

**BYLAWS
OF
WESTWOOD ESTATES ASSOCIATION**

Article I. NAME

This organization shall be known as "Westwood Estates Association," a non-profit Colorado corporation, hereinafter referred to as the "Association."

Article II. OFFICE

The principal office of the Association shall be at such location within the State of Colorado as the Board of Directors may determine from time to time. The registered office of the Association will be shown on the Association's Articles of Incorporation, as amended from time to time.

Article III. PURPOSE

The Association does not contemplate pecuniary gain or profit, direct or indirect, to its members. The purpose for which it is formed is primarily to promote the common good and general and social welfare of the residents and owners of the property platted as Westwood, a Planned Unit Development, and known as Westwood Estates in Mesa County, Colorado, hereinafter referred to as the "property." For this purpose the Association will:

- A. Own, acquire, build, improve, operate, repair, replace and maintain the "general common elements" as more particularly described in Condominium Declaration for Westwood Estates, recorded in the office of the County Clerk and Recorder of Mesa County, Colorado;
- B. Maintain roads, streets, driveways and parking areas not maintained by governmental authority;
- C. Fix assessments;
- D. Enforce any and all covenants, restrictions, and liens for the benefit of the corporation and agreements applicable to the property, whether contained in the Declaration or not;
- E. Pay taxes, if any, on the general common elements;
- F. Protect the value and desirability of, and enhance the safety and habitability of, the property.

Article IV. DEFINITIONS

All Definitions of terms will be consistent with those given in the Westwood Estates Condominium Declaration

Article V. MEMBERSHIP

- A. Every owner of a condominium unit shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any unit.
- B. Each owner, unless membership rights have been suspended, will be entitled to one vote per unit owned, with joint owners sharing one vote which shall not be divisible.
- C. Any officer, or the Managing Agent, if appointed, shall have the power to suspend the privileges of membership, both those of the member and/or his/her designee, if in the opinion of the Agent or officer, a member has violated any of the rules or regulations of the Association or is delinquent in paying his/her assessments. Any member whose privileges are suspended shall be notified in writing of such suspension ten (10) days prior to the date that such suspension of privileges shall become

effective. A member shall have the right to appeal such suspension directly to the Board of Directors prior to the effective dates of such suspension. Suspension resulting from non-payment of assessments shall be removed upon payment by the member of all amounts then currently due, including penalty. The term of suspension for reasons other than non-payment shall be left to the discretion of the Board of Directors.

Article VI. MEMBERSHIP MEETINGS

A. Regular meetings of the members of the Association shall be held at 7:00 p.m. on the second Monday in May and the second Monday in November unless otherwise specified by the Board of Directors. The location of the meeting shall be designated by the Board of Directors and shall be shown on the notice to the members of such meeting. The order of business at such regular meetings shall include roll call, determination of a quorum, reports by the Secretary-Treasurer, and President, any committee reports deemed necessary by the Board of Directors, unfinished business and new business. At the May meeting the Nominating Committee shall be elected and an annual financial report heard. At the November meeting, which is designated as the annual meeting, there shall be an election of Directors.

B. Special meetings of the members of this Association may be called at any time by resolution of the Board of Directors or upon the written request of not less than one-third (1/3) of the members.

C. A written or printed notice of all regular or special meetings of the members shall be prepared by the Secretary of the Association and by him/her delivered personally to each member or mailed to the last known post office address of record of each member not less than ten (10) days nor more than fifty (50) days before the date of such meeting. All notices of special meetings shall state the objects of the meetings and no business shall be transacted at any special meeting except that stated in the notice thereof.

D. The quorum for regular and special meetings of the Association shall be 30% of the eligible voters, who must be present. The vote of members at a properly called meeting at which a quorum is present will be the act of the Association and sufficient to bind all members. If less than a quorum is present, the meeting may be adjourned until some subsequent date, no more than sixty (60) days following the preceding meeting.

E. Representation by written proxy shall be allowed and the instrument authorizing the proxy to act at the meeting shall be exhibited at the time of such meeting when called for and filed with the Secretary.

F. Cumulative voting shall not be permitted.

G. Any notice required to be given under these Bylaws may be waived by two-thirds (2/3) affirmative vote at a meeting of the Association.

H. Any issue, question, election of directors or other proposition that might be brought before a regular or special meeting of members may be decided by ballot distributed and voted by mail, pursuant to instructions adopted by resolution of the Board of Directors, provided that at least thirty per cent (30%) of the eligible votes shall be validly cast by return mail addressed to the Secretary of the Association or delivered to the Secretary.

Article VII. ASSESSMENTS

A. The Association will finance and pay for the maintenance, repair, replacement, and improvement of the common areas and common elements of the property by charging each owner a proportionate share for such expenses. As more fully provided in the Declaration, each member is obligated to pay the Association such annual and special assessments that are secured by a continuing lien upon the property

upon which assessments are made. Any assessments which are not paid when due (monthly by the fifteenth day of each month) shall be delinquent.

B. If the assessment is not paid by the fifteenth (15th) of the month, the homeowner shall be charged a flat fee penalty, and the Association may bring any action at law against the owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided hereby by non-use of the common area or abandonment of his/her unit. Upon ten days' notice to the Managing Agent or Board of Directors and after payment of a reasonable fee, any unit owner shall be furnished a statement of the Association account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

C. There shall be no initial division of assessments between limited and general common elements, as each unit owner is completely responsible for the repair, maintenance, replacement and improvement of those limited common elements, such as balconies and patios, appurtenant to his/her unit. If, however, the Board of Directors assumes responsibility for the upkeep of some or all of the limited common elements as provided below in Article XI, then in no event will the assessment made for the upkeep and repair of such limited common elements exceed ten per cent (10%) of the total assessments made per unit.

D. Services to be provided by the Association and paid for out of the regular assessment include:

1. Routine maintenance, repair and replacement of the general common elements including the Westwood Club House, as defined in the Declaration;
2. Maintenance and upkeep of the grounds, private drives and walkways, lawns and shrubbery;
3. Maintenance and repair of the exteriors of buildings, though not to include balconies and patios;
4. Insurance coverage, such as fire and liability, for various contingencies.

E. The regular assessment shall be of such amount so as to generate an adequate reserve fund for maintenance, repairs and replacement of those common elements which must be replaced on a periodic basis. A Legal Reserve fund may be established which shall be used for capital improvements.

Article VIII. LIABILITIES OF AND RESTRICTIONS ON UNIT OWNERS

A. Each unit owner assumes the following assessments, debts and other obligations, when applicable, upon becoming a unit owner: Unpaid regular and special assessments, any lien for the same, property and other taxes, charges for all public and private utilities, premiums for such insurance as is not provided by the Association, unpaid debts and liens secured by the unit, any outstanding mechanic's or other statutory liens, any outstanding judgments or unpaid mortgages or deeds of trusts against former owners of the unit, and any other obligation which may be imposed against a condominium unit owner pursuant to the laws of the State of Colorado.

B. Other than mechanic's liens, assessment liens and tax liens, individual unit owners will be proportionately liable only for judgment liens, liens afforded by deed of trust, mortgages, or construction loans, as against the general or limited common elements. Provided, however, all taxes, assessments and charges against an individual unit which may become liens prior to a first mortgage upon an individual condominium unit under local law shall relate only to the individual condominium unit and not the condominium project as a whole.

C. The Association or its members do not have any right of first refusal at the time an individual owner contemplates sale of his/her unit.

D. Every owner is subject to the rules and regulations adopted by the Association as are designated to prevent unreasonable interference with the use and enjoyment of their units and the property by all owners.

Article IX. RECREATIONAL FACILITIES

Every member, regardless of his or her voting power, shall have an equal right to use and enjoy, subject to the rules and regulations adopted by the Association, the following recreational facilities: The Westwood Club House, walkways, promenades, and such lawns and open spaces as are provided. However, use of the Westwood Club House may be limited, in terms of time and number of people and appropriateness of activity as the Association may deem necessary.

Article X. DIRECTORS

- A. The affairs of the Association shall be managed by a Board of Directors consisting of six (6) persons who are chosen from among members of the Association, three (3) of whom must reside in Westwood. Each Director must reside in Mesa County at least six (6) months each year.
- B. The terms of office for the Directors shall be for two (2) calendar years beginning January 1 and shall be staggered such that one-half (1/2) of the Board is newly elected each year.
- C. Directors will not be entitled to compensation, but may recover from the Association out-of-pocket expenses incurred on behalf of the Association.
- D. A Director shall hold office until his/her successor has been elected, or has been appointed by the Board of Directors.
- E. Any Director may be removed for cause at any time by a two-thirds (2/3) vote of the members present and voting at any special meeting of members called for that purpose.
- F. If any vacancy shall occur in the membership of the Board of Directors, such shall be filled for the remainder of the unexpired term by appointment by the remaining Directors.
- G. Any Director may resign at any time upon ten days' written notice provided the business of the Association is not jeopardized.

Article XI. DUTIES AND POWERS OF DIRECTORS

It shall be the duty of the Board of Directors to exercise general supervision over the management of the affairs of the Association, which shall include:

- A. To receive and pass upon the reports of the officers;
- B. To direct the officers in the general conduct of the Association;
- C. To assume responsibility to maintain, repair, replace, and improve the general common elements;
- D. To assume responsibility for the repair and upkeep of some or all of the limited common elements upon authorization;
- E. To have control of any books, papers or documents of the Association;
- F. To unilaterally adopt and amend reasonable rules and regulations which govern the property. Such rules and regulations and amendments thereto shall be provisionally effective immediately upon adoption by the Board. However, the Board shall present all such rules and regulations to the membership at the next regular meeting, at which time final approval of such rules and regulations shall be decided by majority vote.
- G. To appoint members to all standing committees of the Association except the Nominating Committee, which is elected, and to special committees which shall from time to time be deemed necessary or appropriate. Duties of the special committees shall be in writing and on file with the Secretary-Treasurer. Special committees may be discharged by the Board of Directors or by a majority vote at any Association meeting.

H. To delegate, if desired, any of its duties to the Managing Agent, with the exception of fixing assessments. However, no such delegation will relieve the Board of its responsibilities under the Declaration.

I. Impose charges for late payment of assessments, recover reasonable attorney fees and other legal costs for collection of assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and, after notice and an opportunity to be heard, levy reasonable fines for violations of the declaration, bylaws and rules and regulations of the Association. (38-33.3-302 Powers of unit owners' association from the Colorado Common Interest Ownership Act.)

Article XII. MEETING OF DIRECTORS

A. A meeting of the Board of Directors shall be monthly, and at such other times as the Board of Directors may provide by resolution, at a time and place within the State of Colorado as may be designated by the Board of Directors. A meeting may be called at any time by the President or any Director upon reasonable notice to all Directors. All regular meetings are open to all members. A notice will be posted for time and date of meetings.

B. At all meetings of the Board of Directors, a majority of directors shall be required to constitute a quorum for the transaction of business.

C. The order of business at any meeting of the Board of Directors shall be as the Board may determine.

Article XIII. OFFICERS

A. The officers of this Association shall consist of a President, Vice-President, and a Secretary-Treasurer, who shall all be elected by and from the members of the Board of Directors at the first meeting of the Board of Directors following the regular November meeting of the members of the Association in each year.

B. Officers shall hold their respective offices for the term of one year, January 1 - December 31, unless they shall resign or be removed.

C. In case of a vacancy, the office shall be filled for the unexpired term by the new Director appointed by the Board of Directors as provided for in Article X, Section F.

D. The Board of Directors may, in case of the inability or refusal to perform his/her duties, remove an officer.

E. The Board of Directors may appoint and designate employees of the Association, who shall perform such duties necessary to the operation, maintenance, repair and replacement of the general common elements as may be assigned them. They shall hold such positions at the pleasure of the Board. In particular, the Board may appoint a Managing Agent, who may be removed by the Board at any time.

F. The Board may retain an individual or individuals to perform such duties of the Secretary-Treasurer as the officers may determine.

Article XIV. DUTIES OF OFFICERS

A. Duties of President. It shall be the duty of the President to preside at all meetings of the members and Directors of the Association. He/she shall sign all certificates of membership, contracts and other instruments in writing authorized by the Board of Directors to be executed, and the minutes of all meetings over which he/she may have presided. He/she shall be an ex-officio member of all committees except the Nominating Committee and shall have the active management of and general supervision over the affairs of the Association. He/she shall perform such other duties as may be

required of him/her by law, by these Bylaws, and by the Board of Directors, and in general shall perform the duties and functions usually pertaining to and vested in the president of a corporation.

B. Duties of Vice-President. It shall be the duty of the Vice-President in case of sickness or other disability preventing the President from performing the duties of his/her office, to perform and discharge the duties and functions of the President, and such other duties as may be required of him/her by the Board of Directors.

C. Duties of the Secretary-Treasurer.

1. As Secretary, this officer shall:

- (a) Give proper notice of all meetings of the members and of the Board of Directors of the Association and to attend all such meetings and act as the clerk thereof;
- (b) Keep, record, and preserve the minutes of all meetings of the members and Directors in appropriate books, and to sign all such minutes as Secretary;
- (c) Have custody of the corporate seal and records of the Association;
- (d) Attest the affixing of the seal to all contracts and other instruments in writing executed under the corporate seal of the Association;
- (e) Have charge of and preserve all papers and documents of the Association;
- (f) Retain the official records of all special committees appointed, the outline of their duties, and their current members;
- (g) Attend to the filing of all papers and reports required by law to be filed;
- (h) Perform such duties as usually pertain to the office of Secretary and such as may be specifically assigned by the Board of Directors.

2. As Treasurer, this officer shall:

- (a) Be custodian of the funds of the Association and of all securities, valuable papers and documents connected with and pertaining to the business of the Association which shall be kept in such depositories and in such manner as directed by the Board of Directors;
- (b) Disburse funds of the Association in accordance with the directions from the Board of Directors;
- (c) Keep a complete and proper record and account thereof and vouchers for all funds disbursed, all of which shall be accessible for inspection by the other officers or by the Board of Directors;
- (d) Prepare or cause to be prepared an annual budget of projected operating expense;
- (e) On an annual basis submit for audit books and accounts of the Association to a committee of homeowners appointed by the Board, which report shall be heard at the May meeting;
- (f) Report the income, disbursements, account balances and general financial condition to the members of the Association at the regular May meeting of the members of the Association;
- (g) Render to the Board of Directors, whenever they may require, an account of all the Association's transactions and the financial condition of the Association;
- (h) At the direction of the Board of Directors and at the expense of the Association obtain and maintain sufficient bond (fidelity insurance) with sureties for the faithful performance of his/her duties in compliance with Article 33.3 of the Colorado Common Interest Ownership Act of July 1, 1992. Coverage will be not less in aggregate than two months current assessment plus reserves, as calculated from the current budget of the Association.
- (i) Perform such other duties as may be prescribed by the Board of Directors;
- (j) Delegate, with the approval of the Board of Directors, any of his/her duties to a qualified accountant or bookkeeper.

Article XV. COMMITTEES AND THEIR DUTIES

A. Standing Committees. The standing committees of the Association shall be:

1. Architectural Committee, which shall be responsible for carrying out Provision #16, page 12, in the Declaration, and whose members shall serve at the pleasure of the Board.
 2. Audit Committee, appointed annually, which shall examine the books to insure that all expenditures were authorized, that receipts were recorded, and that the accounting shows no discrepancy, and report to the membership at the May meeting.
 3. Beautification Committee, which shall plan and carry out gardening projects which enhance the appearance of Westwood Estates, and which follow long range landscaping plans of the Architectural Committee. Committee members will serve at the pleasure of the Board.
 4. Club House Committee, which shall schedule and supervise use of the Westwood Club House, subject to rules and regulations adopted by the Association. Members will serve at the pleasure of the Board.
 5. Nominating Committee of three members, which shall be elected by vote of the members at the May Association meeting. They shall be elected from a slate of candidates submitted to the members by the Board of Directors by May 1 or from nominations at large by the members. They shall submit to the Board by October 15 one or more candidates for each expiring Board position to be elected at the annual meeting in November.
 6. Long Range Planning Committee, which shall provide continuity in long term planning for the maintenance of the buildings and grounds. The functions of the committee are fact finding, gathering information, analyzing problems and submitting their conclusions as recommendations to the Board of Directors. Committee members will serve at the pleasure of the Board.
- B. Special Committees. Special Committees may be created as deemed necessary or appropriate by the Board of Directors or by a majority vote at Association meetings. They shall exist for a specified period or until discharged either by the Board or by vote of the members. Committee members shall be appointed by the Board of Directors, the number being at the discretion of the Board, unless the members are named in the motion put to vote.
- C. Duties of Special Committees. An outline of the duties and responsibilities shall be drawn up by the Board of Directors at the time of creation of each special committee. The official copy of each shall be filed with the Secretary-Treasurer.

Article XVI. INDEMNIFICATION

Each officer and director of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, or any settlement thereof, reasonably incurred by or imposed upon him/her in any proceeding to which he/she may be a party, or in which he/she may become involved by reason of his/her being or having been an officer or director of the Association, whether or not he/she is 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 malfeasance in the performance of his/her duties; provided that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association.

Article XVII. ADDITIONS TO COMMON ELEMENTS

A. The Association shall have the power to add to the general and limited common elements by new construction, purchase, or other means. In this connection, the Association shall have the power to increase, over what was assessed in the past, regular and special assessments. Members may thus be required to help defray the cost of new construction, including new recreational facilities.

B. In the event that new condominium units and owners are added to the property, the ownership interest of the original owners in the limited and general common elements will be proportionately diminished. Similarly, the voting power of the original unit owners will be diminished proportionately. However, no such additions of additional units are foreseen at this time. Rather the above disclosures are made to comply with applicable Colorado law.

Article XVIII. AUTHORIZATION

No officer or member of this Association shall authorize or incur any debt or obligation on its behalf except by order or pursuant to authority granted by the Board of Directors.

Article XIX. FISCAL PROCEDURES

A. All written obligations of the Association, including acceptances, contracts, agreements, deeds and other instruments in writing shall be signed with the corporate name by the President, or in his/her absence, by the Vice-President, and the corporate seal shall be affixed and attested by the Secretary.

B. No expenditures for maintenance, repair, replacement, or improvement of the common elements in excess of \$5,000 per transaction will be made by the Association or any of its agents without prior approval of the majority of the voting power of the membership.

C. No expenditures in excess of \$3,000 may be made from the reserved principle in the Legal Reserve Fund without prior approval of a majority of the voting power of the membership. Expenditures of less than that amount must have written authority of the Board of Directors.

D. All checks drawn on the Association funds shall be signed by those officers, in their capacity as officers, one or more, as may be authorized by the Board of Directors.

E. The funds of this Association shall be deposited in such bank or banks as the Board of Directors may determine.

Article XX. PROHIBITED ACTIVITIES AND DISTRIBUTION OF ASSETS

No part of the income or net earning of the Association shall be distributed to or insure to the benefit of its members, directors, officers, or any individual; provided, however, that reasonable compensation may be paid for any services rendered to the Association, and payment and distributions may be made in furtherance of the purposes set forth in Article III hereof. The Board of Directors will determine who will receive such compensation, for what services, and in what amounts. No substantial part of the activities of the Association shall be the carrying on of propaganda or otherwise attempting to influence legislation and the Association shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Bylaws, the Association shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income taxation under the provision applicable to this Association, of Section 501(c) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States or Colorado law).

Article XXI. BOOKS AND RECORDS

The books, records of receipts and expenditures, and other papers of the Association shall be open to inspection during convenient weekday business hours by any unit owner and his/her mortgagees. The Declaration and Articles of Incorporation of the Association shall be available for inspection by any unit owner and his/her mortgagees at the principal office of the Association, where copies may be purchased

at a reasonable cost. At or before the execution of a contract for sale, and if none, before closing, every initial bona fide condominium unit buyer shall be provided a copy of these bylaws, together with any amendments thereto.

Article XXII. CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words "Westwood Estates Association."

Article XXIII. AMENDMENTS

These Bylaws may be amended or revised by two-thirds (2/3) vote of members present at a properly called meeting at which a quorum is present. Prior notice must be given as provided in Article VI, Section C and the proposed amendment or revision must be included in the call. However, no amendment in contravention of Colorado Revised Statute #38-33-106 may be made.

Article XXIV. PARLIAMENTARY AUTHORITY

The current edition of ROBERT'S RULE OF ORDER NEWLY REVISED shall apply on all questions of procedure and parliamentary law not specified in these Bylaws or in the Declaration.

Article XXV. GENERAL PROVISIONS

These Bylaws incorporate by this reference the Declaration referred to in Article III above. In the event of any inconsistency between the Articles of Incorporation and these Bylaws, the Articles shall control.

WE THE UNDERSIGNED, being all the members of the Board of Directors of Westwood Estates Association, a non-profit Colorado corporation, hereby confirm that the foregoing Bylaws of said corporation were accepted as amended on the tenth day of October 2002.

Joan Warner, President

John Lafferty, Vice-President

Mary Jane Pollard, Secretary-Treasurer

ADOPTED: August 11, 1980

REVISED: February 9, 1988

AMENDED: November 14, 1988

REVISED: November 11, 1991

AMENDED: May 11, 1992

REVISED: November 15, 1993

AMENDED: May 22, 1995

AMENDED: May 19, 1997

AMENDED: October 10, 2002

AMENDED: May 11, 2009