FILE

BYLAWS

OF

THE WILLOWS CONDOMINIUM ASSOCIATION INC.

The name of the corporation shall be The Willows Condominium Association Inc. (hereinafter referred to as the "Association").

1. OBJECT AND DEFINITIONS

Section 1.1 Purpose. The purpose for which this Association is formed is to govern the common interest community property situated in the County of San Miguel, State of Colorado, which property is described on the attached Exhibit A, which by this reference is made a part hereof, and which property has been submitted to the provisions of the Colorado Common Interest Ownership Act of the State of Colorado (C.R.S § 38-33.3-101 *et. seq.*) by a Declaration entitled Declaration for The Willows [redacted] Condominiums, as amended or supplemented from time to time (hereinafter referred to as the "Declaration").

Section 1.2 Assent. All present or future owners, tenants, future tenants, or any other person using the facilities of The Willows Condominiums in any manner are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any of the units (hereinafter referred to as "units") of The Willows Condominiums or the mere act of occupancy of any of said units will signify that these Bylaws are accepted, ratified, and will be followed.

Section 1.3 Definitions. Unless otherwise specified, the following terms shall have the same meaning in these Bylaws as such terms have in the Declaration: residential, commercial unit, unit or units, general common elements, limited common elements, condominium property or property. The terms "owners," "unit owners" and "members," as used herein, shall be synonymous.

2. MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 2.1 Membership. Any person, on becoming an owner of a unit, shall automatically become a member of the Association and be subject to the provisions of the Articles of Incorporation and to these Bylaws. Such membership shall terminate without any Association action whenever such person ceases to own a unit, but such termination shall not relieve or release any such former owner form any liability or obligation incurred under or in any connection with the Association during the period of such ownership and membership in this Association, or impair any rights or remedies which the Board of Directors of the Association ("Board") or others may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto. No certificates of stock shall be issued by the Association, but the Board may, if it so elects, issue one membership card to the owner(s) of a unit. Such membership card shall be surrendered whenever ownership of the unit designated thereon shall terminate.

Section 2.2 Voting. There shall be one (1) vote per Unit in the Association. An owner of an undivided fractional interest in a unit shall not be entitled to a vote equal to his fractional ownership interest in such a unit. Cumulative voting is prohibited.

Section 2.3 Majority of Unit Owners. As used in these Bylaws, the term "majority of

unit owners" shall mean two or more Owners of Units so long as there are three units in the common interest community.

Section 2.4 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of a "majority of unit owners" as above defined shall constitute a quorum. An affirmative vote of fifty percent (50%) of the unit owners present, either in person or by proxy, shall be required to transact business; provided however, that no business shall be transacted unless a minimum of fifty percent (50%) of all of the unit owners, whether in person or proxy, vote affirmatively, and no manager shall be removed unless a majority of unit owners vote affirmatively therefor.

Section 2.5 Proxies. Votes may be cast in person or by proxy. Proxies shall be in writing and the signatures must be witnessed or acknowledged. Proxies must be filed with the Secretary before the appointed time of each meeting. No proxy shall be valid for a period longer than 11 months after the date thereof.

Section 2.6 Records. All unit owners shall have the right to inspect books and records of the Association at reasonable times upon reasonable advance notice to the Secretary.

3. ADMINISTRATION, MEETINGS OF MEMBERS

Section 3.1 Association Responsibilities. The owners of the units will constitute the Association, who will have the responsibility of administering The Willows Condominiums through the Board. Initially, the unit owners will constitute the Board. The Association will own the common elements.

Section 3.2 Place and Time of Meetings. The first annual meeting shall be held at the offices of the Association or such other place as the Board may determine. The annual meetings of the Association shall be held on the first Saturday in June in each year. At the first annual meeting, there shall be elected by ballot of the owners a Board of Directors in accordance with the requirements of these Bylaws, unless the owners decide to act as the Board. The owners may also transact such other business of the Association as may properly come before them.

Section 3.3 Special Meetings. The President shall call a special meeting of the owners when so directed by resolution of the Board or upon presentation to the Secretary of a petition signed by a majority of the owners. No business shall be transacted at a special meeting except as stated in the notice unless by consent of the owners of two-thirds of the general common elements, either in person or by proxy.

Section 3.4 Notices. Notice of annual and special meetings shall be given by the President or Secretary of the Association by regular mail addressed to the registered addresses of the owners at least 10 days prior to the date set for such meeting. Any such notice shall state the date, time and place of the meeting and if the meeting is a special meeting, the purposes thereof. Waiver of notice, either in person or by proxy, and signed either before, at or after any meeting, shall be a valid substitute for service. The certificate of the President or Secretary that notice was duly given shall

be *prima facie* evidence thereof.

Section 3.5 Adjourned Meeting. If any meeting of the owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight hours from the time the original meeting was called.

Section 3.6 Order of Business. The order of business at all meetings of the owners of units shall be as follows:

A. Roll Call.

B. Proof of notice of meeting or waiver of notice.

C. Reading of minutes of preceding meeting.

D. Reports of officers.

E. Reports of committees.

F. Election of Manager (annual meeting only).

G. Unfinished business.

H. New business.

4. BOARD OF DIRECTORS

Section 4.1 Number and Qualification. The affairs of the Association shall be governed by the Board. The Board shall be composed of three persons. The initial Board members shall be Spencer Simmons, Marlene Simmons and Jennifer Brand, who shall act in such capacity and shall manage the affairs of the Association until their successors are elected.

Section 4.2 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 Willows Condominiums.

Section 4.3 Other Powers and Duties. The Board shall be empowered and shall have the following duties:

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

B. To establish, make and enforce compliance with such reasonable rules an regulations as may be necessary for the operation, use and occupancy of The Willows Condominiums with the

right to amend same from time to time. Such rules and regulations may include provisions regarding the limitation and control of animals on the condominium property.

C. To keep, or cause to be kept, in good order, conditions and repair all of the general and limited common elements and all items of common personal property, if any.

D. To insure and keep insured all of the insurable general common elements of the property (and also fixtures, interior walls and partitions, decorated and finished surfaces of perimeter walls, floors and ceilings, doors, windows and other elements or materials comprising the units) in an amount equal to their maximum replacement value as provided in the Declaration. The Board shall determine such replacement value at least annually and in so doing may employ such experts as the Board may deem necessary. To obtain and maintain comprehensive liability insurance covering the entire premises in amounts not less than $1,000,000.00 per person and $1,000,000.00 per accident and $1,000,000.00 property damages, to insure and keep insured all of the fixtures, equipment and personal property acquired by the Association for the benefit of the Association and the owners and their first mortgagees.

E. To propose an annual budget, to be ratified by the members and adopted by the Board as provided for in the Declaration, to fix, determine, levy and collect the periodic prorated assessments to be paid by each of the owners towards the gross expenses of the entire condominium property and by majority vote of the Board to adjust, decrease or increase the amount of the monthly assessments. The Board, or its agent, may establish any reasonable system for collection periodically of common expenses, in advance or arrears as deemed desirable. Initially, assessments for the estimated common expenses on an annual basis shall be made by the Board and shall be payable in equal monthly or quarterly installments, as determined by the Board, in advance on the first day of each period. At the end of each calendar year the Board shall determine actual expenses and either (i) assess each owner for a shortfall, if any, or (ii) credit against the next ensuing period's assessments, or (iii) apply credit to the reserve funds, as the case may be. Assessments made shall be based upon the estimated cash requirements deemed to be such aggregate sum as the Board shall from time to time determine in the manner set forth above, to be paid by all of the owners. Estimated expenses include the costs of maintenance and operation of the general common elements, expenses of management, taxes and special assessments unless separately assessed, insurance premiums for insurance coverage as deemed desirable or necessary by the Board, landscaping and care of grounds, lighting, repairs and renovations, wages, water and utility charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Board or the manager under or by reason of the Declaration, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency or other reserve or surplus fund as well as other costs and expenses relating to the general common elements. Estimated expenses shall also include the utility payments for all units not separately assessed. All monthly or other assessments shall be in itemized statement form, shall set forth in reasonable detail the various expenses for which the assessments are being made and shall be mailed to the registered mailing address of the owner not later than ten (10) days prior to the date such assessment is payable.

F. To collect delinquent assessments by suit, foreclosure or otherwise and to enjoin or seek damages from an owner as is provided in the Declaration and these Bylaws.

G. To protect and defend the entire condominium property from loss and damage by suit or otherwise.

H. To borrow funds and to execute all such instruments evidencing such indebtedness. Any such indebtedness must be approved as set forth in the Declaration or as determined by the Board, and shall be the several obligation of all of the unit owners only in the same proportion as their interest in the general common elements.

I. To enter into contracts within the scope of their duties and powers.

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

K. To keep and maintain full and accurate books and record showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the owners.

L. To prepare and deliver at least annually to each owner a statement showing, in at least summary form, all receipts, expenses or disbursements since the last such statement.

M. To meet at least annually.

N. To designate the personnel necessary for the maintenance and operation of the general and limited common elements.

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 communal aspect of condominium ownership.

Section 4.4 Management Agent. The Board may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 4.3 hereof.

Section 4.5 Election and Term of Office. The members of the initial Board shall serve until the first annual meeting of the Association. The term of office of at least one Board Member may be fixed at one (1) year; the term of office of one Board Member may be fixed at two years; and the term of office of one Board Member may be fixed at three years to provide for continuity on the Board. The majority vote of the unit owners present shall be sufficient to elect a Board Member. At the expiration of the term of office of each respective Board Member, his successor and all Board Members thereafter shall be elected to serve a term of three (3) years. The Board Members shall hold office until their successors have been elected and hold their first meeting.

Section 4.6 Vacancies. Vacancies in the Board caused by any reason other than the removal of a Board Member by a vote of the Association shall be filled by vote of the majority of the remaining Board Members, even though they may constitute less than a quorum; and each person so

elected shall be a Board Member until a successor is elected at the next annual meeting of the Association.

Section 4.7 Removal of Board Members. At any regular meeting or at any special meeting called for that purpose, any one or more of the Board Members may be removed with or without cause, by a majority of all of the unit owners, and a successor may then and there be elected as provided in Section 4.5 to fill the vacancy thus created. Any Board Member whose removal has been so proposed by the owners shall be given an opportunity to be heard at the meeting.

Section 4.8 Organization Meeting. The first meeting of a newly created Board shall be held immediately following the annual meeting and no notice shall be necessary to the newly elected Board in order legally to constitute such meeting.

Section 4.9 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 Board Members, but at least one such meeting shall be held during each fiscal year and one such meeting shall be held immediately following the annual meeting of owners. Notice of regular meetings of the Board shall be given to each Board Member, personally or by mail, telephone or fax, at least three days prior to the day named for such meeting.

Section 4.10 Special Meetings. Special meetings of the Board may be called by the President on ten days' notice to each Board Member, given personally, or by mail, telephone or fax, which notice shall state the time, place (as herein provided), 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 at least two Board Members.

Section 4.11 Waiver of Notice. Before, at or after any meeting of the Board Members, any Board Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board Member at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Board Members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 4.12 Quorum. At all meetings of the Board, a majority thereof shall constitute a quorum for the transaction of business, and the acts of the majority of the Board Members present at a meeting and at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board Members, there is 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.

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

Section 4.14 Board Members' Fees. No compensation shall be paid to Board Members,

as such, for their services, but by resolution of the Board a fixed sum and expenses, for actual attendance at each regular or special meeting of the Board may be authorized.

Section 4.15 Informal Action By the Board. Unless otherwise provided by law, any action required to be taken at a meeting of the Board or any other action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members of the Board entitled to vote with respect to the subject matter thereof.

5. OFFICERS

Section 5.1 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.

Section 5.2 Election of Officers. The officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board and shall hold office at the pleasure of the Board. The office of Vice-President need not be filled.

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

Section 5.4 President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and the Board. He shall have all of the general powers and duties which are usually vested in the office of the President of a nonprofit corporation including, but not limited to, the power to appoint 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. The President also shall act as chairman of the Board.

Section 5.5 Vice-President. A Vice-President shall have all the powers and authority and perform all of 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.

Section 5.6 Secretary. The Secretary shall keep the minutes of meetings of the Board and minutes of meetings of the Association; he shall have charge of such books and papers as the Board Members 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 mailing addresses. Such list shall also show opposite each member's name the number or other appropriate designation of the unit owned by such member. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

Section 5.7 Treasurer. The Treasurer shall have 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. He shall be responsible for the deposit of all monies 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.

Section 5.8 Assistant Secretary. The Board may appoint one or more Assistant Secretaries to perform all of the duties of the secretary in the absence of the Secretary.

Section 5.9 Assistant Treasurer. The Board may appoint one or more Assistant Treasurers to perform all of the duties of the Treasurer in the absence of the Treasurer.

6. INDEMNIFICATION OF OFFICERS AND BOARD MEMBERS

Section 6.1 Indemnification. To the full extent permitted by law, each officer, director and Board Member of the Association shall be and hereby is indemnified by the owners and the Association against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon them in any proceeding to which they may be a party, or in which they may become involved, by reason of being or having been an officer, director or Board Member, or any settlements thereof, whether or not they are an officer or director of the Association at the time such expenses are incurred; except in such cases wherein such officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the Board approves such settlement and reimbursement as being for the best interest of the Association. If all of the members of the Association act as the Board, this section shall apply to all such members.

7. OBLIGATIONS OF THE OWNERS

Section 7.1 Assessments. Except as otherwise provided in the Declaration concerning the apportionment of certain expenses to certain owners, all owners shall be obligated to pay the periodic assessments imposed by the Association to meet the common expenses, and payment thereof shall be made not later than on the tenth (10th) day following the mailing of the periodic statement to the registered mailing address of the owners. Except as provided in the Declaration, the Assessments shall be made *pro rata* according to percentage interest in and to the general common elements, and shall be due in advance. An owner shall be deemed to be in good standing and entitled to vote at any annual or at a special meeting of owners, within the meaning of these Bylaws, if, and only if, he shall have fully paid all assessments made or levied against him and the unit owned by him.

Section 7.2 Maintenance and Repair.

A. Every owner must perform promptly at his own expense all maintenance and repair work within his own unit and appurtenant limited common elements, which if omitted would affect The Willows Condominiums in its entirety or any part belonging to another owner.

B. All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, sanitary installations, doors, windows, electrical fixtures including any air conditioning equipment belonging to the unit and including appurtenant limited common elements shall be at the owner's expense.

C. An owner shall be obligated to reimburse the Association or another owner upon receipt of a statement for any reasonable expenditures incurred by the Association or other owner or both in repairing, replacing or restoring any limited common elements or the interior or any part of a unit damaged as a result of negligent or other tortious conduct of such owner, a member of his family, his agent, employee, invitee, licensee or tenant.

Section 7.3 Mechanic's Lien. Each owner agrees to indemnify and to hold the Association, the Board, and each of the other owners harmless from any and all claims of mechanic lien filed against other units and the appurtenant general common elements for labor, materials, services or other products incorporated in the owner's unit. In the event suit for foreclosure of mechanic's lien is commenced, then within ninety (90) days thereafter such owner shall be required to deposit with the Association cash or valid negotiable securities equal to the amount of such claim plus interest for one year together with the sum of $1,000.00. 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 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 unit which may be foreclosed as provided in the Declaration.

Section 7.4 General.

A. Each owner shall comply strictly with the provisions of the Declaration.

B. Each owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which The Willows Condominiums were built.

Section 7.5 Use of Units - Integral Changes.

A. Units shall be utilized for such purposes only as may be permitted in the Declaration.

B. An owner shall not make structural modifications or alterations to his unit or installation located therein or to a limited common element without previously notifying the Association in writing 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 consent or object within ten (10) days after receipt of such notice, and failure to do so within such time shall mean that there is no objection to the proposed modification or alteration. An objection may be made only if such modification, alteration or installation would interfere with the rights of other owners or detrimentally affect the exterior appearance of the condominium property.

Section 7.6 Use of General Common Elements and Limited Common Elements. Each owner may use the general common elements and the limited common elements appurtenant to his unit in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners.

Section 7.7 Right of Entry.

A. An owner shall grant to the Managing Agent or other person authorized by the Board the right of access to the owner's unit and appurtenant limited common elements from time to time during reasonable hours and upon reasonable notice as may be necessary for the maintenance, repair or replacement of the common elements, or at any time deemed necessary by the Managing Agent or Board for the making of emergency repairs or to prevent damage to any of the common elements.

B. An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and the such entry is at a time convenient to the owner. In case of emergency, such right of entry shall be immediate.

Section 7.8 Rules and Regulations.

A. No resident of The Willows Condominiums shall post any advertisement or posters of any kind in or on The Willows except as authorized by the Association. This prohibition shall not apply to the Association or to owners of commercial units who may post signs previously approved in writing by the Board.

B. It is prohibited to hang garments, rugs and other materials from the windows or from any of the facades or balconies of a building or any of the improvements.

C. It is prohibited to throw garbage or trash outside the common trash area provided for such purposes.

D. No owner, resident or lessee shall install wiring for electrical or telephone installation, television antennae, machines or air conditioning units on the exterior of The Willows Condominiums or that protrude through the walls or the roof of The Willows Condominiums except as expressly authorized by the Association.

E. All permitted pets, at all times, must be in an appropriate container or on a leash while on any part of the common elements.

F. The owner of each permitted pet is responsible for cleaning any dirt or soilage occasioned by such pet on the common elements as well as repairing any damage to the property.

G. There shall be no repair or cleaning of vehicles on the premises.

H. The loading dock may be used by all unit owners subject to rules and regulations adopted by the Board.

I. Commercial units shall be operated so as to be free from noxious, annoying or disturbing odor, smoke, noise or disorder.

J. The Board or the Managing Agent reserves the power to establish, make and enforce compliance with such additional rules and regulations as may be necessary for the operation, use an occupancy of The Willows Condominiums with the right to amend same from time to time.

Section 7.9 Destruction or Obsolescence. Each owner shall, upon becoming an owner of a unit, execute a power of attorney in fact of the Association, irrevocably appointing the Association his attorney-in-fact to maintain, repair and improve the building and general and limited common elements, and to deal with the owner's unit upon its destruction or obsolescence as is provided in the Declaration. The purpose of such execution shall be more fully to evidence such appointment, but failure to execute such power of attorney shall in not way derogate from the appointment provided in the Declaration.

8. BYLAWS

Section 8.1 Amendments. These Bylaws may be amended by the members at a duly constituted meeting for such purpose or at a meeting of owners called for such purpose and approved by owners representing an aggregate interest of at least sixty-seven percent (67%) of the general common elements. The notice of such meeting shall contain a summary of the proposed changes or a copy of such proposed changes.

9. MORTGAGES

Section 9.1 Notice to Association. An owner who mortgages his unit shall notify the Association through he Managing Agent, if any, or the President of the Board, giving the name and address of his mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Units."

Section 9.2 Notice of Unpaid Assessments. The Association shall, at the request of a mortgagee of a unit, report any unpaid assessments due from the owner of such unit.

10. EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS AND REQUIRED PROXIES

Section 10.1 Proof of Ownership. Any person on becoming an owner of a unit shall furnish to the manager or Board a photocopy of a certified copy of the recorded instrument vesting that person with an interest or ownership, which instrument shall remain in the files of the Association. A member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or at a special meeting of members unless this requirement is first met.

Section 10.2 Registration of Mailing Address. The owners 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 Secretary within five (5) days after transfer of title; 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 the owners thereof. If no such address is registered or if all of the owners cannot agree, then the address of the unit shall be the registered address until another registered address is furnished as permitted under this Section. Registered addresses may be changed from time to time by similar designation.

Section 10.3 Required Proxies. 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 or alternate persons to attend all annual and special meetings of members and thereat to cast whatever vote the owner himself might cast is he were personally present. Such proxy shall be effective an remain in force unless voluntarily revoked, amended or sooner terminated by operation of law; provided, however, that within thirty (30) days after such revocation, amendment or termination, the owner shall reappoint and authorize one person or alternate persons to attend all annual and special meetings as is provided by this Section 10.3.

Section 10.4 Completed Requirements. The requirements contained in this Section 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.

11. COMPLIANCE

Section 11.1 Declaration Controls. If any of these Bylaws conflict with the Declaration, the provisions of the Declaration shall control.

12. NONPROFIT CORPORATION

Section 12.1 Nonprofit Corporation. This Association is not organized for profit. No owner, Board Member 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 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 Board Member; provided, however, always (1) that reasonable compensation may be paid to any owner or Board Member 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 (2) that any owner or Board Member 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.

13. SEAL

Section 13.1 Seal. The corporate seal shall consist of concentric circles with the name of the corporation and the word "Colorado" between and with the word "Seal" in the center.

EXHIBIT A

Description of Real Estate:

Lot 5A, Block 31, Town of Telluride, according to the plat recorded in the office of the San Miguel County Clerk and Recorder, County of San Miguel, State of Colorado.