

BYLAWS OF
EAGLE RANCH COMMERCIAL CENTER ASSOCIATION

The name of the corporation shall be Eagle Ranch Commercial Center Association, a Colorado nonprofit corporation (the "Association").

ARTICLE 1
PURPOSES, ASSENT OF MEMBERS, AND DEFINITIONS

Section 1.1 Purposes. The specific purposes for which the Association is formed are (i) to provide for the maintenance, preservation and control of the mixed use project (the "Commercial Center") containing both commercial and residential uses, located on that certain tract of real property situated in the County of Eagle, State of Colorado, as more fully described in Exhibit A of the Declaration for Eagle Ranch Commercial Center, filed for record with the Clerk and Recorder of Eagle County, Colorado, as amended or supplemented from time to time (the "Declaration"); (ii) to serve the legitimate interests of the Owners (as defined in the Declaration), and (iii) to promote the general health, safety and welfare of the Owners, residents, and occupants of the Commercial Center.

Section 1.2 Assent. All present or future Owners, tenants, future tenants, or any other persons using the facilities of the Commercial Center in any manner are subject to these Bylaws and any rules adopted by the Executive Board pursuant to these Bylaws. The mere acquisition or rental of any of the Units of the Commercial Center or the mere act of occupancy of any of those Units shall constitute an acceptance and ratification of these Bylaws and an agreement to comply with said rules.

Section 1.3 Definitions. Unless otherwise specified, capitalized terms used in these Bylaws shall have the same meanings in these Bylaws as such terms have in the Declaration.

ARTICLE 2
MEMBERSHIP

Section 2.1 Membership. Ownership of a Unit is required in order to qualify for membership in the Association.

Section 2.2 Representation on Executive Board. If title to a Unit is held by a firm, corporation, partnership, association, or other legal entity or any combination thereof, or if any individual or entity shall have title to more than one Unit, then in either case, that individual or entity may appoint, by a writing furnished to the Association, a delegate to represent each such Unit as a candidate for, and if elected, as a member of, the Executive Board. Such delegate shall not vote as a member of the Association unless such person shall be appointed by a proxy executed in conformance with Sections 3.6 and 3.7 of these Bylaws to cast the voting interest of the Unit which he represents.

Section 2.3 Responsibilities of Members. Any person, including Declarant, on becoming an Owner of a Unit, shall automatically become a member of the Association and be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such person ceases to own a Unit, but such termination shall not relieve or release any such former Owner from any liability or obligation incurred under, or in any way connected with, the Association during the period of such ownership, or impair any rights or remedies which the Executive Board of the Association or others may have against such former Owner arising out of ownership of the Unit and membership in the Association and the covenants and obligations incident thereto.

Section 2.4 Membership Certificates. No certificates of stock shall be issued by the Association, but the Executive Board may, if it so elects, issue membership cards to Owners of Units. Such membership card shall be surrendered to the Executive Board of the Association whenever ownership of the Unit designated on the card shall terminate.

Section 2.5 Membership. There shall be two (2) classes of membership as follows:

2.5.1 Residential Unit Members. All Owners of Residential Units and the Declarant so long as Declarant continues to own an interest in a Residential Unit.

2.5.2 Commercial Unit Members. All Owners of the Commercial Units and the Declarant so long as Declarant continues to own an interest in a Commercial Unit.

Section 2.6 Voting Rights. Each Unit shall be allocated a number of votes for the purpose of matters relating to Association issues as set forth below ("Voting Allocation"):

2.6.1 Residential Units. Each Residential Unit shall be allocated one (1) vote. In the event that a Building or Buildings containing residential uses are not subjected to a Commercial Center Declaration, then the Owner of the Lot upon which such Building(s) are located shall be allocated, on account of Residential Units, one (1) vote for each residential dwelling unit intended for separate occupancy within the Building(s) at such time as a temporary or conditional certificate of occupancy or any other document evidencing that the residential dwelling unit(s) may be legally occupied, whether subject to conditions or otherwise, is issued for the residential dwelling unit(s) by an appropriate governmental authority.

2.6.2 Commercial Units. Each Commercial Unit shall be allocated the greater of: (a) two (2) votes for such Commercial Unit; or (b) two (2) votes for every 500 square feet of space contained in such Commercial Unit. In the event that the calculation of the voting allocation of a Commercial Unit results in what would otherwise be a fractional vote, such voting allocation shall be rounded down to the nearest whole number of votes. In the event that a Building or Buildings containing commercial uses are not subjected to a Commercial Center Declaration, then the Owner of the Lot upon which such Building(s) are located shall be allocated, on account of Commercial Units, the greater of (a) two (2) votes on account of such commercial space; or (b) two (2) votes for every 500 square feet of commercial space in said Buildings at such time as a temporary or conditional certificate of occupancy or any other document evidencing that the commercial space may be legally occupied, whether subject to

conditions or otherwise, is issued for the commercial space by an appropriate governmental authority.

2.6.3 Undeveloped Property. Notwithstanding the provisions of Subsections 2.6.1 and 2.6.2 above, until such time as a Lot is developed as evidenced by either (a) the recording of a Commercial Center Declaration in the office of the Clerk and Recorder of Eagle County, Colorado, or (b) the receipt by the Owner of the Lot of a temporary or conditional certificate of occupancy or any other document evidencing that any Building on the Lot may be legally occupied, whether subject to conditions or otherwise, is issued for such Building by an appropriate governmental authority, the Voting Allocation for such undeveloped Lot shall be calculated as follows:

2.6.3.1. one (1) vote with respect to each approved but undeveloped Residential Unit or residential dwelling unit which may be constructed on the Lot based upon the maximum number of residential dwelling units permitted on such Lot pursuant to deed restriction or other private covenant or applicable governmental restrictions, whichever permits the fewest such residential dwelling units; and

2.6.3.2. two (2) votes for every 500 square feet of approved but undeveloped commercial space which may be constructed on the Lot based upon the maximum commercial square footage permitted on such Lot pursuant to deed restriction or other private covenant or applicable governmental restrictions, whichever permits the least amount of commercial square footage. In the event that the calculation of the voting allocation of an undeveloped Lot relating to approved but undeveloped commercial space results in what would otherwise be a fractional vote, such voting allocation shall be rounded down to the nearest whole number of votes.

Notwithstanding the foregoing, if an undeveloped Lot is permitted to have both residential and commercial uses thereon pursuant to deed restriction or other private covenant or applicable governmental restrictions, in no event shall such Owner have voting rights in each class which, when combined, constitute more voting rights than the maximum density of the undeveloped Lot, based on a mix of commercial and residential uses, would allow.

2.6.4 Phasing Within a Commercial Center. Each Commercial Center may be developed in phases. In the event that less than all of the Units permitted to be developed on a Lot are created by subdivision at one time, then (i) the Owner of each subdivided, developed Unit shall be entitled to cast the vote on Association matters with respect to such Unit, and (ii) the Owner of the remainder of the Lot which has not been made subject to the Commercial Center Declaration and/or further subdivided shall be entitled to the remaining votes with respect to such Lot.

2.6.5 Notice of Voting Allocation. The Association shall, from time to time, upon the affirmative vote of a majority of the members of the Executive Board, calculate and determine the Voting Allocation for the various Units and place of record in the office of the Clerk and Recorder of Eagle County, Colorado, a copy of the Notice of Voting Allocation in the

form attached as Exhibit C to the Declaration, completed with the then-current Voting Allocations. At minimum, the Executive Board shall record a Notice of Voting Allocation upon the inclusion of any part of the Expansion Property in the Association and upon the recording of a Commercial Center Declaration with respect to any Lot. The Voting Allocation for each Unit, as evidenced by the recording of the Notice of Voting Allocation, shall be presumed to be correct unless made in bad faith or shown to be clearly in error.

ARTICLE 3 MEETINGS OF MEMBERS

Section 3.1 Place of Meeting. Meetings of the Association members shall be held at such place within Eagle County, Colorado as the Executive Board may determine.

Section 3.2 Annual Meeting. The first annual meeting of the Association members shall be held within one year after the date of the adoption of these Bylaws. Thereafter, the annual meetings of the Association members shall be held on a date and at a time selected by the Executive Board in each succeeding year. The purpose of the annual meetings is for the election of Directors and the transaction of such other business of the Association as may properly come before the meeting.

Section 3.3 Special Meetings. Special meetings of the Association members may be called by the President, the Executive Board, or the members holding votes equal to at least one-fourth of the total number of votes of Owners.

Section 3.4 Notice of Meetings. Written notice to the members stating the place, day, and hour of each meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered and effective not less than ten (10) nor more than fifty (50) days before the date of the meeting, by or at the direction of the President or the persons calling the meeting as provided under these Bylaws, to the registered address for notice (as provided in the Declaration) of each Unit entitled to be represented by a vote at such meeting.

Section 3.5 Adjourned Meetings. If any meeting of Association members cannot be organized because a quorum, as defined below in Section 3.8, has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is obtained.

Section 3.6 Proxies. Votes may be cast in person or by proxy, but no proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy. Proxies shall be filed with the Executive Board of the Association at or before the appointed time of each meeting.

Section 3.7 Designation of Voting Representative--Proxy. If title to a Unit is held by more than one individual, by a firm, corporation, partnership, association, or other legal entity, or any combination thereof, a proxy must be executed and filed with the Association appointing and authorizing one person or alternate persons to attend all annual and special meetings of the Association members and to cast the vote allocated to that Unit. Such proxy shall be effective

and remain in force unless voluntarily revoked, amended, or sooner terminated by its terms or by operation of law; provided, however, that within thirty (30) days after such revocation, amendment, or termination, the Owner or Owners shall reappoint and authorize one person or alternate persons to attend all annual and special meetings as provided by this Section 3.7.

Section 3.8 Quorum and Voting. Except as otherwise provided in these Bylaws, the presence in person or by proxy of 25% of all votes of Owners entitled to be cast at such meeting shall constitute a quorum, and such members present in person or by proxy shall constitute the members entitled to vote upon any issue presented at a meeting at which a quorum is present. A majority of votes entitled to be cast by such members present in person or by proxy shall be sufficient to make decisions binding on the Owners, unless a different number or method of voting is expressly required by statute or by the Declaration, the articles of incorporation of the Association, or these Bylaws.

ARTICLE 4 EXECUTIVE BOARD

Section 4.1 Number and Qualification. The affairs of the Association shall be governed by an Executive Board. The Executive Board shall consist of not less than three (3) nor more than five (5) persons. Except during the period of Declarant control described in Section 4.2 hereof, during which time Directors shall be appointed by the Declarant or all Owners other than the Declarant, the Owners of Residential Units, collectively, shall be entitled to nominate and elect one (1) member of the Executive Board, and all other members thereof shall be elected by the Owners of Commercial Units, collectively. The Directors may be nonresidents of Colorado, but all Directors elected by the members (as opposed to any Directors appointed by Declarant pursuant to Section 4.2 below) must be Owners or their delegates.

Section 4.2 Declarant Control. Notwithstanding anything to the contrary provided for in the Declaration or these Bylaws, Declarant shall be entitled during the Declarant Control Period (defined below) to appoint and remove the members of the Association's Executive Board and the officers of the Association, subject to the following restrictions:

4.2.1 Not later than sixty (60) days after conveyance by Declarant of twenty-five percent (25%) of the total number of Units, including all Units permitted to be located in the Expansion Property, to Owners, at least one member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Owners other than Declarant.

4.2.2 Not later than sixty (60) days after conveyance by Declarant of fifty percent (50%) of the total number of Units, including all Units permitted to be located in the Expansion Property, to Owners, not less than thirty-three and one-third percent (33 1/3%) of the members of the Executive Board shall be elected by Owners other than Declarant.

4.2.3 Not later than the termination of the Declarant Control Period, the Owners shall elect an Executive Board at least a majority of whom shall be Owners other than Declarant or designated representatives of Owners other than Declarant.

Section 4.7 Board Elections. Upon the events listed in Section 4.2 above requiring that certain member(s) of the Executive Board be elected by the Owners other than Declarant, a special meeting of the Association shall be called to hold elections for persons to replace such resigning members of the Executive Board for the remainder of the respective terms then being served by each such Directors.

The Directors shall hold office until their successors have been elected and qualified. Nominations of candidates for the Executive Board may be made by any members of the applicable membership classification in the Association (including persons who are then members of the Executive Board). In the election of the Residential Director by Residential Owners, each Residential Owner shall have the right to vote the number of votes to which he is entitled for the seat of Residential Director. In the election of Commercial Directors by Commercial Owners, each Commercial Owner shall have the right to vote the number of votes to which he is entitled for as many persons as there are Commercial Directors to be elected. Cumulative voting shall not be allowed.

Section 4.8 Removal of Directors. At any regular or special meeting of the Association duly called, with respect to Directors whose terms at the next annual meeting of members, any one or more of the Residential or Commercial Directors may be removed with or without cause by a majority of the votes of members within the membership classification which elected such Director(s). With respect to Directors whose terms do not expire at the next annual meeting of members, any one or more of the Residential Director or Commercial Directors may be removed only by a vote of at least two-thirds of the votes of the members within the membership classification which elected such Director(s). Successors may then and there be elected by such members to fill the vacancies thus created.

Any Director whose removal has been proposed shall be given an opportunity to be heard at the meeting. The relevant class of Directors or the Executive Board shall designate by resolution or motion when such regular or special meeting shall be held after such meeting is properly set or called in accordance with these Bylaws and Colorado law.

Section 4.9 Vacancies. Any vacancy occurring in the class of the Commercial Directors may be filled by the affirmative vote of a majority of the remaining Commercial Directors, though less than a quorum of the Executive Board. The term of any Director so elected shall be coincident with the term of the replaced Director.

Section 4.10 Quorum of Directors. At all meetings of the Executive Board, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Executive Board. If at any meeting of the Executive Board there be less than a quorum present, the majority of those present may adjourn the meeting from time to time for periods of no longer than one (1) week until a quorum is obtained or until a conclusion can be reached. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.2.4 The Declarant Control Period is hereby defined as the period of time commencing on the date of incorporation of the Association and terminating on the earliest of the following events: (i) sixty (60) days after conveyance by Declarant of seventy-five percent (75%) of the total number of Units, including all Units permitted to be located in the Expansion Property, to Owners, (ii) two (2) years after the last conveyance of a Unit by Declarant in the ordinary course of business, (iii) two (2) years after any right to add new Units was last exercised, or (iv) the date on which Declarant voluntarily relinquishes such power, evidenced by a notice recorded in the Office of the Clerk and Recorder for Eagle County, Colorado.

Section 4.3 Fairness Standard. The Executive Board, the officers of the Association and the Association shall have the duty to represent the interests of both Commercial Unit Members and Residential Unit Members in a fair and just manner on all matters that may affect either or both classes of Owners. In upholding their duties, the Executive Board, the officers and the Association shall be held in their decisions to the standards of good faith and reasonableness with respect to such matters, including taking into account the effect, if any, of the matter on Eagle Ranch Commercial Center as a whole.

Section 4.4 Initial Executive Board. The names and addresses of three (3) persons who are to initially act in the capacity of Directors until their successors are duly elected and qualified are as follows:

<u>Name</u>	<u>Address</u>
<u>Gary Martinez</u>	<u>P.O. Box 1630</u> <u>Eagle, CO 81631</u>
<u>James P. Adams</u>	<u>P.O. Box 1630</u> <u>Eagle, CO 81631</u>
<u>Willis J. Wright</u>	<u>P.O. Box 1630</u> <u>Eagle, CO 81631</u>

Section 4.5 Terms of Office of Initial Board. The terms of office of the Executive Board initially appointed by Declarant under Section 4.3 above shall be set by Declarant (subject to the provisions of termination under Section 4.2).

Section 4.6 Terms of Office of Subsequent Boards. Subject to the requirements of Section 38-33.3-303 of the Act, every Director appointed or elected to replace the members of the Executive Board appointed by Declarant during the Declarant Control Period shall serve a term of three years or such lesser term so that the term of at least one-third of the Executive Board shall expire each year. The Directors shall hold office until their successors have been elected and qualified.

Section 4.11 Notice of Meetings. The President or Secretary shall give, or cause to be given, written notice of the time, place and, if a special meeting, the purpose, of each meeting by mailing, postage prepaid, or hand-delivering such notice at least ten (10) days, but not more than fifty (50) days, prior to such meeting to each member of the Executive Board.

Section 4.12 Adjourned Meetings. If, at the time and place of meeting, a quorum is lacking, the directors present in person or by proxy, may adjourn the meeting from time to time until a quorum exists. At any adjourned meeting at which a quorum exists, any business may be transacted which might have been transacted at the original meeting.

Section 4.13 Waiver of Notice. Any director may at any time waive any notice required to be given under these Bylaws, by statute or otherwise. The presence of a director in person at any meeting shall constitute a waiver, unless such presence is for the express purpose of objecting to the meeting for the reason that it was not lawfully called.

Section 4.14 Powers and Duties. The Executive Board shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of a first class project. The Executive Board may do all such acts and things as are not by law, the Act, the Articles, these Bylaws or the Declaration either prohibited or directed to be exercised and done by the Owners.

Section 4.15 Other Powers and Duties. Without limiting the generality of the powers and duties set forth in Section 4.14 of these Bylaws, the Executive Board shall be empowered and shall have the powers and duties as follows, whether acting on behalf of the entire Association or through the class of Directors representing the Owners affected by the relevant issues:

4.15.1 To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Declaration.

4.15.2 To administer and enforce the provisions of the Master Declaration to the extent permitted under the Master Declaration and to collect assessments and perform other duties on behalf of the Master Association as permitted under the Master Association Documents.

4.15.3 To adopt and amend from time to time administrative rules and regulations governing the use and operation of the Common Area.

4.15.4 To keep in good order, condition, and repair the Common Area and all items of personal property, if any, used in the enjoyment of the Commercial Center in accordance with the terms of the Declaration. No approval of the Owners is required for expenditures for these purposes.

4.15.5 To designate and remove personnel necessary for the operation, maintenance, repair, and replacement of the Common Area in accordance with the terms of the Declaration.

4.15.6 In accordance with the terms of the Declaration, to obtain and maintain in effect the insurance coverage specified in the Declaration to the extent that insurance is available from reputable carriers at costs which are not demonstrably unreasonable.

4.15.7 Subject to the budgeting procedures contained in the Declaration, to fix, determine, levy, and collect the prorated annual Assessments to be paid by each of the members towards the gross expenses of the Association, and to adjust, decrease, or increase the amount of the Assessments, and to credit any excess of Assessments over expenses and cash reserves to the members against the next succeeding Assessment period.

4.15.8 To pay on behalf of each member assessments of the Master Association and to collect from each member the amount of such assessments with respect to such member's Unit.

4.15.9 To levy and collect special Assessments whenever, in the opinion of the Executive Board, it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies, subject to any limitations imposed by the Declaration and the Act, and further subject to the requirement that all special Assessments shall be based on a budget adopted in accordance with the terms of the Declaration prior to the levying of a special Assessment.

4.15.10 To collect delinquent Assessments by suit or otherwise and to enjoin or seek damages from an Owner as provided in the Declaration and these Bylaws; to enforce a late charge of fifteen percent (15%) of the outstanding amount or such other charge as the Executive Board may fix by rule from time to time in connection with Assessments remaining unpaid more than fifteen (15) days from due date for payment thereof; and to collect interest on unpaid Assessments in accordance with Article 8 of the Declaration at the Maximum Rate in effect on the date the obligation to pay such interest arises.

4.15.11 To protect and defend the Commercial Center from loss and damage by suit or otherwise.

4.15.12 Subject to restrictions as may be set forth in the Declaration and the Act, to borrow funds in order to pay for any expenditure or outlay required for the Commercial Center or portion of the Commercial Center pursuant to the authority granted by the provisions of the Declaration and these Bylaws and to authorize the appropriate officers to execute all such instruments evidencing such indebtedness as the Association may deem necessary, and such indebtedness shall be the several obligations of all the Owners in the same proportions as they share the Common Expenses.

4.15.13 To dedicate, sell, or transfer all or any part of the Common Area to any public, governmental, or quasi-governmental agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members; and subject to such additional limitations as may be set forth in the Declaration and the Act. The Act places certain restrictions on the conveyance or encumbrance of the Common Area pursuant to Section 38-33.3-312 of the Act.

4.15.14 To enter into contracts within the scope of their duties and powers, including, without limitation, contracts with or other homeowners' associations or entities to provide services for the benefit of members and their families, guests, tenants and invitees.

4.15.15 To establish a bank account for the treasury and for all separate funds which are required or may be deemed advisable by the Executive Board.

4.15.16 To keep and maintain full and accurate books and records showing all of the receipts, expenses, or disbursements of the Executive Board and to permit examination thereof by Owners and their Mortgagees at convenient weekday business hours.

4.15.17 To prepare and deliver annually to each member a statement showing all receipts, expenses, or disbursements since the last such statement, including depreciation and other tax information.

4.15.18 To collect an initial contribution to working capital from each Unit Owner who purchases a Unit from Declarant and from any successor Owner of a Unit equal to three months' installments of annual Assessments, which shall be used by the Association as a working capital fund.

4.15.19 Subject to the obligations of the Master Association, to maintain and remove snow from any and all driveways, roadways, and parking areas within the Common Area and to maintain the lawn, trees, shrubs, and other vegetation located on the Commercial Center for the benefit of the Owners.

4.15.20 In general, to perform all other acts permitted under the Act, to carry on the administration of the Association and to do all those things necessary and responsible in order to carry out the communal aspects of condominium ownership and the proper governance and operation of the Association, all in accordance with the Declaration.

Section 4.16 Managing Agent. The Commercial Center shall be managed by the Managing Agent chosen by the Executive Board. The Managing Agent shall be employed at a compensation established by the Executive Board to perform such duties and services as the Executive Board shall authorize; provided, however, that the Executive Board in delegating such duties shall not be relieved of its responsibilities under the Declaration or the Act.

Section 4.17 Directors' Compensation. Directors shall not be paid any compensation for their services performed as such Directors unless a resolution authorizing such remuneration shall have been adopted by the Association. Each member of the Executive Board shall receive reimbursement for reasonable expenses for attendance at any regular or special meeting of the Executive Board or class of Directors or for other actual expenses incurred in connection with the performance of his duties of office as a member of the Executive Board.

ARTICLE 5 OFFICERS AND THEIR DUTIES

Section 5.1 General. The officers of the Association (who shall be elected from among the members of the Executive Board) shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer. The officers shall be elected by an affirmative vote of a majority of the members of the Executive Board. The Executive Board may elect such other officers, assistant officers, committees and agents, including Assistant Secretaries and Assistant Treasurers, as they may consider necessary or advisable, who shall be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Executive Board. One (1) person may hold two (2) offices. In all cases where the duties of any officer, agent or employee are not prescribed by the Bylaws or by the Executive Board, such officer, agent or employee shall follow the orders and instructions of the President.

Section 5.2 Removal of Officers. Upon an affirmative vote of a majority of the members of the Executive Board, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for such purpose.

Section 5.3 Vacancies. A vacancy in any office, however occurring, may be filled by an affirmative vote of a majority of the members of the Executive Board for the unexpired portion of the term.

Section 5.4 President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Executive Board. He shall have the general and active control of the affairs and business of the Association and general supervision of its officers, agents and employees. The President has the authority to prepare, execute, certify and record documents reflecting amendment to the Declaration which are properly amended pursuant to the provisions of the Declaration.

Section 5.5 Vice President(s). The Vice President(s) shall assist the President and shall perform such duties as may be assigned to them by the President or by the Executive Board. In the absence of the President, the Vice President elected by the Executive Board shall have the powers and perform the duties of the President.

Section 5.6 Secretary. The Secretary shall keep the minutes of the proceedings of the Members and the Executive Board. He shall see that all notices are duly given in accordance with the provisions of these Bylaws, the Declaration and as required by law. He shall be custodian of the corporate records and of the seal of the Association and affix the seal to all documents when authorized by the Executive Board. He shall keep at its registered office or principal place of business within or outside Colorado a record containing the names and registered addresses of all Members, the designation of the Residential Unit owned by each Member, and, if such Residential Unit is mortgaged, the name and address of each Mortgagee. He shall, in general, perform all duties incident to the office of Secretary and such other duties as

from time to time may be assigned to him by the President or by the Executive Board. Assistant Secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary.

Section 5.7 Treasurer. The Treasurer shall be the principal financial officer of the Association and shall have the care and custody of all funds, securities, evidences of indebtedness and other personal property of the Association and shall deposit the same in accordance with the instructions of the Executive Board. He shall receive and give receipts and acquittances for monies paid in on account of the Association, and shall pay out of the funds on hand all bills, payrolls and other just debts of the Association of whatever nature upon maturity. He shall perform all other duties incident to the office of the Treasurer and, upon request of the Executive Board, shall make such reports to it as may be required at any time. He shall, if required by the Executive Board, give the Association a bond in such sums and with such sureties as shall be satisfactory to the Executive Board, conditioned upon the faithful performance of his duties and for the restoration to the Association of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association. He shall have such other powers and perform such other duties as may be from time to time prescribed by the Executive Board or the President. The Assistant Treasurers, if any, shall have the same powers and duties, subject to the supervision of the Treasurer.

ARTICLE 6 INDEMNIFICATION OF DIRECTORS AND OFFICERS

To the extent permitted by law and consistent with the articles of incorporation of the Association, the Association shall indemnify every Director, officer, employee and agent of the Association and every person who serves at the request of the Association as a manager, director, officer, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, or other enterprise or employee benefit plan against any liability asserted against or incurred by such person in any such capacity or arising out of that person's capacity as such. The indemnification permitted under this Article shall not extend, in any event, to any act or omission occurring prior to the date of incorporation of the Association.

In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel are not prohibited by Colorado law from being indemnified. The foregoing rights shall not be exclusive of other rights to which such Director or officer or other person may be entitled. All liability, loss, damage, cost, and expense arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as a Common Expense.

ARTICLE 7 BYLAWS

Section 7.1 Amendments. These Bylaws may be amended by action of the Executive Board at a regular or special meeting of the Executive Board. No amendment shall serve to shorten the term of any Director, impair the rights of a membership classification without approval of that classification, conflict with the Act or delete any provision which must be contained in these Bylaws under the terms of the Act, or conflict with the articles of incorporation of the Association or the Declaration.

Section 7.2 Compliance With the Act. These Bylaws are intended to comply with the requirements of the Colorado Common Interest Ownership Act. If any of these Bylaws conflict with the provisions of the Act, the provisions of the Act will govern the Association.

Section 7.3 Conflict Between Documents. In the case of any conflict between the articles of incorporation of the Association and these Bylaws, the articles shall control; and in the case of any conflict between the Declaration and these Bylaws or the articles of incorporation of the Association, the Declaration shall control.

ARTICLE 8 SERVICES

The Association, whether through all Owners or through a class of Owners, shall initially provide, among others, the following services relating to the administration and operation of the Association and the Commercial Center, funded through the related payments outlined below from regular, annual Assessments, which may be amended or supplemented from time to time by the procedures set forth in the Declaration:

- (a) administrative payroll;
- (b) accounting services;
- (c) provision of office supplies;
- (d) maintenance of the Common Area;
- (e) provision of maintenance supplies;
- (f) legal services;
- (g) electricity service for the Common Area, including area lighting;
- (h) trash removal;
- (i) payment of reimbursable expenses of the Executive Board;
- (j) maintenance of insurance for Common Area, and other insurance specified in the Declaration;
- (k) establishment of reserve fund for maintenance, repair, and replacement of the Common Area as required by the Declaration; and
- (l) payment of the assessments of the Master Association on behalf of members (to the extent collected with Association Assessments).

**ARTICLE 9
NONPROFIT CORPORATION**

The Association is not organized for profit. No member of the Association, member of the Executive Board, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations of the Association, and in no event shall any part of the funds or assets of the Association be paid as a dividend, or be distributed to, or inure to the benefit of, any member of the Executive Board. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation may be paid to any member or Director acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, (2) any member or Director 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, and (3) the distribution of any proceeds of insurance or from condemnation or the sale of the Commercial Center as described in the Declaration.

**ARTICLE 10
OBLIGATIONS OF THE OWNERS**

Section 10.1 Assessments. Except as otherwise provided in the Declaration, all Owners shall be obligated to pay the annual Assessments imposed by the Association to meet the Common Expenses. Unless otherwise determined by the Association, the annual Assessments and any special Assessments which are to be paid in periodic installments, shall be paid periodically in advance and shall be due and payable to the Association at its principal office or as the Association may otherwise direct in any Management Agreement, without notice (except as otherwise required by the Declaration), on the first day of the payment period. A member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of members, within the meaning of these Bylaws, if, and only if, he/she shall have fully paid all Assessments made or levied against him/her and the Unit owned by him/her.

Section 10.2 Registration of Mailing Address. All Owners of each Unit shall have one and the same registered mailing address to be used by the Association for mailing of notices, demands, and all other communications; and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association, or other legal entity or such combination thereof to be used by the Association. Such registered address of a Unit Owner or Owners shall be furnished by such Owners to the secretary of the Association within five (5) days after transfer of title; and such registration shall be in written form and signed by all of the Owners of the Unit or by such persons as are authorized by law to represent the interests of all Owners thereof. If no such address is registered or if all of the Owners cannot agree, then the address shown on the deed to the Unit shall be deemed their registered address for the purposes of this Section until another registered address is furnished as required under this Section. If the Unit is the registered address of the Owners, then any notice shall have been deemed to be duly given if it is delivered to any person occupying that Unit or, if such Unit is unoccupied, if the notice is held and available for the Owners at the principal office of the

Association. The registered address may be changed from time to time by designation in accordance with this Section.

Section 10.3 Use of Common Area. Each Owner shall use the Common Area in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Owners or, if applicable, the public.

Section 10.4 Assessments, Debts, and Other Obligations By Unit Owner. The Assessments, debts, and other obligations assumed by the Owner include the following:

10.4.1 The duties and obligations with respect to the maintenance of the Buildings and Units as set forth more fully in the Declaration.

10.4.2 The duty of Owners as set forth in the Declaration to reimburse the Association for repair or replacement of the Common Area, when such repair or replacement is occasioned by the negligent or willful act or omission of said Owner, his family members, employees, guests, or invitees.

10.4.3 The duty to pay all annual, special, and default Assessments provided for and governed by Article 5 of the Declaration and levied for any purpose authorized by the Declaration.

10.4.4 The duty to indemnify and hold harmless each of the other Owners and the Association, pursuant to Article 9 of the Declaration, from any liability arising from the claim of any mechanics' liens against an Owner's Unit or against the Common Area.

10.4.5 The duty to adhere to and comply with all use restrictions of Article 7 of the Declaration.

10.4.6 The burdens imposed by the easements set forth in Article 6 of the Declaration.

10.4.7 The obligation to submit to the appointment of the Association as attorney in fact for purposes of dealing with the Commercial Center upon its damage, destruction, or obsolescence as provided in the Declaration.

10.4.8 The restrictions, limitations, and prohibitions relative to partitioning, severing ownership interests in the Common Area as set forth in the Declaration.

10.4.9 The privileges and duties of members of the Master Association, including the obligation to pay certain additional assessments to that association, as set forth in the articles of incorporation and bylaws of that association and in the Master Declaration.

10.4.10 Such other duties and obligations as may be imposed under the Declaration or these Bylaws and other Association Documents.

**ARTICLE 11
COMMITTEES**

The Executive Board of the Association may appoint such committees as deemed appropriate in carrying out its purposes, including, without limitation, a committee of Commercial Directors.

**ARTICLE 12
BOOKS AND RECORDS; STATEMENT OF ACCOUNT**

Section 12.1 Inspection. The records of receipts and expenditures of the Executive Board, including records of receipts and expenditures affecting Common Area and other books, records and papers of the Association, including the Declaration, the articles of incorporation, and these Bylaws of the Association as well as any Management Agreement and any rules and regulations of the Association shall be available for inspection during convenient weekday business hours by the Owners and their lenders and to holders, insurers or guarantors of First Mortgages at the principal office of the Association, where copies may be purchased at reasonable cost.

Section 12.2 Statement of Account. Upon fourteen (14) calendar days' notice to the relevant Managing Agent, if any, or to the Executive Board, and payment of a reasonable fee, any Owner shall be furnished a statement of the Owner's account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner, together with such other information available pursuant to Section 5.15 of the Declaration.

**ARTICLE 13
CORPORATE SEAL**

The Association shall have a seal or stamp in circular form having within its form the words: "Eagle Ranch Commercial Center Association."

**ARTICLE 14
FISCAL YEAR**

The fiscal year of the Association shall begin on a date to be determined by action of the Executive Board, except that the first fiscal year shall begin on the date of incorporation.


CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Eagle Ranch Commercial Center Association, a Colorado nonprofit corporation; and

That the foregoing Bylaws constitute the original Bylaws of that Association, as duly adopted by written action of the Executive Board and of the sole Member of that Association, on the 20th day of November, 2000.

Dated: November 20, 2000.


_____, Secretary