notice. Notice of any special meeting of the Board shall be given to all Directors at least three (3) days in advance of the meeting if by telephone or facsimile message. If by letter or telegram, such notice to each Director at his or her residence must be dispatched at least ten (10) days in advance. If mailed, such notice will be deemed to be dispatched when deposited with adequate postage in the United States mail.

Section 6. Telephone Meetings. Members of the Board of Directors or any committee designated by the Board may participate in any meeting by means of conference telephone or other communications equipment with which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at such meetings.

Section 7. Quorum. A majority of the number of Directors fixed by Section 2 of this Article IV shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 8. Vacancies. Any vacancy occurring on the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors. A Director elected to fill a vacancy shall serve only until the next annual Membership meeting.

Section 9. Presumption of Assent. A Director who is present at a meeting of the Board at which action on any Association matter is taken shall be presumed to have assented to the action taken unless his or her dissent is recorded in the minutes of the meeting or his or her written dissent is filed with the Secretary or acting Secretary of the meeting before adjournment or is dispatched by registered mail to the Association Secretary immediately after adjournment of the meeting. A Director not present at a meeting may file a written dissent within two (2) days of learning of said action. Such dissent will be deemed to be dispatched when deposited with adequate postage in the United States mail. The right of dissent does not apply to a Director who voted in favor of the action.

#### Article V. OFFICERS

Section 1. Number and Qualifications. The officers of the Association shall be a President, Vice-President and, if approved by the Board of Directors, a Secretary and a Treasurer. All officers of the Association will be Owners in good standing and eighteen (18) years or older.

The Board of Directors may from time to time elect other officers and assistant officers, name committees and committee chairpersons, as it deems appropriate.

Section 2. Election and Term of Office. All officers shall be elected for one year by the Board of Directors at their first meeting following the annual meeting of Members. The Board may reelect any officer at the end of each year of his or her satisfactory service. The Board may elect officers from within its own number or from among the Association Membership-at-large. If the election of officers shall not be held at such meeting, it shall be held as soon thereafter as possible.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby.

Section 4. Vacancies. A vacancy in any office may be filled by the Board of Directors for the remainder of that term.

Section 5. President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall supervise and control all of the business and affairs of the Association. He or she shall, when present, preside at meetings of the Members and, if a Director, at the meetings of the Board of Directors. He or she shall sign, together with the Secretary, Treasurer or any other officer appointed by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer of the Association, or shall be required by law to be otherwise signed or executed. The President shall not commit the Association to any financial obligations on the basis of his or her signature alone.

Section 6. Vice-President. The Vice-President shall perform the duties of President in the absence of the President or in the event of his or her inability or refusal to act. When so acting, the Vice-President shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned by the President or Board of Directors.

Section 7. Secretary. The Secretary shall: (a) keep the minutes of annual Membership meetings and meetings of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of Association covenants and Bylaws, or as required by law; (c) be custodian of the Association records and of the seal of the Association and see to it that the corporate seal is affixed to all documents authorized by the Association; (d) keep a register of the post office address of each Member, based on information provided to the Secretary by each Member; and (e) perform all other duties incident to the office of Secretary as from time to time may be assigned by the President or the Board of Directors.

Section 8. Treasurer. The Treasurer shall: (a) have charge and custody of and responsible for all funds and securities of the Association; (b) receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in accordance with the provisions of Article V of these Bylaws; (c) maintain, monitor and advise the President and Board of Directors of matters pertaining to the budget of the Association; and (d) perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of these duties in such sum and with such surety or sureties as the Board shall determine.

Section 9. Compensation. Salaries for officers may be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he or she is also a Director of the Association. An itemized accounting shall be presented to the Membership at its annual meeting of all salaries paid to officers of the Association.

#### Article VI. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts and Purchases. The Board of Directors may authorize any officer or officers, agent or agents, to make purchases or enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances. Capital expenditures for equipment exceeding ten (10) thousand dollars, not already provided for in the Association annual budget, shall be approved in writing by no less than one-half (1/2) of the Members of the Association.

Section 2. Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a recorded resolution of the Board of Directors and approved in writing by no less than one-half (1/2) of the Members of the Association.

Section 3. Checks, drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by two Directors, or by one Director and the President or Treasurer if such officers are not also Directors.

Section 4. Deposits. All funds of the Association not otherwise employed shall be deposited by the Treasurer from time to time to the credit of the Association in such banks, savings institutions, trust companies or other depositories as the Board may select.

#### Article VII. FISCAL YEAR

The fiscal year of the Association shall begin on January 1 and end on December 31 of each year.

#### Article VIII. CORPORATE SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association and the state of incorporation and the word "Seal", or shall be a rubber seal in substantially the same form as provided above.

#### Article IX. WAIVER OF NOTICE

Unless otherwise provided by law, whenever any notice is required to be given to any Member or Director of the Association under the provisions of these Bylaws or the provisions of the Colorado Corporate Code, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

#### Article X. AMENDMENTS

These Bylaws may be altered, amended or repealed by the Board of Directors at any regular or special meeting of the Board, subject to the rights of Members to repeal or amend Bylaws as provided by law. A committee shall review these Bylaws every five (5) years.