

BYLAWS OF
THE RESERVE AT MARIANA BUTTE
HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

GENERAL

Section 1. Association. The Reserve at Mariana Butte Homeowner's Association, Inc. ("Association") is a nonprofit corporation organized under the Colorado Nonprofit Corporation Act.

Section 2. Purpose. The purposes of the Association are set forth in the Articles. The general purpose for which the Association is formed is to govern the property which has been or will be submitted to the Declaration of Covenants, Conditions, and Restrictions of The Reserve at Mariana Butte Homeowner's Association and all amendments and supplements thereto.

Section 3. Definitions.

(a) "Articles" means the Articles of Incorporation of the Association, as the same may be amended from time to time, the provisions of which shall be applicable to the Project.

(b) "Association" means The Reserve at Mariana Butte Homeowner's Association, Inc., a Colorado nonprofit corporation, its successors and assigns, the Articles, Bylaws, and Rules and Regulations of which shall govern the administration of this Project, the Members of which shall be all of the Owners, including Declarant.

(c) "Board" or "Board of Directors" means the governing body of the Association.

(d) "Common Expenses" means (i) expenses of administration, operation and management of the Association and ordinary maintenance and repair of such properties for which the Association has been given responsibility hereunder; and (ii) expenses declared pursuant to Article IV of the Declaration.

(e) "Declarant" means the Declarant named in the Declaration, and such successor or successors as may be specifically designated by Declarant in a written notice duly recorded in the records of the Clerk and Recorder of the County of Larimer, Colorado.

(f) "Declaration" means the Declaration of Covenants, Conditions, and Restrictions of The Reserve at Mariana Butte Homeowner's Association, and all amendments and supplements

thereto.

(g) "General Common Properties" shall mean and refer to all land improvements, and other properties heretofore and hereafter owned or in the possession of or maintained by the Association, and shall include, but not be limited to, the property shown on the Subdivision Plat of the Reserve of Mariana Butte.

(h) "Member" means every individual or entity which is a record owner of a fee or undivided fee interest in any portion of the Property, including Declarant and contract sellers, but not including contract purchasers.

(i) "Property" means the real property and all improvements now or hereafter located thereon which are subject to the Declaration.

(j) "Rules and Regulations" means the rules and regulations adopted by the Board pursuant to the terms of the Declaration, as the same may be amended from time to time.

Unless the context shall otherwise require or unless otherwise defined herein, all terms used in these Bylaws shall have the same definitions as set forth in the Declaration.

Section 4. Registered Agent and Office. The Association shall maintain a registered office and registered agent in the State of Colorado as required by the Colorado Nonprofit Corporation Act. Such registered office or registered agent may be changed from time to time as provided in the Colorado Nonprofit Corporation Act.

ARTICLE II

MEMBERSHIP, VOTING, QUORUM, MAJORITY OF OWNERS, PROXIES

Section 1. Membership. Every Person or entity who is an Owner of a fee or undivided interest in any Lot within the Property shall automatically be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member.

The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all of the Owners as defined in Section 1 of this Article (with the exception of the Declarant). The Declarant may, however, become a Class A member upon termination of his Class B membership as hereinafter provided. Class A members shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an ownership

interest or interests in any Lot, all such persons shall be members, and the vote provided for herein shall be exercised as they among themselves determine. In no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Declarant shall be the sole Class B member. The Class B member shall be entitled to One Hundred Thirty-Five (135) votes in the Association, which number of votes shall not be diminished by Declarant's sale of lots to third parties. The Class B membership shall cease and terminate upon the happening of either of the following events, whichever first occurs.

(a) When the Class B member is no longer the owner of more than one (1) Lot; or

(b) On the 31st day of December, 2004; or

(c) At such time as Declarant voluntarily relinquishes its Class B membership rights.

From and after the happening of any of these events, whichever first occurs, the Class B member shall be deemed to be a Class A member entitled to one (1) vote for the Lot in which such member holds an ownership interest as required for membership under Section 1 of this Article II.

Section 2. Voting. Owners shall be entitled to vote on all matters submitted to a vote of the membership of the Association. The allocation of votes and method of exercise shall be as set forth in the Declaration and the Articles. Cumulative voting of the members shall not be permitted. Voting by mail shall be allowed in the manner provided in the Colorado Nonprofit Corporation Act. Votes by mail shall have the same effect as votes written by proxy.

Section 3. Quorum. Except as otherwise provided in these Bylaws, the presence, in person or by proxy, of Members holding one-third (1/3) of the votes entitled to be cast on the matter to be voted upon shall constitute a quorum at a meeting of the Members.

Section 4. Majority of Owners. Unless otherwise required by law, the Declaration, the Articles, or these Bylaws, the affirmative vote of a simple majority of those present at a meeting where a quorum is in attendance, whether in person or by proxy, shall be necessary to transact business, take actions, and adopt decisions binding on all Owners.

Section 5. Proxies. Votes may be cast in person or by written proxies. Proxies must be filed with the Secretary before or at the appointed time of each meeting. All proxies must be in writing and notarized and may be either general or for a particular meeting. A proxy holder need not be an Owner.

Article III

MEETINGS

Section 1. Place of Meeting. Annual and special meetings of the Members shall be held at such suitable place or places within the State of Colorado which are convenient for the Owners, as determined by the Board.

Section 2. Annual Meetings. The annual meetings of the Association shall be held each year on such date as shall be selected by the Board, provided that such meeting shall occur no later than five (5) months after the end of the Association's fiscal year. At such meetings, the Members shall transact such business of the Association as shall properly come before the meeting, including election of members of the Board. The first annual meeting shall be called by the initial Board within (1) year after the first Lot is conveyed by Declarant to an Owner other than Declarant.

Section 3. Special Meetings. The President or the Board may call a special meeting of the Members at any time, and it shall be the duty of the President to call a special meeting within thirty (30) days after the receipt of written request(s) therefor signed by Owners representing at least thirty-three percent (33%) of the total votes of the Class A members. No business shall be transacted at a special meeting except as stated in the notice without the consent of the Owners representing at least sixty-six percent (66%) of the total votes of the Association.

Section 4. Notice of Meetings; Waiver of Notice. Written or printed notice of each annual or special meeting of the Members shall be given to each Owner of record, which notice shall state the day, place, and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called. A written waiver of notice signed before, at, or after any meeting of the Members shall be equivalent to giving notice. The certificate of the Secretary that notice was properly given as provided in these Bylaws shall be prima facie evidence thereof. Notices shall be given at least fifteen (15), but not more than fifty (50), days in advance of any meeting. Notices shall be deemed given and received upon deposit thereof in regular United States mail, postage prepaid, addressed to the Members at their addresses appearing in the membership records of the Association.

Section 5. Adjourned Meetings. If any meeting of the Members cannot be convened because a quorum has not attended, or if the business of the meeting cannot be concluded, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time without further notice, until a quorum is present of the business of the meeting is concluded, for a period not to exceed ten (10) days for any one adjournment. At such adjourned meeting at which a quorum is present or

represented, any business may be transacted which could have been transacted at the meeting as to which notice was originally given.

Section 6. Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and approval of minutes.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of directors (annual meetings only).
- (g) Unfinished business.
- (h) New business.
- (i) Adjournment.

Section 7. Action without Meeting. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Members of the Association entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Members and may be stated as such in any articles or documents filed with the Secretary of State of Colorado under the Colorado Nonprofit Corporation Act.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Association Responsibilities. The Owners will constitute the Association, which will have the responsibility of administering the Property through a Board of Directors.

Section 2. Performance of Functions by Declarant. Anything in these Bylaws to the contrary notwithstanding, so long as Declarant shall be an Owner of more than one (1) Lot, the rights, duties, and functions of the Board shall, at Declarant's option, be exercised by Declarant, by and through those persons named as directors in the Articles or their successors as appointed by Declarant.

Section 3. Number and qualifications. The affairs of the Association shall be managed and governed by a Board composed of an odd number of not less than three (3) nor more than nine (9) directors. The number of directors may be increased or decreased by amendment to these Bylaws; provided, however, that the number of directors shall not be reduced to less than three (3) nor increased to more than nine (9) and shall always be an odd number from three (3) to nine (9). Until so increased or decreased, the Association shall have three (3) directors. No decrease in the number of directors shall have the effect of shortening the term of any incumbent director. Subject to the provisions of Section 2

of this Article IV, the initial Board shall consist of those individuals named as such in the Articles and their successors, and the initial directors shall serve until the first election of directors at an annual meeting of the Members and until their successors shall be duly elected and qualified. Directors need not be Members of the Association or Owners.

Section 4. Powers and Duties. The Board shall have the powers and duties necessary or convenient for the administration and management of affairs of the Association and for the operation and maintenance of a first-class residential subdivision. The Board may do and perform all such acts and things as are not by law, the Declaration, the Articles, or these Bylaws either prohibited or directed to be exercised and done by the Members.

Section 5. Other Powers and Duties. The Board, on behalf of the Association, shall have the rights, powers, and duties described below, which are in addition to and not in limitation of any other power and duties of the directors:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Declaration;

(b) To establish, make, and enforce compliance with such reasonable Rules and Regulations as may be necessary for the operation, use, and occupancy of the Property, with the right to amend the same from time to time. Such Rules and Regulations shall be adopted, amended, or repealed as provided in Section 5, Article VI of the Declaration. A copy of such Rules and Regulations and any amendments thereto shall be delivered or mailed to each Member promptly upon the adoption thereof;

(c) To keep under surveillance and in good order, condition, and, except as otherwise provided in the Declaration, repair all items of personal property owned by the Association and used in the enjoyment of the Property;

(d) To obtain and maintain to the extent possible all policies of insurance required by the Declaration;

(e) To periodically fix, determine, levy, and collect the assessments to be paid by each of the Owners toward the gross expenses of the Association; to levy and collect Common Expense assessments, to adjust, increase or decrease the amount of the assessments; to credit any excess assessments over expenses and cash reserves to appropriate Owners against the next succeeding assessment period or to refund such excess assessments to the Owners as provided in Article IV of the Declaration; and to levy and collect special assessments. All assessments shall be made and Owners notified in the manner as provided in the Declaration shall be in statement form, and shall set forth in reasonable detail the various expenses for which the assessments are being made;

(f) To levy penalty assessments by imposing penalties and fines on an Owner for each violation of, or act of noncompliance with, the Declaration, Articles, these Bylaws, or Rules and Regulations by such Owner and his Guests; provided, however, that such penalties and fines shall not exceed One Hundred Dollars (\$100.00) per violation; to collect delinquent assessments and interest and late charges thereon by suit or otherwise and to enjoin or seek damages from an Owner as is provided in the Declaration and these Bylaws; and to assess and collect attorneys' fees and court costs expended or incurred by the Association in enforcing the provisions of the Declaration, the Articles, these Bylaws, and the Rules and Regulations.

(g) To protect and defend the Property from loss and damage by suit or otherwise;

(h) To borrow funds and to give security therefor in order to pay for any expenditure or outlay required pursuant to the authority granted in the Declaration, the Articles, or these Bylaws and to execute any instruments creating or evidencing such indebtedness or security therefor as the Board may deem necessary or desirable, subject to restrictions set forth in the Declaration and Articles;

(i) To enter into contracts within the scope of their duties and powers;

(j) To establish bank accounts which are interest bearing or noninterest bearing, as may be deemed advisable by the Board;

(k) To keep and maintain detailed, complete, and accurate books and records showing in chronological order all the receipts, expenses, or disbursements of the Association in appropriate specificity and itemization; to permit inspection thereof during convenient weekday business hours by any of the Owners, their mortgagees, or their respective authorized representatives; and, upon affirmative vote of Members representing at least two-thirds (2/3) of the votes in the Association present in person or by proxy and entitled to cast a vote, to cause a complete audit to be made of the books and accounts;

(l) To prepare and deliver to each Owner at least ten (10) days prior to each annual meeting of Members, a statement showing all receipts, expenses, and disbursements since the last such statement;

(m) To hire, designate, and remove the personnel necessary for the operation, maintenance, repair, and replacement of General Common Properties.

(n) To suspend the voting rights or to take any other action authorized in Article IX hereof upon delinquency in the payment of any assessment or for failure to comply with any other provisions of the Declaration, Articles, these Bylaws, or the Rules and Regulations; and

(o) In general, to carry on the administration of the Association and to further the purposes of the Association as stated in the Declaration and the Articles, and to do all of those things necessary, convenient, or desirable in order to carry out the governing and operating of the Property.

Section 6. Managing Agent. The Board may employ a Managing Agent for the Association to perform such duties and services as it shall authorize. Such Managing Agent may be either an individual or a professional management company, whichever the Board determines to be able to best serve the interests of the Association. The Board may delegate to the Managing Agent all or any of the powers and duties granted to the Board, but, notwithstanding such delegation, the Board shall not be relieved of any responsibility under the Declaration. A Managing Agent under contract with the Association may be required to post a fidelity bond in such amount as determined by the Board as a condition of such management contract, if such contract requires the handling of funds of Association.

Section 7. Election and Term of Office. Except as provided in Section 2 of this Article IV, members of the Board shall be elected by a majority of the Owners voting at the annual meetings of the Members. The term of each director's service shall extend until his successor is duly elected and qualified or until he is removed in the manner hereinafter provided. At the first annual meeting of the Members, one (1) member of the Board shall be elected for a term of one (1) year, one (1) member of the Board shall be elected for a term of two (2) years, with the remaining director elected for a term of three (3) years. Upon the expiration of the initial terms, directors elected for the first three Director positions shall thereafter be elected for terms of three (3) years each.

In the event the number of Directors is increased to five (5), the fourth Director shall be elected for an initial term of one (1) year and the fifth Director shall be elected for an initial term of two (2) years. Thereafter, the Directors, elected for the fourth and fifth Director positions shall be elected for two (2) year terms. In the event the number of Directors is increased to seven (7), the sixth Director shall be elected for an initial term of one (1) year and the seventh Director shall be elected for an initial term of two (2) years. Thereafter, the Directors elected for the sixth and seventh Director positions shall be elected for two (2) year terms.

In the event the number of Directors is increased to nine (9), the eighth Director shall be elected for an initial term of

one (1) year and the ninth Director shall be elected for an initial term of two (2) years. Thereafter, the Directors elected for the eighth and ninth Director positions shall be elected for two (2) year terms.

Section 8. Vacancies. Except as provided in Section 2 of this Article IV, vacancies in the Board caused by any reason other than an increase in number of directors or the removal of directors by a vote of the Members shall be filled by a vote of the remaining directors, even though they may constitute less than a quorum. Each director so elected shall serve for the unexpired term of his predecessor in office. Any directorship to be filled by reason of any increase in the number of directors may be filled by a vote of the majority of the Board for a term of office continuing only until the next election of directors by the Members.

Section 9. Removal of Directors. Subject to the provisions of Section 2 of this Article IV, at any duly called annual or special meeting of the Association, any one or more of the directors may be removed, with or without cause, by a majority of Members and a successor may then and thereby be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting.

Section 10. Annual Meeting. The annual meeting of the Board shall be held within thirty (30) days after each annual meeting of the Members for the purpose of electing officers and conducting such other business as may come before the meeting. Notice of the time and place of each annual meeting shall be given to each director personally or by mail, telephone, or telegraph at least three (3) days prior to the meeting.

Section 11. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two (2) such meetings shall be held each year. Notice of regular meetings of the Board need not be given to the Members.

Section 12. Special Meetings. Special meetings of the Board may be called by the President on his own initiative upon three (3) days' prior notice given personally, or by mail, telephone, or telegraph to the address of each director appearing on the books of the Association, which notice shall set forth the time, place, and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice upon receipt of a written request to call such meeting signed by at least one-third of the directors.

Section 13. Waiver of Notice. Any director may in writing waive notice of any such meeting of the Board, either before, at, or after such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any

meeting of the Board shall constitute waiver of notice by him of the time and place thereof unless attendance is for the express purpose of transaction of business because the meeting was not lawfully called or convened. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 14. Board of Directors Quorum. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board. If less than a quorum is present at any meeting of the Board, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 15. Compensation. The members of the Board shall serve without salary or compensation, provided that directors shall be reimbursed for all expenses incurred in their capacity as such which have been authorized by the Board. All actions of members of the Board taken in good faith and using reasonable care shall be without recourse by the Association or any Owner.

Section 16. Action without Meeting. Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members of the Board. Such consent shall have the same force and effect as a unanimous vote of the Board and may be stated as such in any articles or documents filed with the Secretary of State of Colorado under the Colorado Nonprofit Corporation Act.

Section 17. Telephonic Meetings. Members of the Board or any committee designated by the Board may participate in any regular or special meeting of the Board or committee by means of a telephone conference or similar communications equipment, by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

Article V

OFFICERS

Section 1. Designation. The officers of the Association shall be a President, one or more Vice-Presidents, a Secretary, and a Treasurer, all of whom shall be elected annually. In addition, the Board may elect or appoint an Assistant Secretary, an Assistant Treasurer, and such other officers and agents as the Board may deem appropriate. Any two or more offices may be held by the same person except the offices of the President and Secretary.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board at the annual meeting of the Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and the Board. The President shall have all of the general powers and duties which are usually vested in the office of the president of a nonprofit corporation including, but not limited to, the power to appoint, from time to time, committees from among the Members as may be deemed appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the Members of the Association at any regular or special meetings. The President must be elected by and from the Board.

Section 5. Vice-President. The Vice-President shall have all the powers and authority and shall perform all the functions and duties of the President in the absence of the President or in the event of the President's inability for any reason to exercise such powers and functions or to perform such duties. If neither the President nor Vice-President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such duties as are imposed upon him by the President or the Board. The Vice-President must be elected by and from the Board.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board and of all meetings of the Association. The Secretary shall have charge of such books and papers as the Board may direct and shall in general, perform all the duties incident to the office of Secretary. The Secretary shall comply and keep up to date at the principal office of the Association a complete list of Members and their last known addresses as shown on the records of the Association. Such list

shall also show opposite each Member's name the number or other appropriate designation of that portion of the Property owned by such Member. Such list shall be open to inspection by Members and other persons lawfully entitled to inspect the same at reasonable times during the regular business hours. Assistant Secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association funds and securities, shall keep the financial records and books of account of the Association, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements of money and other valuable effects in the name and to credit of the Association in such depositories as may from time to time be designated by the Board. Assistant treasurers, if any, shall have the same duties and powers, subject to the supervision by the treasurer.

ARTICLE VI

AMENDMENTS

Section 1. Bylaws. These Bylaws may be amended from time to time by the Members of the Association, but no amendment shall be effective unless approved at a duly authorized meeting called for such purpose by Members representing at least a majority of the votes present in person or by proxy and entitled to be cast, and each notice of any meeting therefor shall specify the nature and text of any proposed amendment or amendments.

ARTICLE VII

MORTGAGES AND LEASES

Section 1. Notice to Association. Every Owner who leases, transfers, or Mortgages any interest in any portion of the Property shall notify the Association by giving the Property name and address of his Mortgagee, purchaser, transferee, or tenant to the Secretary of the Association. The Association shall maintain such information in a book entitled Mortgages and Leases.

Section 2. Notice of Default. Upon the written request by a Mortgagee, the Association shall report to such Mortgagee any assessment which remains unpaid for over sixty (60) days or any other default of an Owner which remains uncured for over sixty (60) days.

Article VIII

MISCELLANEOUS

Section 1. Proof of Ownership. Except for those Owners who initially purchase a portion of the Property from the Declarant, every person becoming an Owner shall immediately furnish the Board a photocopy or a certified copy of the recorded instrument vesting in that person such ownership, which instrument shall remain in the files of the Association, and the Association shall be entitled to rely upon such instrument to determine ownership and voting rights in the Property. A Member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or special meeting of Members unless this requirement is first met.

Section 2. Character of Association. The Association is not organized for profit. No Member, member of the Board, officer, or person from whom the Association may receive any property or funds shall receive a pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation, be distributed to, or inure to the benefit of any of the directors, officers, committee members, or Members, except upon a dissolution of the Association; always provided, however, (i) that reasonable compensation may be paid to any Member, director, committee member, or officer while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (ii) that any Member, director, committee member, or officer may from time to time be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

Section 3. Conveyance and Encumbrances. Association property may be purchased, conveyed, or encumbered for security of monies borrowed by authority of the Association or the Board. Conveyances or encumbrances shall be by instrument executed by the President or Vice-President, and by the Secretary, the Treasurer, and Assistant Secretary or an Assistant Treasurer, or executed by such other person or persons to whom such authority may be delegated by the Board.

Section 4. Inspection of Records. Any Owner or Mortgagee may inspect the records of receipts and expenditures of the Association at convenient weekday business hours and upon ten (10) days' notice to the Board or Managing Agent, if any. Upon payment of a reasonable fee, not to exceed Fifty and No/100ths Dollars (\$50.00), any Owner shall be furnished with a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner, or an estoppel certificate.

Article IX

NONCOMPLIANCE

Section 1. Suspension of Privileges. In the event of an alleged violation of the Declaration, the Articles, these Bylaws, or the Rules and Regulations of the Association, and after written notice of such alleged violation is given to the Owner alleged to be in default ("Respondent") in the manner herein provided, the Board shall have the right, after affording the Respondent an opportunity to be heard upon such violation; and upon an affirmative vote of a majority of all directors, to take any one or more of the following actions: (i) to levy a penalty assessment as provided in the Declaration; (ii) to suspend such Owner's voting privileges as an Owner, as further provided in the Declaration; or (iii) to record a notice of noncompliance against that portion of the Property owned by or occupied by the Respondent in the real property records of the County of Larimer, Colorado. Any such suspension shall be for a period of not more than sixty (60) days for any non-continuing infraction. If there is a continuing infraction (including nonpayment of any assessment after it becomes delinquent), suspension may be imposed for so long as the violation continues. The failure of the Board to enforce the provisions of the Declaration, the Articles, these Bylaws, the Rules and Regulations, or the decisions or resolutions of the Association or the Board shall not constitute a waiver of the right to enforce them thereafter. The remedies set forth above and otherwise provided by these Bylaws shall be cumulative and none shall be exclusive. However, any individual Owner must exhaust all available internal remedies of the Association prescribed by these Bylaws or by the Rules and Regulations of the Association before that Owner may resort to a court of law for relief with respect to any alleged violation of the Declaration, the Articles, these Bylaws, the Rules and Regulations, or the decisions or resolutions of the Association or the Board, provided that the foregoing limitation pertaining to exhausting administrative remedies shall not apply to the Board or to any Owner where the complaint alleges nonpayment of any type of assessments.

Section 2. Notices. Any notices, demands, or other communications required or permitted to be given by any provision of this Article IX shall be given in writing, delivered personally or sent by U.S. mail, postage prepaid, addressed to the person whom intended at the address then appearing in the records of the Association for such person. Notice shall be considered given when personally delivered or if mailed, shall be considered received on the earlier of the day on which such notice is actually received by the party to whom it is addressed or on the third day after such notice is mailed in the regular U.S. Mail, postage prepaid.

IN WITNESS WHEREFORE, the undersigned have hereunto set their hands this 20 day of November, 1994.

BOARD OF DIRECTORS

Dorothy B. Macey
Robert L. Macey
Frederick L. Macey
Wendell F. Macey

KNOW ALL PERSONS BY THESE PRESENTS, that the undersigned Secretary of the Association does hereby certify that the above and foregoing Bylaws were duly adopted by the Board of Directors of the Association as the Bylaws of the Association on the 20 day of NOVEMBER, 1994, and that they do now constitute the Bylaws of the Association.

Dorothy B. Macey
Secretary