

Fairway Townhomes Assoc.

12/14/18

BY-LAWS

OF

FTA, INC.

ARTICLE I

OFFICES

The principal office of the corporation shall be 2808 North Avenue, Grand Junction, Colorado 81501. The Board of Directors, in its discretion, may keep and maintain other offices within or without the State of Colorado whenever the business of the corporation may require.

ARTICLE II

MEMBERSHIPS

1. Memberships. There shall be one membership in the corporation for each Lot, as defined in the Declaration of Covenants, Conditions and Restrictions for The Fairway Townhomes (hereinafter referred to as "Declaration") recorded in the Records of the County Clerk and Recorder of Mesa County, Colorado. Each membership shall be accorded one vote regardless of the number of owners having an interest therein. No person or entity other than a Lot Owner may be a member of the corporation.

2. Transfer of Membership. A membership in the corporation and the share of a member in the assets of the corporation shall not be transferred, pledged or alienated in any way except upon transfer of title to the owner's Lot, and then only to the transferee with title to such Lot. The corporation shall be entitled to treat the person or persons in whose name or names the membership is recorded on the books and records of the corporation as a member until such time as evidence of a transfer of title, satisfactory to the corporation, has been submitted to the secretary. The right to vote may not be severed or separated from the Lot ownership to which it is appurtenant, and any sale, transfer or conveyance of such Lot to a new owner or owners shall operate to transfer the appurtenant vote without the requirement of any express reference thereto in the instrument of conveyance.

3. Voting Rights. Where the vote of the members is required or permitted by the statutes of Colorado, the Articles of Incorporation or these By-Laws, any one of the

co-owners of a membership present or represented by proxy shall be accepted automatically by the corporation as the agent and attorney in fact for other co-owners not present or represented by proxy, for the purpose of casting the percentage vote of that membership. Voting by proxy shall be permitted. Proxies must be executed in writing by the owner or co-owner or his duly authorized attorney in fact and must be filed with the secretary before the appointed time of each meeting. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy. The corporation may suspend the voting rights of a member for failure to comply with any other obligations of the owners of a Lot under the Declaration.

4. Annual Meeting. An annual meeting of the members for the purpose of voting on such matters as properly may come before the meeting shall be held on the first _____ of each year at a convenient location in Mesa County, Colorado, to be selected by the Board of Directors, the first annual meeting to be held in 19___. Directors shall be elected at such meeting.

5. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors or by written request of fifty percent (50%) or more of the members and shall be held at a convenient location in Mesa County, Colorado, to be selected by the persons calling the meeting.

6. Notices; Waiver. Notices of annual and special meetings of the members must be given in writing and must state the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called. Such notices shall be delivered not less than ten nor more than 50 days before the date of the meeting, by or at the direction of the president, or the secretary, or the persons calling the meeting, and shall be given to each owner or co-owner of a membership entitled to vote at such meeting.

Any notice given pursuant to this Article II shall be deemed to be delivered when deposited in the United States mail addressed to such owner or co-owner at his address as it appears on the records of the corporation, with postage thereon prepaid.

Written waiver of notice signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

7. Quorum; Vote Required; Adjournment. Three-fourths of the votes, represented in person or by proxy, shall

constitute a quorum at any meeting of members. If a quorum exists, the action of a majority of the votes present or represented by proxy shall be the act of the members, except to authorize adoption of budgets and assessments - a three-fourths majority shall be required. If a quorum does not exist, a majority of the votes present in person or by proxy may adjourn the meeting from time to time without further notice other than announcement at the meeting.

8. Action of Members Without a Meeting. Any action required to be taken, or any action 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, shall be signed by all of the owners and co-owners of memberships entitled to vote with respect to the subject matter thereof.

ARTICLE III

BOARD OF DIRECTORS

1. Number and General Duties. Business and affairs of the corporation shall be conducted, managed and controlled by the Board of Directors. The Board of Directors shall have the power to designate and remove personnel necessary for the operation, maintenance, repair and replacement of the Common Elements. The Board of Directors shall consist of three members. The number of directors may be increased or decreased by amendment of these By-Laws; provided, however, that the number of directors shall not be reduced to fewer than three, nor increased to more than five; and, provided further, that no decrease in the number of directors by amendment of these By-Laws shall have the effect of shortening the term of any incumbent director.

2. Qualification; Election; Term. Directors need not be members of the corporation, need not be residents of the State of Colorado, but shall be elected by the members of the corporation at their annual meeting. Directors shall serve a term of one year and until their successors are duly elected and qualified. In no event shall the term of less than one-third of the directors expire annually.

3. Removal; Resignation. At any meeting of members, the notice of which indicates such purpose, directors may be removed in the manner provided by the statutes of Colorado. Any director may resign by submitting a written notice to the Board stating the effective date of his resignation, and acceptance of the resignation shall not be necessary to make the resignation effective.

4. Vacancies. Any vacancy in the Board of Directors and any directorship to be filled by reason of an increase

in the number of directors may be filled by an affirmative vote of a majority of the remaining directors, though less than a quorum, of the Board. A director selected to fill a vacancy on the Board shall hold office for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors may be filled by the Board of Directors for a term of office continuing only until the next election of directors.

5. Meetings. There shall be a regular annual meeting of the Board immediately following the annual meeting of the members of the corporation, and the Board may establish regular meetings to be held at such other places and at such other times as it may determine from time to time. After the establishment of the time and place for such regular meetings, no further notice thereof need be given. Special meetings of the Board may be called by the president or, upon written request, delivered to the secretary of the corporation, by any two directors.

6. Notices; Waivers. Three days' notice of special meetings shall be given to each director by the secretary. Such notice may be given in person, orally, or in writing to each director. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Written waiver of notice signed by a director, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

7. Quorum; Vote Required; Adjournment. At any meeting of the Board, a majority of the number of directors acting and qualified, shall constitute a quorum for the transaction of business. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as otherwise specifically required by law, the Articles of Incorporation or these By-Laws. If a quorum does not exist, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting.

8. Action of Directors Without a Meeting. Any action required to be taken, or any action which may 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,

shall be signed by all of the directors entitled to vote with respect to the subject matter thereof.

9. Executive Committees; Miscellaneous Services; Delegation of Authority.

(a) The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint an Executive Committee of the Board. The number of members of the Executive Committee and the persons who shall be members of the Executive Committee and the persons who shall be members thereof shall be determined by the Board, but the number of such members shall not be fewer than two. Unless limited by resolution of the Board, the Executive Committee shall have and exercise all the authority of the Board of Directors, except that such Committee shall not have the authority of the Board of Directors in reference to amending, altering or repealing the By-Laws; electing, appointing or removing any member of such committee or any officer or director of the corporation; amending the Articles of Incorporation; restating the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of assets of the corporation; or amending, altering or repealing any resolution of the Board of Directors which, by its terms, provides that it shall not be amended, altered or repealed by such Committee. All of the provisions in these By-Laws with respect to notice of meetings and waivers of notice of such meetings shall be applicable to the meetings of the Executive Committee.

(b) The corporation acting through its directors may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable as well as such other personnel as the directors shall determine to be necessary or desirable for the proper operation of The Fairway Townhomes, whether such personnel are furnished or employed directly by the directors or by any person or entity with whom it contracts. The directors may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the project or with the enforcement of the Declaration. The directors may arrange with others to furnish snow removal and other common services to each Lot. The cost of such services shall be borne as provided in Article _____ of the Declaration.

(c) In addition to the foregoing, the directors may delegate any other powers or duties granted to them

provided, however, the directors, when so delegating, shall not be relieved of their responsibilities pursuant to the Declaration, Articles of Incorporation or By-Laws.

10. Compensation. By resolution of the Board of Directors, any director may be paid any one or more of the following: his expenses, if any, of attendance at meetings; a fixed sum for attendance at each meeting; or a stated salary as director. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

ARTICLE IV

OFFICERS

1. General. The officers of the corporation shall consist of a president, one or more vice presidents, a secretary and a treasurer, each of whom shall be elected by the Board of Directors, to serve for terms not exceeding one year as prescribed by the Board. The Board of Directors may appoint such other officers, agents, factors and employees as it may deem necessary or desirable. Officers may be, but need not be, directors or owners or co-owners of membership in the corporation. Any person may hold two or more offices simultaneously, except that the president shall not hold any other office.

2. President. The president shall be elected from the members of the Board of Directors to be the principal executive officer of the corporation and direct, supervise, coordinate and have general control over the affairs of the corporation, and shall have the power generally attributable to the chief executive officer of a corporation. The president shall prescribe at all meetings of the members of the corporation and meetings of the Board of Directors.

3. Vice Presidents. Vice Presidents may act in place of the president in case of his death, absence, inability or failure to act, and shall perform such other duties and have such authority as is from time to time delegated by the Board of Directors or by the president.

4. Secretary. The Secretary shall be the custodian of the records and of the seal of the corporation and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with provisions of these By-Laws and as required by law, and that the books, reports, and other documents and records of the corporation are properly kept and filed; shall keep minutes of the proceedings of the members, Board of Directors and Executive Committee; shall keep at the registered office of the corporation a record of the names and addresses of the

owners and co-owners entitled to vote; and, in general, shall perform all duties as may, from time to time, be assigned to him by the Board of Directors or by the President. The Board may appoint one or more assistant secretaries who may act in place of the secretary in case of his death, absence, inability or failure to act.

5. Treasurer. The treasurer shall have charge and custody of, and be responsible for, all funds and securities of the corporation, shall deposit all such funds in the name of the corporation in such depositories as shall be designated by the Board of Directors, shall keep correct and complete books and records of account and records of financial transactions and condition of the corporation and shall submit such reports thereof as the Board of Directors may, from time to time, require; and, in general, shall perform all the duties incident to the office of treasurer, and such other duties as may, from time to time, be assigned to him by the Board of Directors or by the president. The Board may appoint one or more assistant treasurers who may act in place of the treasurer in case of his death, absence, inability or failure to act.

6. Removal of Officers. Any officer may be removed by the Board of Directors whenever, in their best judgment, the best interests of the corporation will be served thereby.

7. Compensation. Officers, agents, factors and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Board of Directors. Appointment of an officer, agent, factor or employee shall not of itself create contractual rights to compensation for services performed as such officer, agent, factor or employee.

ARTICLE V

RIGHTS AND OBLIGATIONS OF THE CORPORATION AND THE MEMBERS

1. Annual Assessments. The Board of Directors shall fix, levy and collect assessments in the manner and for the purposes specified in the Declaration, and the members shall pay assessments as therein provided.

2. Inspection of Records; Statement of Account. The Lot owners and the mortgagees, if applicable, may inspect the records of receipts and expenditures of the corporation affecting the general and limited Common Elements as provided in §38-33-107, C.R.S. 1973, as amended, at convenient week-day business hours. Upon the ten day advance written request of any owner or mortgagee, prospective mortgagee or prospective purchaser of a Lot, the corporation shall issue a written statement setting forth the amount of any unpaid assessment

with respect to such Lot, the amount of the current assessment and the date that such assessment becomes due, credit for advance payments or prepaid items, including, but not limited to, an owner's share of prepaid insurance premiums, which statement shall be binding upon the corporation in favor of persons who have relied thereon in good faith. In the event the statement of account is not furnished within such ten day period, Section _____ of the Declaration shall govern with regard to the protection of mortgagees or prospective purchasers.

3. Rules and Regulations. The corporation acting through its Board of Directors may make and the owner shall comply with reasonable rules and regulations governing the use of the Lots, Common Elements and personal property for common use, which rules and regulations shall be consistent with the rights and duties established in the Declaration, Articles of Incorporation and these By-Laws. The rules and regulations may be altered, amended or repealed by the majority vote of the directors at a meeting at which a quorum is present.

4. Restrictions on Sale or Lease. Neither the Declaration, Articles of Incorporation or these By-Laws contain any restriction upon the free alienability, sale or lease of a Lot by the Owner.

5. Obligations of the Members. Each owner of any Lot by acceptance of a deed therefor, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the corporation to comply with and abide by the Declaration and the corporation's Articles of Incorporation, By-Laws and such rules and regulations as may be promulgated from time to time.

ARTICLE VI

AMENDMENTS

1. Articles of Incorporation. Amendments may be made to the Articles of Incorporation in the manner provided by law by vote of the membership of the corporation at any annual meeting or special meeting of the membership, provided that the notice of such meeting states that such amendment is to be considered. Such amendments may also be made pursuant to voting by mail as herein provided.

2. By-Laws. These By-Laws may at any time and from time to time be amended, altered or repealed by the Board of Directors, or by vote of the membership of the corporation at any annual or special meeting, provided that the notice of such meeting states that such amendment, alteration or repeal is to be considered.

3. Limitation on Amendments. No amendment of the Articles of Incorporation or of these By-Laws shall be contrary to or inconsistent with any provision of the Declaration.

ARTICLE VII

CONTRACTS, CONVEYANCES, CHECKS AND MISCELLANEOUS

1. Contracts. The Board of Directors may authorize any officer or agent of the corporation to enter into any covenant or execute and deliver any instrument in the name of the corporation, except as otherwise specifically required by the Articles of Incorporation or by these By-Laws.

2. Conveyances and Encumbrances. Corporate property may be conveyed or encumbered by authority of the Board of Directors or such other person or persons to whom such authority may be delegated by resolution of the Board of Directors. Conveyances or encumbrances shall be by instrument executed by the president or vice president and by the secretary or an assistant secretary, or executed by such other person or persons to whom such authority may be delegated by the Board of Directors.

3. Checks. All checks, drafts, notes and orders for the payment of money shall be signed by the president or by a vice president or the treasurer, or shall be signed by such other officer of the corporation as shall be duly authorized by resolution of the Board of Directors.

4. Fiscal Year. The fiscal year of the corporation shall be the calendar year.

5. Seal. The Board of Directors may adopt a corporate seal of such design as it may deem appropriate.

ARTICLE VIII

NON-PROFIT CORPORATION

No dividends shall be declared or paid to any member of this corporation, nor shall any member, upon dissolution of the corporation be entitled for any reason to receive a distributive or other share of assets then owned by the corporation, being expressly understood that this corporation is not formed for profit and is a corporation which does not contemplate pecuniary gain, profit or dividends for the members thereof, it being further understood that said corporation is organized and incorporated exclusively for the purposes and objects set forth herein and in the Articles