

**BYLAWS**

OF EL PASO COUNTY CLERK &amp; RECORDER

**SIERRA POINTE HOMEOWNERS ASSOCIATION, INC.**18711  
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H**ARTICLE I****NAME AND LOCATION**

The name of the corporation is SIERRA POINTE HOMEOWNERS OWNERS ASSOCIATION, INC., a nonprofit corporation organized under the Colorado Nonprofit Corporation Act, hereinafter referred to as the "Association"

The principal office of the corporation shall be 3480 Parkmoor Village Road, Colorado Springs, CO 80917 but meetings of Members and directors may be held at such places within the State of Colorado as may from time to time be designated by the Board of Directors of the Association ("Board of Directors" or "Board").

**ARTICLE II****PURPOSE**

The purpose for which this Association is formed is to govern the Project, exercise the rights, power and authority, and fulfill the duties of the Association, as provided in that certain Amended and Restated Condominium Declaration for Sierra Pointe Condominiums and any amendments thereto, recorded in the office of the Clerk and Recorder of the County of El Paso, Colorado ("Declaration") (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined), and those certain Restated Articles of Incorporation, As Amended of, and any amendments thereto ("Articles of Incorporation"), filed in the office of the Secretary of State of the State of Colorado. All present and future Owners, tenants, occupants, and any other person who may utilize in any manner the Project or any facilities or appurtenances thereto or thereon, shall be subject in all respects to the covenants, conditions, restrictions, reservations, easements, regulations, and all other terms and provisions set forth in the Declaration, Articles of Incorporation and these Bylaws. The mere acquisition, rental or occupancy of any Condominium Unit, or any portion thereof, shall signify that all terms and provisions of the Declaration, Articles of Incorporation and there Bylaws are accepted, ratified and shall be complied with.

**ARTICLES III****MEETINGS OF MEMBERS**

Section I. Class of Voting Membership. The Association shall have one class of voting membership. All of the Owners of each Condominium Unit shall be entitled to one vote for that Condominium Unit. When more than one Owner holds an interest in the same Condominium Unit, all such

Owners shall be Members and the vote for such Condominium Unit shall be cast as the Owners thereof agree, but in no event shall more than one vote per question be cast with respect to such Condominium Unit. If the Owners of such Condominium Unit do not agree as to the manner in which their vote should be cast when called upon to vote, then they shall be treated as having abstained.

Section 2. Annual Meetings. Regular annual meetings of the Members shall be held in the same month of each year, the specific date and time thereof to be designated by the Board of Directors from time to time.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the President of the Association or by the Board of Directors, or upon written request of the Members who are entitled to vote one-tenth (1/10) of all of the votes of the membership.

Section 4. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary of the Association or person authorized to call the meeting, by mailing (postage prepaid) or by hand delivering a copy of such notice, at least ten (10), but not more than twenty (20), days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purposes of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice thereof unless by consent of two-thirds (2/3) of the votes of the Members present at such meeting, in person or by proxy. Upon request, each First Mortgagee shall be entitled to receive written notice of all meetings of the Members, and shall be permitted to designate a representative to attend all such meetings.

Section 5. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-fourth (1/4) of the votes of the membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented. Unless otherwise specifically provided by the Declaration, Articles of Incorporation, these Bylaws or by statute, all matters coming before a meeting of Members at which a proper quorum is in attendance, in person or by proxy, shall be decided by the vote of a majority of the votes validly

cast at such meeting.

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Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Condominium Unit.

#### **ARTICLE IV RIGHTS OF THE ASSOCIATION**

Section 1. Implied Rights. This Association may exercise any and all rights or privileges given to it under the Declaration, the Articles of Incorporation or these Bylaws, or as may otherwise be given to it by law, and every other right or privilege reasonably to be implied therefrom or reasonably necessary to effectuate any such right or privilege.

Section 2. Restriction of Rights. Notwithstanding the provisions of Section 1 of the Article, the Association shall not be empowered to do any of the matters itemized in Article Seventeen of the Declaration, unless it shall obtain the prior written approval of the required percentage of First Mortgagees, or insurers or guarantors of First Mortgages, as provided therein.

#### **ARTICLE V BOARD OF DIRECTORS - SELECTION - TERM OF OFFICE**

Section 1. Number. The affairs of this Association shall be managed by a Board of five (5) Directors. Directors shall be Members of the Sierra Pointe Homeowners Association, i.e. owner of a Condominium Unit.

Section 2. Term of Office. At the first annual or special meeting (called for that purpose) of the Association the members shall elect two directors for terms of one year, two directors for terms of two years, and one director for a term of three years, and at each annual meeting thereafter, the Members shall elect the same number of directors as there are directors whose terms are expiring at the time of each election, for terms of two years. The longest terms of office available at each election of Directors shall be awarded to those candidates receiving the highest number of votes, in descending order, provided that if more than one (1) successful Director-candidates receive equal numbers of votes, then the current President of the Association shall determine the terms of such successful Director-candidates.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority of the votes of the membership. In the event of death, resignation or removal of a director, including removal pursuant

to Article VIII, Section 1(f) of these Bylaws, such removed director's successor(s) shall be selected by remaining member(s) of the Board whether or not such remaining member(s) constitute a quorum, and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all of the directors. Any action so approved shall have the same effect as though taken at a meeting of the Board.

## ARTICLE VI

### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors may be made by a Nominating Committee appointed by the Board of Directors, as well as from the floor at the annual or special meeting at which the election is held.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot if the election is contested. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest numbers of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VII

### MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or

made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

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## ARTICLE VIII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt, amend, publish and repeal rules and regulations governing the Condominium Units, Common elements and/or any property owned by the Association, and any facilities thereon, and the personal conduct of the Members and their guests thereon, including without limitation the placing of conditions, limitations and restrictions on the use of any property owned by the Association, and to establish penalties for the infraction of any such rules and regulations;

(b) suspend the voting rights and the right to use recreational facilities, if any, of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations;

(c) enter into, make, perform or enforce contracts, licenses and agreements of every kind and description, including without limitation contracts or other agreements with one or more contractors or subcontractors for the purpose of the general reconstruction, rehabilitation, repair, renovation and refurbishment of the Project notwithstanding that at the time of entering into any such contracts or other agreements with one or more contractors or subcontractors one or more (and perhaps all) of the members of the Board of Directors may be directors or officers of, or financially interested in, any such contractors or subcontractors;

(d) provide for direct payment of assessments to the Association from Owner's checking, credit or other accounts;

(e) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;

(f) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) regular meetings of the Board of Directors during any one-year period;

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(g) employ the services of a manager or managing agent, or both, and such independent contractors or other agent, or both, and such or other employees as they deem necessary, and delegate any of their duties to such persons: provided, however, when so delegated, the Board of Directors shall not be relieved of its responsibilities under the Declaration, the Articles of Incorporation or these Bylaws; and

(h) designate and remove personnel necessary for the operation, maintenance, repair, and replacement of the Common Elements.

Section 2. Duties. It shall be the duty of the Board of Directors to see that all of the duties and obligations of the Association as set forth in the Declaration are performed as required therein, including without limitation the duty to:

(a) cause to be kept a complete record of all its acts and corporate affairs and present a statement thereof to the Members at the annual meeting of the Members, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;

(b) supervise all officers, agents, and employees of this Association, and see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix annually the amount of the maximum monthly assessment against each Condominium Unit prior to the commencement of each fiscal year, and give written notification to each Owner of each increase in the amount of the actual assessment against his Condominium Unit;

(2) foreclose the lien against any Condominium Unit for which any assessment or any portion thereof is not paid within one hundred twenty (120) days after the due date, or bring an action at law against the Owner personally obligated to pay the same;

(d) cause the Common Elements to be maintained, repaired, renovated, rehabilitated and refurbished;

(e) issue, or cause an appropriate officer or designated agent to issue, upon written request from any Owner, or any First Mortgagee, purchaser, prospective purchaser or prospective mortgagee, of a Condominium Unit, a certificate setting forth whether or not any assessment has been paid. A reasonable charge, but in no event less than Twenty-five Dollars (\$25.00), may be made by the Board of Directors for the issuance of these

certificates. Upon the issuance of such a certificate signed by a member of the Board of Directors or an officer or the managing agent of the Association, the information contained therein shall be conclusive upon the Association as to all persons who rely thereon in good faith:

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(f) procure and maintain adequate liability and hazard insurance on the Common Elements, and fidelity coverage or fidelity bonds, all as more fully provided in the Declaration;

(g) notify in writing, the First Mortgagee of any Condominium Unit, or any insurer or guarantor of such a First Mortgage, upon written request, when the Owner thereof is in default in the payment of any assessment, or otherwise in default of any obligation under the Declaration, Articles of Incorporation or these Bylaws, and the Board of Directors has actual knowledge of such default, and said default remains uncured for a period of sixty (60) days.

## ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and a vice-president, who shall at all times be members of the Board of Directors, a secretary, a treasurer, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless the officer shall sooner resign, or shall be removed, or shall otherwise be disqualified to serve.

Section 4. Special Appointments. The Board of Directors may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not

be necessary to make it effective.

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Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors and Members; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds, and other written instruments; and shall co-sign or authorize a designated agent to co-sign all checks and promissory notes.

Vice - President

(b) The vice-president shall act in the place and stead of the president in the event of the president's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of the vice-president by the Board of Directors.

Secretary

(c) The secretary or a designated agent shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; shall keep the corporate seal of the Association and affix it on all papers requiring said seal; shall serve notice of meetings of the Board of Directors and of the Members; shall keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board of Directors.

Treasurer

(d) The treasurer or a designated agent shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign or authorize a designated agent to sign all checks and promissory notes of the Association; shall keep proper books of account; shall cause an annual review or audit report of the Association books to be made by a Certified Public Accountant at the completion of each fiscal year or, at the option of

the Board of Directors or as may be required pursuant to Section 17.3 of the Declaration, an annual review or audited financial statement may be required; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the Members.

#### **ARTICLE X COMMITTEES**

The Association may appoint a Nominating Committee as provided in these Bylaws. In addition, the Board of Directors may appoint other committees which it deems appropriate in carrying out its purposes.

#### **ARTICLE XI BOOKS AND RECORDS**

The Association shall keep detailed, accurate and complete books and records of its receipts and expenditures (including receipts and expenditures affecting the Common Elements), shall keep minutes of the proceedings of the Board of Directors and Members, and shall keep at its registered or principal office in Colorado, a record of the names and addresses of the Members entitled to vote. Upon ten (10) days notice to the Board of Directors or managing agent of the Association, any Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner. Current copies of the Declaration, Articles of Incorporation, these Bylaws, the rules and regulations and other books, records and financial statements of the Association, shall be made available to Owners, First Mortgagees and insurers or guarantors of any First Mortgage. Current copies of the Declaration, Articles of Incorporation, these Bylaws, the rules and regulations, and the latest financial statement of the Association shall be available for examination by prospective purchasers of Condominium Units. The word "available", as used herein, shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

#### **ARTICLE XII ASSESSMENTS**

As more fully provided in the Declaration, each Member is obligated to pay to the Association certain assessments, charges, costs, fees and other sums (herein collectively referred to as "assessments") which are secured by a continuing lien upon the property against which the assessment is made; the foregoing assessments include, without limitation, the special assessment for rehabilitation, repair and renovation of the Common Elements, and special assessment lien, provided for in Section 7.6(b) of the Declaration. Any assessments which are not paid when due shall be

Consequently, if an assessment or any portion thereof is not paid within ten (10) days after the due date, the assessment may bear interest from the due date at the rate of twenty-one percent (21%) per annum, or at such lesser rate as may be set from time to time by the Board of Directors, and the Association may assess a monthly late charge thereon. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same, or foreclose the lien against such Owner's Condominium Unit, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment, and late charges may be added thereto, as aforesaid. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his Condominium Unit.

### **ARTICLE XIII**

#### **CORPORATE SEAL**

The Association shall have a seal in circular form and within it's circumference the words: SIERRA POINTE HOMEOWNERS ASSOCIATION, INC.

### **ARTICLE XIV**

#### **AMENDMENTS**

Subject to Sections 17.1 of the Declaration, these Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy. A statement of any proposed amendment shall accompany the notice of any regular or special meeting at which such proposed amendment shall be voted upon.

### **ARTICLE XV**

#### **INDEMNIFICATION OF DIRECTORS AND OFFICERS**

The Association shall indemnify every director, officer, agent and employee, and any former director, officer, agent and employee, against all loss, costs and expense, including attorney's fees, reasonably incurred in connection with any action, suit, or proceeding to which such person may be made a party by reason of being or having been such a director, officer, agent or employee of the Association, except for matters in which such person shall be finally adjudged to be liable for gross negligence, thief or fraud. Any such indemnity shall be limited to and may only be paid out of the insurance proceeds provided by an insurer furnishing officers and directors errors and omissions insurance coverage and any other insurance protecting the Association from liability because of the negligent acts of it's servants, including insurance covering motor vehicles or public liability, property damage, medical and other similar coverage, it being the intent and purpose of this provision to limit all payment or settlements in indemnification to the actual proceeds of insurance

policies. No indemnification shall be provided for acts constituting gross negligence, nor for fraud, nor for more reprehensible conduct. In the event of a settlement, the settlement shall be approved by the insurance carrier and paid for by the insurance carrier out of the insurance proceeds. The foregoing rights shall not be exclusive of other rights to which such director, officer, agent or employee may be entitled.

**ARTICLE XVI  
MISCELLANEOUS**

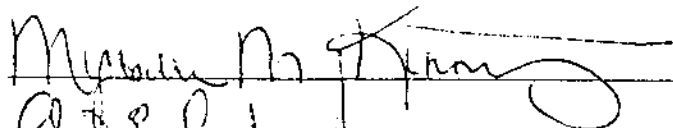
Section 1. The fiscal year of the Association shall be determined by the Board of Directors from time to time.

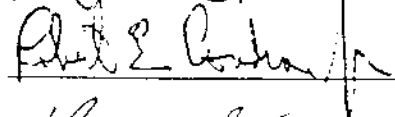
Section 2. Conflict of Documents. In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in case of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

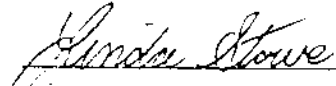
Section 3. Repeal of Prior Bylaws. Any and all Bylaws, and amendments, modifications, and restatements thereof, heretofore enacted, adopted or ratified by the Association or its predecessor Snapfinger Woods Condominium Association, Inc. are hereby repealed and revoked in their entirety.

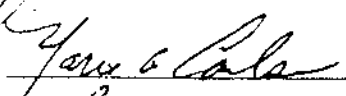
IN WITNESS WHEREOF, we the undersigned, being all of the directors of SIERRA POINTE HOMEOWNERS ASSOCIATION, INC. have hereunto set our hands this 20th day of November, 1996.

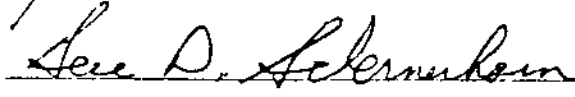
DIRECTORS:

  
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