

BY-LAWS
OF
SUNSET WEST CONDOMINIUMS CORPORATION

ARTICLE I

OBJECT

(Plan of Ownership)

1. The purpose for which this nonprofit Association is formed is to govern the condominium property which has been or will be submitted to the provisions of the Condominium Ownership Act of the State of Colorado by the recording of the Declaration and Supplements thereto and Maps and Supplements thereto bearing the name associated with this Association.

2. All present or future owners, tenants, future tenants, or any other person that might use in any manner the facilities of the project located on the property therein described 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 the mere act of occupancy of any of said units will signify that these By-Laws are accepted, ratified and will be complied with.

ARTICLE II

MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

1. Membership. Except as is otherwise provided in these By-Laws, ownership of a unit is required in order to qualify for membership in this Association. Any person on becoming an owner of a unit shall automatically become a member of this Association and be subject to these By-Laws. 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 this Association during the period of such ownership and membership in the Association, or impair any rights or remedies which the unit owners have, either through the Board of Directors of the Association or directly, against such former owner and member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto.

2. Voting. Voting shall be based upon the percentage of the undivided interest owned by each unit owner in all of the general common elements. The aggregate of all of the percentage

Condominium project shall be
for purposes. Cumulative

used in these By-Laws
shall mean those owners of
undivided ownership of the

provided in these By-Laws,
members holding one-half of the
constitute a quorum. An affirmative
vote is present, either in person or
by proxy, to conduct the business of the meeting.

The owners of the units
shall be Owners, hereinafter
shall have the responsibility
of the Board of Directors, herein-

of the Association shall
be as provided in the By-Laws of Colorado as the Board

meeting of the Association
on or before December 31, 1978. There-
after, the meeting shall be held during
the year. At such meetings
the Board shall have the authority to
conduct the business of the Association
in accordance with the By-Laws.
The word "meeting" as used in these
By-Laws shall mean the meeting of the
owners and assigns.

ent may call a special
meeting, or as directed
by the notice of a petition signed
by the notice of any special
meeting and the
notice shall be as stated in the notice
unless by consent of
the owners in person or by proxy.

be held at such place and time as the
Board shall determine in thirty (30) days after receipt by the
owners of the petition.

Notice. The Secretary shall cause to be
given notice of each annual or special meeting,
as well as the time and place it is
to be held, at the registered address
of record, at the registered address
of each owner (5), but not more than thirty (30)
days before the meeting. The mailing of a notice in the
form of a notice of meeting or the delivery of such notice
by mail, and the Certificate of the
Secretary duly given shall be prima facie evidence

Quorum. If any meeting of owners cannot
be held, the owners who
are present in person or by proxy, may adjourn the meeting,
not more than forty-eight hours from the time the
meeting was adjourned.

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

1. and certifying proxies

2. notice of meeting or waiver of notice

3. of Minutes of preceding Meetings

4. of Officers

5. of committees

6. of Directors

7. of business

8. of business

9. of business

Declarant's Functions by Declarant. The rights,
powers and duties of the Board shall, at the Declarant's
option, be exercised by the Declarant by and through those
persons named in the Articles of Incorporation,
if the entire condominium project has
not been sold and if three (3) condominium units have been
sold and the sales have been closed.

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ARTICLE IV

BOARD OF DIRECTORS

1. Number and Qualification. The Declarant shall exercise the rights, duties and functions of the Board as provided hereinabove by and through the persons named in the Articles of Incorporation as the Directors until the first meeting of the Members of the Association. At the first meeting there shall be elected any three members of the Association to the Board who shall thereafter govern the affairs of this Association until their successors have been duly elected and qualified. (add change A)

2. Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the condominium project as a first class residential condominium property. Such powers and duties of the Board shall include, but shall not be limited to, the following, all of which shall be done for and in behalf of the owners of the condominium units:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Condominium Declaration submitting the property to the provisions of the Condominium Ownership Act of the State of Colorado, the By-Laws of the Association and supplements and amendments therein.

(b) To establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, rentals, use and occupancy of all of the units with the right to amend same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member upon the adoption thereof.

(c) With the assistance of the Managing Agent, to incur such costs and expenses as may be necessary to keep in good order, condition and repair all of the general and limited common elements and all items of common personal property.

(d) With the assistance of the Managing Agent, to insure and keep insured all of the insurable general common elements and condominium units in an amount equal to the maximum replacement value. To insure and keep insured all of the common fixtures, common equipment and common personal property for the benefit of the owners of the units and their first mortgagees. Further, to obtain and maintain comprehensive liability insurance covering the entire premises.

(e) With the assistance of the Managing Agent, to prepare a budget for the condominium at least annually, in order to determine the amount of the common assessments payable by the unit owners to meet the common expenses of the condominium .

project, and allocate and assess such common charges among the unit owners according to their respective common ownership interests in and to the general common elements, and by majority vote of the Board to adjust, decrease or increase the amount of the quarterly or monthly assessments, and remit or return any excess of assessments over expenses, working capital, sinking funds, reserve for deferred maintenance and for replacement to the owners at the end of each operating year. To levy and collect special assessments whenever in the opinion of the 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.

(f) To collect delinquent assessments by and through the Managing Agent by suit or otherwise and to enjoin or seek damages from an owner as is provided in the Declaration and these By-Laws. To enforce a late charge and to collect interest at the rate of twelve percent (12%) per annum in connection with assessments remaining unpaid more than ten (10) days from due date for payment thereof, together with all expenses, including attorney's fees incurred.

(g) To protect and defend in the name of the Association any part or all of the condominium project from loss and damage by suit or otherwise.

(h) To borrow funds in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the recorded Declaration and these By-Laws, and to execute all such instruments evidencing such indebtedness as the Board may deem necessary and give security therefor. Such indebtedness shall be the several obligation of all of the owners in the same proportion as their interest in the general common elements. The persons who shall be authorized to execute promissory notes and securing instruments shall be the President and Secretary or Assistant Secretary.

(i) To enter into contracts to carry out their duties and powers.

(j) To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable.

(k) To make repairs, additions, alterations and improvements to the general and limited common elements consistent with managing the condominium project in a first-class manner and consistent with the best interests of the unit owners. Such duties may be delegated to the Managing Agent.

(l) To keep and maintain full and accurate books and records showing all of the receipts, expenses, or disbursements and to permit examination thereof at any reasonable time by each of the owners and each of the owner's mortgagees, and to cause a complete audit of the books and accounts by a certified or public accountant, once each year. Such duties may be delegated to the Managing Agent.

(m) With the assistance of the Managing Agent, to prepare and deliver annually to each owner a consolidated statement showing receipts, expenses or disbursements since the last such statement.

(n) To meet at least annually whereat the Managing Agent or his employee shall be in attendance.

(o) In general, to carry on the administration of this Association and to do all of those things necessary and reasonable in order to carry out the governing and the operation of this condominium property.

(p) To control and manage the use of all parking areas, open spaces, common streets and other common property.

(q) To employ for the Association a managing agent who shall have and exercise those duties and powers granted to it by the Board but not those powers which the Board, by law, may not delegate.

3. No Waiver of Rights. The omission or failure of the Association or any unit owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Condominium Declaration, the By-Laws, or the Rules and Regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board or the Managing Agent shall have the right to enforce the same thereafter.

4. Election and Term of Office. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of one year. Except as is otherwise provided by these By-Laws, the Directors shall hold office until their successors have been elected and hold their first meeting.

5. Vacancies. Vacancies in the Board caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until his successor is elected.

6. Removal of Directors. Subject to the provisions of Article III, Paragraph 8 hereof, at any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority of the owners, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting prior to voting thereon.

7. Organization Meeting. The first meeting of a newly elected Board following each annual meeting of the unit owners shall be held within ten days thereafter at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

8. 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 one such meeting shall be held during each calendar year. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, telephone or telegraph, at least seven days prior to the day named for such meeting.

9. Special Meetings. Special meetings of the Board may be called by the President on three days notice to each Director, 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 shall be called by the President or Secretary in like manner and on like notice on the written request of two or more Directors.

10. Waiver of Notice. Before or at any meeting of the Board, any Director may, in writing waive notice of 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 be a waiver of notice by him of the time and place thereof. 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.

11. 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 the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

12. Fidelity Bonds. The Board may require that all officers and employees of the Association and the Managing Agent who handle or are responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense.

ARTICLE V

FISCAL MANAGEMENT

The provisions for fiscal management of the units for and in behalf of all of the unit owners as set forth in the Condominium Declaration may be supplemented by the following provisions:

1. Accounts. The funds and expenditures of the unit owners by and through the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current expense, which shall include all funds and expenditures within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually.

(c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, wear or obsolescence.

ARTICLE VI

OFFICERS

1. Designation. The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board, and such assistant officers as the Board shall, from time to time elect. Such officers need not be members of the Board, but each shall be an owner of a unit in this condominium project, or the Declarant or its representative.* The office of President and Treasurer may be held by the same person, and the office of Vice President and Secretary may be held by the same person.

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

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.

— Add change B

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 Board. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is 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.

5. Vice-President. The Vice-President shall have all the powers and authority and perform all the functions and duties of the President, in the absence of the President, or his inability for any reason to exercise such powers and functions or perform such duties.

6. Secretary. The Secretary shall keep all the minutes of the meetings of the Board and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary. The Secretary shall compile and keep up to date at the principal office of the Association a complete list of members and their registered 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 the unit owned by such member and the member's undivided interest in the general common elements. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours. The records referred to in this subsection may be maintained by the Managing Agent.

7. Treasurer. The Treasurer shall have the responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association; provided, however, that when a Managing Agent has been delegated the responsibility of collecting and disbursing funds, the Treasurer's responsibility shall be to review the accounts of the Managing Agent not less often than semi-annually.

ARTICLE VII

INDEMNIFICATION OF OFFICERS, DIRECTORS AND MANAGING AGENT

1. Indemnification. The Association shall indemnify every Director, officer, Managing Agent, their respective successors, personal representatives and heirs, 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 Director, officer or Managing Agent 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 Director, officer or Managing Agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director, officer or Managing Agent may be entitled. All liability, loss, damage, cost and expense 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 VII contained shall be deemed to obligate the Association to indemnify any member or owner of a unit who is or has been a Director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Condominium Declaration.

2. Other. Contracts or other commitments made by the Board of Directors, officers or the Managing Agent shall be made as agent for the unit owners, and they shall have no personal responsibility on any such contract or commitment except as unit owners, and the liability of any unit owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereof as the common interest of each unit owner bears to the aggregate common interest of all of the unit owners, except that any losses incurred because of an inability to collect such proportionate amount of the total liability owed by an owner shall be shared proportionately by the owners.

ARTICLE VIII

AMENDMENTS

1. The Articles of Incorporation may be amended in the manner provided by law.

2. These By-Laws may be amended by the members at a duly constituted meeting of the members for such purpose, provided, however, that no amendment shall conflict with or minimize the intended effect of the provisions of the Articles of Incorporation or the Declaration.

ARTICLE IX

MORTGAGES

1. Notice to Association. An owner who mortgages his unit shall notify the Association through the Managing Agent, if any, or the Association Secretary, giving the name and address of his mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Units".

2. Notice of Unpaid Common Assessments. The Association, whenever so requested in writing by a mortgagee of a unit, shall promptly report any then unpaid common assessments due from, or any other default by, the owner of a mortgaged unit.

3. Notice of Default. When giving notice to a unit owner of a default in paying common assessments or other default, the Board shall send a copy of such notice to each holder of a mortgage covering such unit whose name and address has theretofore been furnished to the Board.

ARTICLE X

EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS AND DESIGNATION OF VOTING REPRESENTATIVE

1. Proof of Ownership. Except for those owners who initially purchase a unit from Declarant, any person on becoming an owner of a unit shall furnish to the Managing Agent or Board of Directors, a photocopy or certified copy of the recorded instrument vesting that person with an interest or ownership in the unit, which copy shall remain in the files of the Association.

2. Registration of Mailing Address. The owners or several owners of an individual unit shall have one and the same registered mailing address to be used by the Association for mailing of monthly statements, 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 any 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 Managing Agent or Board of Directors within fifteen days after transfer of title, or after a change of address, 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 interest of all of the owners thereof.

3. Designation of Voting Representative - Proxy. If a unit is owned by one person, his right to vote shall be established by the record title thereto. If title to a unit is held by more than one person or by a firm, corporation, partnership, association, or other legal entity, or any combination thereof,

such owners shall execute a proxy appointing and authorizing one person to attend all annual and special meetings of members and thereat to cast whatever vote the owner himself might cast if he were personally present. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law provided, however, that within thirty days after such revocation, amendment or termination, the owners shall reappoint and authorize one person to attend all annual and special meetings as provided by this section 3.

4. The requirements herein contained in this Article X shall be first met before an owner of a unit shall be deemed in good standing and entitled to vote at any annual or special meeting of members.

ARTICLE XI

OBLIGATIONS OF THE OWNERS

1. Assessments. All owners shall be obligated to pay the monthly or quarterly assessments imposed by the Association to meet the common expenses. The assessments shall be made pro rata according to percentage interest in and to the general common elements. Assessments shall be due in advance. A member shall be deemed to be in good standing and entitled to vote at any annual or at a 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.

2. Notice of Lien or Suit. An owner shall give notice to the Association of every lien or encumbrance upon his unit, other than for taxes and special assessments, and notice of every suit or other proceeding which may affect the title to his unit, and such notice shall be given in writing within five days after the owner has knowledge thereof.

3. Mechanic's Lien. Each owner agrees to indemnify and to hold each of the other owners harmless from any and all claims of mechanic's lien for labor, materials, services or other products incorporated in such indemnifying owner's unit. In the event such a lien is filed and/or a suit for foreclosure of mechanic's lien is commenced, then within ten days thereafter such owner shall be required to deposit with the Association cash or negotiable securities in a sum equal to (a) 150% of the amount of such claim plus (b) 10% of the amount of such claim (but not less than \$200.00), which latter sum may be used by the Association for any costs and expenses incurred, including attorney's fees incurred for legal advice and counsel. Except as is otherwise provided, such sum or securities shall be held by the Association pending final adjudication or settlement of the claim or litigation. Disbursements of such funds or proceeds

shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency, including attorney's fees incurred by the Association, shall be paid forthwith by the subject owner, and his failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the owner and a lien against his condominium unit which may be foreclosed as is provided in paragraph 5.2 and 7.5 of the Condominium Declaration. All advancements, payments, costs and expenses, including attorney's fees, incurred by the Association shall be forthwith reimbursed to it by such owner, and such owner shall be liable to the Association for the payment of interest at the rate of twelve percent per annum on all such sums paid or advanced by the Association.

4. Maintenance and Repair.

(a) Every owner must perform promptly, at his own expense, all maintenance and repair work within his own unit which, if omitted, would affect the appearance of or the aesthetic integrity of part or all of the condominium project.

(b) All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephone, sanitary installations, doors, windows, electrical fixtures and all other accessories, equipment and fixtures shall be at the owner's expense.

(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 or limited common elements damaged by his negligence or by the negligence of his tenants, agents or guests.

5. General.

(a) Each owner shall comply strictly with the provisions of the recorded Condominium Declaration and these By-Laws and amendments thereto.

(b) Each owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which this condominium project was built.

6. Uses of Units - Internal Changes.

(a) All units shall be utilized only for the purposes described in paragraph 3.8 of the Condominium Declaration.

(b) An owner shall not make structural modifications or alterations to his unit or installations located thereon without the written approval of the Board. The Board shall be

notified in writing of the intended modifications through the Managing Agent or, if no Managing Agent is employed, then, through the President of the Board. The Association shall have the obligation to answer an owner's request within thirty days after such notice, and failure to do so within such time shall mean that there is no objection to the proposed modifications or alterations.

7. Use of General Common Elements and Limited Common Elements. Each owner may use the general common elements, the limited common elements, sidewalks, pathways, roads and streets and other common elements located within the entire condominium project in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners, and subject to the rules and regulations contained in these By-Laws and established by the Board as is provided in section 9 of this Article.

8. Right of Entry.

(a) An owner shall and does grant the right of entry to the Managing Agent or to any other person authorized by the Board in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

(b) An owner shall permit other owners, or their representatives, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical, electrical or utility services which, if not performed, would affect the use of other units, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

9. Rules and Regulations.

(a) The initial rules and regulations, which shall be effective until amended or supplemented by the Board, are annexed hereto and made a part hereof as Schedule A.

(b) The Board reserves the power to establish, make and enforce compliance with such additional rules and regulations as may be necessary for the operation, use and occupancy of this condominium project with the right to amend same from time to time. Copies of such rules and regulations shall be furnished to each unit owner prior to the date when the same shall become effective.

10. Destruction and Obsolescence. Each owner, upon becoming an owner of a unit, thereby grants his power of attorney in favor of the Association, irrevocably appointing the Association his attorney-in-fact to deal with the owner's unit upon its damage, destruction or obsolescence, all as is provided in the Condominium Declaration.

ARTICLE XII

ABATEMENT AND ENJOINMENT OF VIOLATIONS BY UNIT OWNERS

1. Abatement and Enjoinment. The violation of any rule or regulation adopted by the Board, or the breach of any By-Law, or the breach of any provision of the Declaration, shall give the Board or the Managing Agent the right, in addition to any other rights set forth therein, to enter the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Board or Managing Agent shall not be deemed guilty in any manner of trespass and shall have the right to expel, remove and put out, using such force as may be necessary in so doing, without being liable to prosecution or in damages therefor, and the Board or Managing Agent shall have the right to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

ARTICLE XIII

COMMITTEES

1. Designation. The Board may, but shall not be required to, appoint an executive committee, and it may designate and appoint members to the standing committees.

2. Executive Committee. The executive committee shall consist of two persons who are members and who shall be appointed by the Board from the members of the Board. One member shall be the President. The executive committee shall supervise the affairs of the Association and shall regulate its internal economy, approve expenditures and commitments, act and carry out the established policies of the Association and report to the Directors at each meeting of the Board. The executive committee may hold regular meetings, monthly or as it may in its discretion determine. Special meetings may be called at any time by the chairman of the committee or by any of its members, either by telephone, telegraph, mail or personally, and a special meeting may be held by telephone.

3. Nominating Committee. Before each annual meeting, the Board may appoint a committee of three members who shall nominate candidates for the Board. The names of the candidates shall be submitted on or before thirty (30) days before the election. Members may submit names of candidates other than those submitted by the nominating committee at least sixty (60) days prior to the election. Unless such names are submitted, either by the nominating committee or by the members, no person shall be elected whose name is not so submitted unless no nominations are made, in which event the names of candidates shall be submitted at the election by the members.

4. Vacancies. A vacancy in any committee shall be filled by the President until the next meeting of the Board.

ARTICLE XIV

ASSOCIATION - NOT FOR PROFIT

1. Association - Not For Profit. This 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 or shall be lawfully entitled to receive any 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 to, or distributed to, or inure to the benefit of any member of the Board, officer or member; provided, however, always that reasonable compensation may be paid to any member, Director 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 that any member, Director 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. The provisions herein are not applicable to the Managing Agent who shall perform its manager's duties and functions according to written agreement for the compensation stated therein.

ARTICLE XV

MORTGAGEES AS PROXIES

1. Mortgagees as Proxies. Unit owners shall have the right to irrevocably constitute and appoint the beneficiary of a trust deed or mortgagee as their true and lawful attorney to vote their unit membership in this Association at any and all meetings of the Association and to vest in such beneficiary or its nominee any and all rights, privileges and powers that they have as unit owners under the Certificate of Incorporation and By-Laws of this Association or by virtue of the recorded Condominium Declaration. Such proxy shall become effective upon the filing of a notice by the beneficiary with the Secretary of the Association at such time or times as the beneficiary shall deem its security in jeopardy by reason of the failure, neglect or refusal of the Association, the Managing Agent or the unit owners to carry out their duties as set forth in the Condominium Declaration. A release of the beneficiary's deed of trust or mortgage shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve unit owners, as mortgagors, of their duties and obligations as unit owners or to impose upon the beneficiary of the deed of trust or mortgage the duties and obligations of a unit owner.

IN WITNESS WHEREOF, the undersigned initial Board of Directors have hereunto set their hands this 29 day of DECEMBER, 1978.

BOARD OF DIRECTORS:

Harold I. Daryl
Harold I. Daryl

Douglas R. Boyles
Douglas Boyles

Jon David Seigle
Jon David Seigle

The undersigned Secretary of this Association does hereby certify that the above and foregoing By-Laws and rules and regulations were duly adopted by the Directors as the By-Laws and rules and regulations of said Association this 29 day of DECEMBER, 1978.

ATTEST:

Secretary
Secretary

SUNSET WEST CONDOMINIUM CORPORATION
CHANGES IN BY-LAWS

CHANGE

- A Adopted at annual meeting for 1980, the following sentence was added to paragraph 1 of article IV: " In the event a director shall cease to be a member of the Association during that directors term of office, the remaining directors may vote to allow the non-member director to serve as a director for the balance of his/her term until a qualified successor is elected".
- B Adopted at the annual meeting for 1980, the following sentence was added at the end of the second sentence and the beginning of the third sentence of paragraph 1, article VI of the bylaws: "In the event an officer shall cease to be a member of the Association during that officer's term of office, the remaining directors may vote to allow the non-member officer to continue to serve as an officer for the balance of his/her term until a qualified successor is elected".
- C Adopted at the annual meeting for 1981, the second sentence of paragraph 3, article III of the by laws was changed as follows:
- From: "Thereafter, the annual meeting of the Association shall be held during the month of December of each succeeding year."
- To: "Thereafter, the annual meeting of the Association shall be held during a month to be determined each year by the Board of Directors. In no instance, however, shall the time between annual meetings be less than eight months nor more than 14 months."