

**BYLAWS
OF
VALLEY VIEW WEST CONDOMINIUM, INC.**

**ARTICLE I
OBJECT**

1.1 The purpose for which this non-profit Corporation is formed is to govern the condominium property situate in the County of Garfield, State of Colorado, which is known as the Valley View West Condominiums, and which property has been submitted to the provisions of the Condominium Ownership Act of the State of Colorado by recorded Condominium Declaration (Declaration). *These By-laws represent a re-adoption of the original By-Laws adopted on July 10, 1979, for Valley View West Condominiums, Inc., which was reincorporated on March 31, 2000. These re-adopted By-laws have not been amended in any substantive respect and are not intended to substantively change the By-laws originally adopted on July 10, 1979; changes from the original text of the By-laws, arising from the passage of time, are reflected herein.*

1.2 All present or future owners, tenants and any other person that might use the facilities of the project in any manner are subject to the regulations set forth in these By-Laws. The mere acquisition or rental of any of the condominium units, hereinafter referred to as "units" or unit, of the project or the mere act of occupancy of any unit will signify that these By-Laws are accepted, ratified, and will be complied with.

**ARTICLE II
MEMBERSHIP, VOTING, QUORUM, PROXIES**

2.1 Membership. Membership in this Corporation (Association) shall be limited to record owners of the units and shall be subject to the Declaration. One membership in the Association shall be issued to the record owner of each unit. The record owners of all units collectively shall constitute all members. In the event any unit is owned by two or more persons, whether by joint tenancy, tenancy in common, or otherwise, the membership as to such unit shall be joint and a single membership for a unit shall be issued in the names of all of the owners, and they shall designate to the Association, in writing, the name of one person who shall vote said membership. No membership shall be issued to any other person or persons except as they be issued in substitution for outstanding memberships assigned to new record owners of units.

2.2 Classes of Memberships. The Association shall have one class of voting membership:

Class A. Class A members shall be all unit owners, except Valley View Associates, a Colorado limited partnership, and each shall be entitled to one vote for each unit owned.

Class B. The original By-Laws adopted for the Association on July 10, 1979, provided for a Class B membership consisting of Valley View Associates, a Colorado limited partnership. Under the terms of the original By-laws, said Class B membership terminated and converted to Class A membership on or before June 4, 1981.

2.3 Voting. A majority of the total votes cast at a meeting at which a quorum shall be present shall be binding upon all unit owners for all purposes except when a higher percentage is required by these By-Laws, the Declaration or by law. Cumulative voting shall not be allowed.

2.4 Quorum. The presence, either in person or by proxy, of at least thirty percent (30%) of the members of record shall constitute a quorum of the Association for all purposes unless the representation of a larger group shall be required by law, by the Articles of Incorporation, or by these By-Laws, and in such event representation of the number so required shall constitute a quorum.

2.5 Proxies. Votes may be cast in person or by proxy Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE III ADMINISTRATION

3.1 Place of Meetings. Meetings of the Association shall be held at such place as the Board of Managers may determine in the City of Glenwood Springs, Colorado or within a two mile radius thereof.

3.2 Annual Meeting. The first annual meeting of the Association will be held on any day during the month of September, during the year of incorporation. Thereafter, the annual meetings of the Association shall be held on the first day of September or at such other time as the Association may by majority vote approve. At such meetings, there shall be elected a Board of Managers in accordance with the requirements set forth herein. The Association may also transact such other business of the Association as may properly come before it.

3.3 Special Meeting. Special meetings of the Association, for any purpose or purposes other than those regulated by statute, may be called by the President or by resolution, of the Board of Managers, or upon a petition signed by at least thirty percent (30%) of the members of the Association. Such petition shall state the purpose or purposes of such proposed meeting. No business shall be transacted at a special meeting, except as stated in the notice thereof, unless by consent of at least two-thirds (2/3) of the Association members present, either in person or by proxy.

3.4 Notice of Meeting. The President or Secretary shall give or cause to be given notice of the time, place, and purpose of holding each annual or special meeting by mailing or hand-delivering such notice at least ten (10) days, but not more than twenty (20) days, prior to

such meeting to each Association member at the respective addresses of said members as they appear on the records of the Association.

3.5 Adjourned Meeting. If the number of Association members necessary to constitute a quorum shall fail to attend in person or by proxy at the time and place of meeting, the Chairman of the meeting, or a majority in interest of the Association members present in person or by proxy, may adjourn the meeting from time to time until the necessary number of Association members shall be in attendance. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting.

3.6 Waiver of Notice. Any member may at any time waive any notice required to be given under these By-Laws, or by statute or otherwise, and the presence of a member in person at any meeting of the members shall be deemed such a waiver.

ARTICLE IV BOARD OF MANAGERS

4.1 Number and Qualification.

- (a) The affairs of this Association shall be governed by a Board of Managers consisting of not less than three (3) nor more than five (5) persons, all of whom shall be unit owners. *The Board of Managers (which may also be known as the Board of Directors) elected concurrently with the re-adoption of these By-laws is indicated by the undersigned persons hereto.*
- (b) Where a member of the Association elected to the Board of Managers is other than a natural person, it shall designate one of its officers, principals, partners, or agents to perform its duties as one of the members of the Board of Managers.

4.2 Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the members. The powers of the Board of Managers shall include, but not be limited to, all of the rights and duties of the Board of Managers as set forth elsewhere in these By-Laws and the Articles of Incorporation, and in the Declaration, and shall also include the power to promulgate such rules and regulations pertaining to such rights and duties as may be deemed proper and which are consistent with the foregoing. The Board of Managers may delegate such duties as appear in the best interests of the Association and to the extent permitted by law.

The Board of Managers may, on contract, delegate the routine operation and management of the Association affairs to a Managing Agent to be selected by the Board of Managers. Such Managing Agent shall be responsible to the Board of Managers, and shall submit a comprehensive report on his activities at each annual meeting.

4.3 Election and Term of Office. The term of the managers named in the Articles of Incorporation shall be until the first annual membership meeting, or until their successors are duly chosen and qualify. At the first annual meeting the members shall elect one (1) manager, for a term of one (1) year and two (2) managers for a term of two (2) years, and at each annual meeting thereafter the members shall elect the number of managers whose terms have expired for a term of two (2) years. The number of managers may be altered from time to time by the action of a majority of the members of the Association at any regular or special meeting called for such purpose. In the event of any increase in the number of managers in advance of the annual meeting, each additional manager shall be elected by the then Board of Managers and hold office until his successor is elected and shall qualify.

4.4 Vacancies. Vacancies on the Board of Managers caused by any reason shall be filled by vote of the majority of the remaining managers, even though they may consist of less than a quorum, and each member so elected shall be a manager until his successor is duly elected by the members of the Association at the next annual meeting.

4.5 Removal of Managers. At any regular or special meeting of the Association, any one or more of the managers may be removed, with or without cause, at any time by the affirmative vote of seventy-five percent (75%) of the entire membership of record and a successor may then be elected to fill the vacancy thus created. Any manager whose removal has been proposed by the members of the Association shall be given an opportunity to be heard at the meeting.

4.6 Compensation. No compensation shall be paid to managers for services as manager. No remuneration shall be paid to a manager for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been adopted by the Board of Managers before the services are undertaken.

4.7 Organization Meeting. The first meeting of a newly elected Board of Managers shall be held within thirty (30) days of election at such time and place as shall be fixed at the meeting at which such managers were elected, and no notice shall be necessary to the newly elected managers in order to legally constitute such meeting, provided a majority of the whole Board shall be present.

4.8 Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined in the City of Glenwood Springs or within a two mile radius thereof, from time to time, by a majority of the managers, but at least one meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each manager, personally or by mail, telephone, or telegraph, at least ten (10) days prior to the day named for the meeting.

4.9 Special Meetings. Special meetings of the Board of Managers may be called by the President on ten (10) days notice to each manager, given personally or by mail, telephone

or telegraph, which notice shall state the time, Place, and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least fifty percent (50%) of the managers.

4.10 Waiver of Notice. Before or at any meeting of the Board of Managers, any manager may, in writing, waive notice of such meeting and such waive-- shall be deemed equivalent to the giving of such notice. Attendance by a manager at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.11 Quorum. A majority of the Board of- Managers shall constitute a quorum for the transaction of business, but if at any meeting of the Board there be less than a quorum present, a majority of these present may adjourn the meeting from time to time.

4.12 Adjournment. The Board of Managers may adjourn any meeting from day to day or for such other time as may be prudent or necessary in the interest of the Association, provided that no meeting may be adjourned for a period longer than thirty (30) days.

4.13 Fidelity Bonds. The Board of Managers shall require that all officers and employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

ARTICLE V OFFICERS

5.1 Designation. The principal officers of the Association shall be a President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Managers. The managers may appoint an Assistant Secretary and an Assistant Treasurer, and such other officers as in their judgment may be necessary and such officers need not also be members of the Board of Managers.

5.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Managers, at the organizational meeting of each new Board, and shall hold office at the pleasure of the Board.

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

5.4 President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the members and of the Board of Managers. He shall have all of the general powers and duties which are normally vested in the office of the president of

a corporation, including, but not limited to the power to appoint committees from among the members as he may, in his discretion, decide is appropriate to assist in the conduct of the affairs of the Association.

5.5 Secretary. The Secretary shall keep the minutes of all meetings of the members; he shall have charge of the membership books and other such books and papers as the Board of Managers may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

5.6 Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate records of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Managers.

5.7 Compensation. No compensation shall be paid to officers for their services as officers. No remuneration shall be paid to an officer for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been adopted by the Board of Managers before the services are undertaken.

ARTICLE VI INDEMNIFICATION OF OFFICERS AND MANAGERS

The Association shall indemnify every manager or officer, his heirs and personal representatives against all loss, costs and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit, or proceeding to which he may be made a party by reason of his being or having been a manager or officer of the Association, except as to matters as to which he shall be finally adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct. 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 that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such manager or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such manager or officer shall be entitled. All liability, loss, damage, costs, and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article VI contained shall be deemed to obligate the Association to indemnify any member or owner of a unit, who is or has been a manager or officer of the Association, with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as a member or owner of a unit covered thereby.

ARTICLE VII
POWERS, RIGHTS AND DUTIES
OF THE ASSOCIATION AND MEMBERS THEREOF

7.1 The Association and its members shall have all the powers, rights, duties and obligations set forth in the Articles of Incorporation for the Association, these By-Laws, rules and regulations adopted by the Board of Managers of the Association, and the Declaration, and as any of the same may be duly amended.

7.2 No transfers of membership in the Association shall be made except as provided therein and no transfer shall be made upon the books of the Association within ten (10) days next preceding the annual meeting of the Association.

7.3 The Board of Managers shall have the express authorization, right, and power to enter into one or more management agreements with third parties in order to facilitate efficient operation of the general common elements. It shall be the primary purpose of such management agreements to provide for the administration, management, repair, and maintenance of said real property, all improvements thereon designated as general common elements, and the roofs and exterior walls of the residence units.

7.4 The terms of said management agreements shall be as determined by the Board of Managers to be in the best interests of the Association, and shall be subject to the Articles of Incorporation, these By-Laws, and the Declaration.

ARTICLE VIII
CORPORATE SEAL

8.1 The Board of Managers may, but is not required, to maintain a suitable corporate seal containing the name of the Association, in the custody and control of the Secretary.

8.2 The corporate seal, if maintained, shall be in circular form, shall have inscribed thereon the name of the Association in the circle and the word "Seal" in the middle. If and when so directed by the Board of Managers, a duplicate seal may be kept and used by such officer or other person as the Board of Managers shall name.

ARTICLE IX
MISCELLANEOUS

9.1 Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with the reasonable standards of accounting procedure.

9.2 Auditing. At the close of each fiscal year, the books and records of the Association shall be reviewed by a Certified Public Accountant, whose report will be prepared and furnished to the Association. Based upon such reports, the Association will have available for inspection by its members a statement of the income and disbursements of the Association for each fiscal year.

9.3 Inspection of Books. Financial reports, such as are required to be furnished, and the membership records of the Association shall be available at the principal offices of the Association for inspection during convenient workday business hours by any member. Upon ten-days notice to the Managing Agent or the Board of Managers and payment of a reasonable fee, any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

9.4 Execution of Association Documents. With the prior authorization of the Board of Managers, all notes, checks, and contracts or other obligations shall be executed on behalf of the Association by any two officers of the Association.

9.5 Fiscal Year. The fiscal year of the Association shall be determined by the Board of Managers.

ARTICLE X AMENDMENT OF BYLAWS

10.1 Amendment by the Members. These By-Laws may be amended by the affirmative vote of two-thirds (2/3) of the members of the Association present or represented by proxy at any regular or special meeting, provided that a quorum, as prescribed in Article II herein, is present at any such meeting. Amendments may be proposed by the Board of Managers or by petition signed by at least thirty percent (30%) of the members. A statement of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment shall be voted upon. These By-Laws may not be amended insofar as such amendment would be inconsistent with the recorded restrictions of the property and no amendment may be adopted without first giving written notice thereof to all first mortgagees.

ARTICLE XI OBLIGATIONS OF THE OWNERS

11.1 Assessments. Except as is otherwise provided in the Declaration, all owners shall be obligated to pay the assessments imposed by the Association to meet the common expenses. The assessments shall be made pro rata according to the percentage interest of each member in and to the general common elements as assigned by the Declaration and shall be due annually in advance on the first day of each calendar year, or more frequently as may be determined by the Board of Managers. 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

By-Laws, if, and only if, he shall have fully paid all assessments made or levied against him and the unit owned by him.

11.2 Maintenance and Repair.

- (a) Every owner must perform promptly at his own expense all maintenance and repair work within his own unit and the patio attached to his unit. An owner shall not do an act or any work that will impair the structural soundness or integrity of the building or any general common element or any common component thereof, or impair any easement or hereditament.
- (b) All the repairs of internal installations of the unit such as water, light, gas, power sewage, telephone, sanitary installations, doors, windows, electrical fixtures, appliances, and equipment installed within the unit, commencing at a point at which the utility lines, pipes, wires, conduits, or systems serving the unit (which for brevity are hereafter referred to as "utilities") enter the unit, shall be at the owner's expense. Utility fixtures and appliances (but not lines, pipes, wires, conduits, or systems) which are not located within a unit but which exist for the purpose of providing utility service only for one unit shall be maintained and kept in repair by the owner of that unit but a unit owner shall not be liable for utilities extending through his unit which do not serve his unit.
- (c) An owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any general common element damaged by his negligence or by the negligence of his tenants, invitees or agents.

11.3 General. Each owner shall comply strictly with the provisions of the recorded Declaration. Each owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which this condominium complex was built.

11.4 Use of Units - Internal Changes.

- (a) All units shall be utilized for residential purposes only.
- (b) An owner shall not make structural modifications or alterations to his unit or installations located therein or the patio attached thereto without the written approval of the Board of Managers, which approval shall not be unreasonably withheld or which may be issued upon such terms and conditions as the Board of Managers may reasonably require. The Board of Managers shall be notified in writing of the intended modifications through the President or any other officer of the Association.

11.5 Right of Entry. Each owner shall and does grant the right of entry to the Managing Agent or Board of Managers of the Association, or any representative thereof, to have access to his unit from time to time during reasonable hours as may be necessary for maintenance, repair, or replacement of any of the general common elements therein accessible therefrom, or for making emergency repair therein necessary to prevent damage to the general common elements or to another unit or units. Damage to the interior of any part of a unit as a result of such entry thereof shall be a common expense of: all of the owners. Provided, however, that if such entry resulting in damage, was made necessary as a result of the negligence or malfeasance of the unit owner, then such unit owner shall be responsible for all of such damage.

IN WITNESS WHEREOF, the undersigned certify they have been elected as members of the Board of Directors concurrently with the re-adoption of these By-laws by the members and have hereunto set their hands this 1st day of May, 2000.

BOARD OF DIRECTORS:




