

**BYLAWS
OF
THE CORRAL AT BRECKENRIDGE HOMEOWNERS ASSOCIATION**

**ARTICLE I
OFFICES**

The Corral at Breckenridge Homeowners Association (the "Association") is a Colorado non-profit corporation, with its principal office located at 237 South Ridge Street, P.O. Box 1208, Breckenridge, Colorado 80424. The Association will operate under the Colorado Common Ownership Act, as amended (the "Act").

**ARTICLE II
DEFINITIONS AND ASSENT**

2.01 **Definitions.** The definitions in Article III of the Declaration of Covenants, Conditions and Restrictions of The Corral at Breckenridge, a Planned Community in Breckenridge, Colorado, as amended from time to time and recorded in the office of the Clerk and Recorder of Summit County, Colorado, will apply to these Bylaws, and all defined terms used in the Bylaws will have the same meaning as defined terms used in the Declaration.

2.02 **Assent.** All present or future Owners, their families, present or future tenants, and their guests and invitees, and any other person using the facilities of The Corral at Breckenridge in any manner are subject to the Association Documents, including these Bylaws. The acquisition or rental of any of the Units in The Corral at Breckenridge or the occupancy of any residence located thereon will constitute ratification and acceptance of these Bylaws.

**ARTICLE III
MEMBERSHIP, VOTING, QUORUM AND PROXIES**

3.1 **Membership and Voting.** The Association will be a membership corporation without certificates or shares of stock. The Association will have one (1) class of voting membership. Members will be all Owners and the Declarant, as defined in the Declaration, will be entitled to vote in Association matters pursuant to the Declaration on the basis of the following: one vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons will be members. The vote for such Unit will be exercised by one person or alternative persons (who may be a tenant of the Owners) appointed by proxy in accordance with the Bylaws. In the absence of a proxy, the vote allocated to the Unit will be suspended in the event more than one person or entity seeks to exercise the right to vote on any one matter. Any Owner of a Unit which is leased may assign his voting right to the tenant, provided that a copy of a proxy appointing the tenant is furnished to the Secretary of the Association prior to any meeting in which the tenant exercises the voting right.

Declarant will be entitled to one vote for each Unit owned.

3.2 **Election of Directors.** In the election of Directors, each Member will have the right to vote the number of votes to which he is entitled for as many persons as there are Directors to be elected, and for whose election he is entitled to vote. Cumulative voting will not be allowed.

3.3 **Quorum.** Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of ten percent (10%) of the votes entitled to be cast at such meeting will constitute a quorum.

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

3.5 **Majority Vote.** Unless a different percentage is required by law, the Declaration, the Articles of Incorporation or these Bylaws, the affirmative vote of more than fifty percent (50%) of the votes represented at a meeting duly called and convened at which a quorum is present will be sufficient to adopt decisions binding on all Members.

ARTICLE IV MEETINGS

4.1 **Annual Meeting.** The first annual meeting of the Members will be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members will be held on a date and at a time selected by the Executive Board in each succeeding year.

4.2 **Special Meeting.** Special meetings of the Members for any purpose other than those regulated by statute will be called by the President of the Association, either upon resolution of the Executive Board, or by petition of owners representing the Owners of at least fifty percent (50%) of the Units.

4.3 **Notice of Meeting.** The President or Secretary will give, or cause to be given, written notice of the time, place and purpose of each annual or special meeting by mailing, posting prepaid, or hand-delivering such notice at least ten (10) days, but not more than fifty (50) days, prior to such meeting to each Member of the Association at the address of such Members that appears in the records of the Association. The Executive Board may set a record date for determination of Members entitled to notice of and to vote at a meeting.

4.4 **Adjourned Meetings.** If, at the time and place of meeting, a quorum is lacking, the chairman of the meeting, or the members holding a majority of the votes present in person or by proxy, may adjourn the meeting from time to time until a quorum exists. At any adjourned meeting at which a quorum exists, any business may be transacted which might have been transacted at the original meeting.

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

4.6 **Place of Meetings.** A waiver of notice signed by all Members entitled to vote at a meeting may designate any place, either within or outside Colorado, as the place for such meeting. If there is no such waiver, the place for annual and special meetings will be the principal office of the Association.

4.7 **Action of Members Without a Meeting.** Any action required to be taken or which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Members entitled to vote with respect to such action.

4.8 **Order of Business.** The order of business at all meetings of Members will be as follows:

- (a) Roll call;
- (b) Statement of compliance with procedures for notice of meeting or waiver of notice;
- (c) Reading of minutes;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Election of Directors (annual meetings only);
- (g) Unfinished business;
- (h) New business; and
- (i) Adjournment.

4.9 **Rules of Meetings.** The Executive Board may prescribe reasonable rules for the conduct of all meetings of the Executive Board and Members and in the absence of such rules, Robert's Rules of Order will be used.

ARTICLE V EXECUTIVE BOARD

5.1 **Association Responsibilities.** The Owners will constitute the Association, who will have the responsibility of administering the Property through an Executive Board. In the event of any dispute or disagreement between any Owners relating to the Property, or any questions of interpretation or application of the provisions of the Declaration or Bylaws, such dispute or disagreement will be submitted to the Board. The determination of such dispute or disagreement by the Board will be binding on all such Owners, subject to the right of Owners to seek other remedies provided by law after such determination by the Board.

5.2 Number and Initial Board. The affairs of this Association will initially be managed by an Executive Board of three (3) Directors who will be Members of the Association or the delegates of Members appointed by the Declarant proxy under Section 3.4 above as provided in Section 5.3 below. The number of Directors on the Executive Board will be established from time to time by amendment to these Bylaws.

5.3 Directors During Declarant Control.

(a) From the date of formation of the Association until the termination of Declarant's control as provided below, Declarant will have the right to appoint and remove all members of the Executive Board and all officers of the Association. The period of Declarant's control of the Association will terminate upon the first to occur of sixty (60) days after conveyance of 75% of the Units to Owners other than a successor Declarant, two (2) years after the last conveyance of a Unit by a Declarant in the ordinary course of business, or two (2) years after any right to add new Units was last exercised. Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of the period of Declarant's control, but, in that event, Declarant may require, for the duration of the period of Declarant's control, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by Declarant, be approved by Declarant before they become effective. Not later than sixty (60) days after the conveyance of 25% of the Units other than a Declarant, at least one member and not less than 25% of the members of the Executive Board will be elected by Owners other than Declarant. Not later than sixty (60) days after conveyance of 50% of the Units to Owners other than Declarant, not less than 33 1/3% of the members of the Executive Board will be elected by Owners other than Declarant. Not later than the termination of the period of Declarant's control as provided above, the Owners (including Declarant if the Declarant is still an Owner) will elect the Executive Board of at least three (3) members, at least a majority of whom must be Owners other than Declarant or designated representatives of Owners other than Declarant, and the Executive Board will elect the officers, with such Board members and officers to take office upon termination of the period of Declarant's control. Members of the Executive Board and officers elected by the Declarant need not be Owners or employees of Declarant.

(b) Notwithstanding anything contained herein to the contrary, the Declarant will have the right to appoint all of the Directors and officers of the Association during the period of Declarant's control. All directors and officers appointed by the Declarant will serve at the pleasure of the Declarant, and the Declarant will have the absolute right, at any time, and in its sole discretion, to remove any Director or officer appointed by it, and to replace such Director or officer with another person to serve on the Executive Board or as an officer. Replacement of any Director or officer appointed by the Declarant will be made by written instrument delivered to any officer or any other Director, which instrument will specify the name of the person designated as successor Director or officer. The removal of any Director or officer and the designation of his successor by the Declarant will become effective immediately upon delivery of such written instrument by the Declarant.

5.4 Election of Directors During- Members' Control. At the first meeting of the Members, after the Declarant no longer appoints any Director on the Executive Board, the Members will elect a new Executive Board, and any terms of Directors which have not expired will immediately terminate. Directors will thereafter be elected by the members at each annual meeting of the Members.

5.5 Term of Office of Directors during Members' Control. The term of at least one-third of the Directors not appointed by the Declarant will expire annually, as established in a resolution of the Owners. Each Director will hold office until his successor is elected by the Association and qualified.

5.6 Removal of Directors, Vacancies. Directors may be removed and vacancies on the Board may be filled as follows:

(a) **By the Members.** Any Director may be removed, with or without cause, at any regular or special meeting of the Members by a majority of votes of the Members entitled to vote for a successor. A successor to any Director removed may be elected at such meeting to fill the vacancy created by removal of the Director. A Director whose removal is proposed by the Members will be given notice of the proposed removal at least ten (10) days prior to the date of such meeting and will be given an opportunity to be heard at such meeting.

(b) **By the Board.** Any Director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment for more than thirty (30) days may be removed by a majority vote of the Directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Executive Board. In the event of the death, disability, resignation or removal by the Board, as set forth in this subsection (b), of a Director, a vacancy may be declared by the Board, and the Board may appoint a successor. Any successor appointed by the Board will serve for the remainder of the term of the Director replaced.

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

5.8 Other Powers and Duties. The Executive Board will be empowered and will have the duties as follows:

(a) to administer and enforce the covenants, conditions, restrictions, limitations, obligations and all other provisions set forth in the Declaration and in the Articles and these Bylaws;

(b) to establish, make and enforce compliance with such reasonable rules and regulations as may be necessary for the operation, use and occupancy of the Units and the Common

Elements with the right to amend same from time to time. A copy of such rules and regulations will be delivered or mailed to each Owner promptly upon the adoption thereof;

(c) to cause the Association to keep in good order, condition and repair the Common Elements, and all items of personal property, if any, used in the enjoyment of the property;

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

(e) to collect Assessments for Common Expenses from Owners;

(f) upon notice and after an opportunity for a fair hearing, to impose penalties and collect delinquent Assessments by suit or otherwise, to collect costs and reasonable attorney's fees, and to enjoin or seek damages from an Owner as is provided in the Declaration;

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

(h) to borrow funds and to give security therefor in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Declaration or these Bylaws and to execute all such instruments evidencing such indebtedness as the Executive Board may deem necessary or desirable;

(i) to enter into contracts within the scope of their duties and powers, provided however, that any agreement for professional management of the Property, or any other contract providing for services of the Declarant may not exceed three (3) years, and any such agreement must provide for termination by either party without cause and without payment of a termination fee on no more than one hundred eighty (180) days written notice;

(j) to establish bank accounts which are interest-bearing or non-interest bearing, as may be deemed advisable by the Executive Board;

(k) to cause to be kept minutes of each meeting of the Executive Board and to make such minutes available at any meeting of Members when requested in writing by one-quarter of all Members who are entitled to vote;

(l) to designate and remove the personnel necessary for the operation, maintenance, repair and replacement of the Common Elements;

(m) to buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate and otherwise deal with and in, real, personal and mixed property of all kinds, and any right or interest therein, for any purpose of the Association, but Common Elements may be conveyed or encumbered only pursuant to Section 312 of the Act.

(n) require all of the following if the Association with thirty or more Units delegates powers of the Executive Board or officers relating to the collection, deposit, transfer, or disbursement of Association funds to other persons or to a managing agent, the Bylaws of the Association shall require the following:

(i) that the other persons or managing agent maintain fidelity insurance coverage or a bond in an amount required by the Declaration of Covenants, Conditions and Restrictions of The Corral at Breckenridge or such higher amount as the Executive Board may require;

(ii) that the other persons or managing agent maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other persons or managing agent and maintain all reserve accounts of each association so managed separate from the operational accounts of the Association; and

(iii) that an annual accounting for Association funds and a financial statement be prepared and presented to the Association by the managing agent, a public accountant, or a certified public accountant.

5.9 Manager. The Executive Board may employ for the Association a Manager (at a compensation established by the Executive Board) to perform such duties and services as it will authorize. The Executive Board may delegate any of the powers and duties granted to it but, notwithstanding such delegation, will not be relieved of its responsibility under the Declaration, the Articles or these Bylaws.

5.10 Regular Meetings. Regular meetings of the Executive Board may be held at such time and place as will be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings will be held each year. Notice of regular meetings of the Executive Board will be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

5.11 Special Meetings. Special meetings of the Executive Board may be called by the President, on his own initiative, on three (3) days notice to each Director, given personally, or by mail, telephone or telegraph, which notice will set forth the time, place and purpose of the meeting. Special meetings of the Executive Board will be called by the President or Secretary in like manner and on like notice on receipt of a written request to call such a special meeting from at least two (2) Directors.

5.12 Waiver of Notice. Before or at any meeting of the Executive Board, any Director may, in writing, waive notice of such meeting and such waiver will be deemed equivalent to giving such notice. Attendance by a Director at any meeting of the Board will 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 will be required and any business may be transacted at such meeting.

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

5.14 **Compensation, Fidelity Bonds.** The members of the Executive Board will serve without salary or compensation. The Executive Board may require that all officers and employees of the Association handling or responsible for Association funds will furnish adequate fidelity bonds. The premiums on such bonds will be paid by the Association.

5.15 **Informal Action by Directors.** Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, will be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent will have the same force and effect as the unanimous vote of the Directors.

5.16 **Telephone Conference Meetings.** Any regular or special meeting of the Board may be conducted by telephone conference or any other similar communications equipment, so that all participants can hear each other at the same time.

ARTICLE VI OFFICERS

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

6.2 **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.

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

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

6.5 **Vice-President.** The Vice Presidents will assist the president and will perform such duties as may be assigned to them by the President or by the Board. In the absence of the President, the Vice President elected by the Board will have the powers and perform the duties of the President.

6.6 **Secretary.** The Secretary will keep the minutes of the proceedings of the Members, executive committee and the Board. He will see that all notices are duly given in accordance with the provisions of these Bylaws, the Declaration and as required by law. He will be custodian of the corporate records and of the seal of the Association and affix the seal to all documents when authorized by the Board. He will keep at its registered office or principal place of business within or outside Colorado a record containing the names and registered addresses of all Members, the designation of the Unit owned by each Member, and, if such Unit is mortgaged, the name and address of each Mortgagee. He will, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board. Assistant Secretaries, if any, will have the same duties and powers, subject to supervision by the Secretary.

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

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ARTICLE VII INDEMNIFICATION

7.1 **Definitions.** For purposes of this Article VII, the following terms will have the meanings set forth below:

(a) **Proceedings.** Any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal;

(b) **Indemnified Party.** Any person who is or was a party or is threatened to be made a party to any Proceeding by reason of the fact that he is or was a Director or officer of the Association or, while a Director or officer of the Association, is or was serving at the request of the Association as a Director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise including, without limitation, any employee benefit plan of the Association for which any such person is or was serving as a trustee, plan administrator or other fiduciary.

7.2 **Indemnification.** The Association will indemnify any Indemnified Party in any Proceeding to the fullest extent permitted by law.

7.3 **Insurance.** By action of the Board, notwithstanding any interest of the Directors in such action, the Association may purchase and maintain insurance, in such amounts as the Board may deem appropriate, on behalf of any Indemnified Party against any liability asserted against him and incurred by him in his capacity of or arising out of his status as an Indemnified Party, whether or not the Association would have the power to indemnify him against such liability under applicable provisions of law.

7.4 **Right to Impose Conditions to Indemnification.** The Association will have the right to impose, as conditions to any indemnification provided or permitted in this Article VII, such reasonable requirements and conditions as to the Board may appear appropriate in each specific case and circumstances including, without limitation, any one or more of the following; (a) that any counsel representing the person to be indemnified in connection with the defense or settlement of any Proceeding will be counsel mutually agreeable to the person to be indemnified and to the Association; (b) that the Association will have the right, at its option, to assume and control the defense or settlement of any claim or proceeding made, initiated or threatened against the person to be indemnified; and (c) that the Association will be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified person's rights of recovery, and that the person to be indemnified will execute all writings and do everything necessary to assure such rights of subrogation to the Association.

ARTICLE VIII AMENDMENT OF BYLAWS

8.1 **Amendment by the Members.** These Bylaws may be amended by the affirmative vote of at least seventy-five percent (75 %) of the votes in the Association present or represented by proxy at any regular or special meeting, provided a quorum is present at such meeting. However, notwithstanding the foregoing, no provisions of these Bylaws may be amended by a number of Owners which is less than the number of Owners required within that particular provision to take certain action. Amendments may be proposed by the Executive Board or by petition signed by the holders of at least a majority of the votes. A statement of any proposed amendment will accompany the notice of any regular or special meeting at which such proposed amendment will be voted upon.

8.2 **Amendment by the Board.** The Board may amend these Bylaws by majority vote at any regular or special meeting, provided a quorum is present at such meeting. A statement of any proposed amendment will accompany the notice of any regular or special Board meeting at which such proposed amendment will be voted upon.

8.3 **Scope of Amendments.** These Bylaws may not be amended in a manner inconsistent with the Articles of Incorporation of the Association, the Declaration, or Colorado law.

ARTICLE IX CORPORATE SEAL

The Executive Board may obtain a suitable corporate seal containing the name of the Association, which seal will be in the custody and control of the Secretary. The corporate seal will be circular and will have inscribed thereon the name of the Association and the word "Colorado" in the circle and the word "Seal" in the middle. If and when so directed by the Executive Board, a duplicate seal may be kept and used by such officer or other person as the Executive Board may name.

ARTICLE X MISCELLANEOUS

10.1 **Registration of Mailing Address.** If a Unit is owned by two (2) or more Owners, such co-owners will designate one (1) address as the registered address required by the Declaration and will designate the "voting member." An Owner or Owners will notify the Secretary of his or their (a) registered address within five (5) days after any transfer of title or change of address, and (b) "voting member" within five (5) days after any transfer of title or to designation thereof. Such notice will be written and signed by all of the Owners to which it relates or by such persons authorized to sign on behalf of such Owners.

10.2 **Notice to Association.** Every Owner will timely notify the Association of the name and address of any Mortgagee, purchaser, transferee or lessee of his Unit. The Association will maintain such information at the office of the Association.

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

10.4 Character of Association. The Association is not organized for profit. No member, member of the Executive Board, officer or person for whom the Association may receive any property or funds will receive any pecuniary profit from the operation thereof, and in no event will 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 of the Executive Board, officers or Members, except upon a dissolution of the Association, provided, however, (1) that reasonable compensation may be paid to any Member, Manager, Director, or officer while acting as an agent or employee of the Association for service rendered in effecting one or more of the purposes of the Association, and (2) that any Member, Manager, 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.

10.5 Right of Entry. The Manager and any person authorized by the Board will have the right to enter each Unit in case of any emergency originating in or threatening such Unit whether or not the Owner or occupant is present at the time. Such authorized persons will also have the right to enter each Unit to perform maintenance and repair work as prescribed by these Bylaws and the Declaration.

10.6 Fiscal Year. The fiscal year of the Association will be determined by the Executive Board and will be subject to change by the Executive Board as necessary.

10.7 Budget. At each annual meeting of the Executive Board, the Executive Board will approve a budget for the operation of the Association during the forthcoming year and submit such budget to the members for ratification pursuant to applicable law. Said budget will include such items of expense as are determined from time to time by the Executive Board.

10.8 Inspection of Records. Any Owner or First Mortgagee may inspect the Association's records of receipts and expenditures at any reasonable time during convenient weekday business hours, and, upon fourteen (14) business days' notice to the Executive Board or Manager, if any, and upon payment of a reasonable fee, not to exceed Twenty Dollars (\$20.00), any Owner or First Mortgagee will be furnished a statement of account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

10.9 Captions. The captions and headings in these Bylaws are for convenience only and will not be considered in construing any provision of these Bylaws.

10.10 Numbers and Genders. Whenever used herein, unless the context will otherwise provide, the singular number will include the plural, the plural the singular, and the use of any gender will include all genders.

CERTIFICATE

The undersigned Secretary of the Association does hereby certify that the above and foregoing Bylaws were duly adopted by the Executive Board of this Association as the Bylaws of this Association on the 20th day August of 1996, and that they do now constitute the Bylaws of this Association. 1997

Secretary

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