

BY-LAWS
OF
WOODBRIAGE TOWNHOMES

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BY-LAWS
OF
WOODBRIIDGE TOWNHOME OWNERS ASSOCIATION, INC.

The following By-Laws correctly set forth the provisions of the By-Laws, of Woodbridge Townhome Association, Inc., and were duly adopted pursuant to the Colorado Nonprofit Corporation Act:

ARTICLE I

NAME AND LOCATION

The name of the corporation is WOODBRIDGE TOWNHOME OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 2993 Broadmoor Valley Road, Colorado Springs, Colorado, but meetings of Members and directors may be held at such places within the State of Colorado as may be designated by the Board of Directors, which shall also be known and referred to sometimes herein as the Board of Managers.

ARTICLE II

DEFINITIONS

All terms which are defined in the Declaration of Covenants, Conditions and Restrictions of Woodbridge Townhomes, shall have the same meaning herein.

ARTICLE III

MEETING OF MEMBERS

Section 1. Membership and Voting Rights. The requirements and conditions of membership and of voting rights shall be as provided in the Declaration and the Articles of Incorporation.

Section 2. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association. The annual home owners meeting shall be held on the second Tuesday in the month of November.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all the votes of the Class A 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 or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 30 days but not more than 60 days prior to 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 purpose 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.

Section 5. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. 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 be represented.

Sections 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 Lot.

Section 7. Majority of Members. As used in these By-Laws, the term “majority of Members” shall mean fifty percent (50%) of the combined votes cast by all Members of both classes present at a meeting containing a quorum. An affirmative vote of a majority of the Members present, in person, or by proxy, shall be required to transact the business of the meeting.

Section 8. Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call and certifying proxies
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading and disposal of unapproved minutes
- (d) Reports of officers
- (e) Reports of committees
- (f) Election of directors
- (g) Unfinished business
- (h) New business
- (i) Adjournment

ARTICLE IV

BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who need not be Members of the Association.

Section 2. Term of Office. At the first annual meeting, the Members shall elect two directors for one-year terms, two directors for two-year terms and one director for a three-year term, and at each annual meeting thereafter, the Members shall elect the same number of directors as there are directors whose terms are then expiring, for terms of three years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining directors of the Board 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 directors 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 the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nomination may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine but not less than the number of vacancies that are to be filled. Such nominations may be made from amount Members or non-Members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. 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 number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly, at such time and place as shall be determined by a majority of the directors. Notice of regular meetings of the Board of Directors shall be given to each director personally or by mail, telephone or telegraph, at least seven (7) days prior to the day named for such meeting.

Section 2. Organization Meeting. The first meeting of a newly elected Board of Directors following the annual meeting of the Members shall be held within ten (10) days thereafter at such place as shall be fixed by the directors at the meeting at which such directors were elected and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Association upon three days notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as herein provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two or more directors.

Section 4. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall 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 shall be required and any business may be transacted at such meeting.

Section 5. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof. A copy of such rules and regulations shall be delivered or mailed to each Member upon the adoption thereof;
- (b) suspend the voting rights and right to use of the recreational facilities 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) 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 By-Laws, the Articles of Incorporation, of the Declaration, necessary for the administration of the Affairs of the Association and for the operation and maintenance of the Properties;
- (d) incur such costs and expenses as may be necessary to keep in good order, condition and repair all of the Common Area and facilities and all items of common personal property;
- (e) declare the office of a director of the Board of Directors to be vacant in the event such director shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (f) employ a manager, an independent contractor or such other employees as they deem necessary, and to prescribe their duties, subject to the provisions of this declaration.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

- (c) as more fully provided in the Declaration to:
 - (i) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, such annual assessment may be collected on a monthly basis; however,
 - (ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period ; and
 - (iii) foreclose the lien against any property for which assessments are not paid when deemed necessary or to bring an action at law against the owner personally obligated to pay the same.
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on the property owned by the Association, insure and keep insured all of the insurable Common Area facilities in an amount equal to the maximum replacement value for the benefit of all Lot Owners and their first mortgages and procure and maintain all other insurance required or permitted by the Declaration.
- (f) cause all officers or employees having fiscal responsibilities to furnish adequate fidelity insurance or bonds as required by the Declaration. The premiums on such insurance or bonds shall be a common expense as may be deemed appropriate by the Board;
- (g) cause the Common Area to be maintained and to make repairs, additions, alterations and improvements in the manner consistent with the best interests of the Lot Owners;
- (h) establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable and to keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the Lot Owners, and to cause a complete audit of the books and accounts by a certified or public accountant, once each year; and
- (i) meet at least once each quarter.

Section 3. No Waiver of Rights. The omission or failure of the Association or any Member to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provisions of the Declaration, the By-Laws or rules and regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors shall have the right to enforce the same thereafter.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The Officers of the Association shall be a President, a Vice-President, who shall at all times be Members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board of Directors shall, from time to time, elect. The office of President and Treasurer may be held by the same person, and the office of Vice-President and Secretary need not be held by Members of the Board of Directors.

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 and shall hold office at the pleasure of the Board.

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

Section 4. Special Appointments. The Board may elect 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 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. Any officer may resign at any time giving written notice to the Board, 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.

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

Section 7. Duties. The duties of the officers are as follows:

- (a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and promissory notes. Further, he shall have all of the general powers and duties which are usually vested in the office of president of the association, including but not limited to the power to appoint committees from among the owners from time to time as he may, in his discretion, decide is appropriate to assist in the conduct of the affairs of the Association or as may be established by the Board or by the Members of the Association at any regular or special meetings.
- (b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

- (c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; provide notice of default, as required by the Declaration, to any first mortgage or Seller under a Veterans Administration land contract, 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.
- (d) The Treasurer 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 all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; 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. In the event a Managing Agent has the responsibility of collecting and disbursing funds, the Treasurer shall review the accounts of the Managing Agent not less often than once each calendar quarter.

ARTICLE IX

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Indemnification. The Association shall purchase an insurance policy covering all directors, officers and executives of the Association. Such policy shall, in accordance with the limitations set forth herein, indemnify such officers, directors and executives against losses, costs and expenses, including counsel fees in applicable, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director, officer or executive of the Association, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. Such indemnification shall be limited to the amount of the policy secured. The foregoing shall not be exclusive of other rights to which such director, officer or executive may be entitled. Nothing contained in Article IX shall be deemed to obligate the Association to indemnify any Member or Lot Owner who is or has been a director, officer or executive of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration.

Section 2. Other. Contracts or other commitments made by the Board of Directors or officers shall be made as agent for the Lot Owners, and they shall have no personal responsibility on any such contract or commitment (except as Lot Owners), and the liability of any Lot Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereof as the common interest of each Owner bears to the aggregate common interest of all of the Owners, except that any losses incurred because of an inability to collect such proportionate amount of the total liability owed by an Owner shall be shared proportionately by the other Owners.

ARTICLE X

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the date, the assessment shall bear a penalty or late charge of \$10.00 per month. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided, and a reasonable attorney's fee to be fixed by the court, together with the costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XIII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: WOODBRIDGE TOWNHOME OWNERS ASSOCIATION, INC.

ARTICLE XIV

AMENDMENTS

Section 1. These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first year shall begin on the date of incorporation.

ARTICLE XVI

WAIVER OF NOTICE

Whenever any notice is required to be given to any shareholder or Director of the Association under the provisions of these By-Laws, under the provisions of the Articles of Incorporation, under the Declaration of Covenants, Conditions and Restrictions, or the laws of the State of Colorado, a waiver thereof, in writing signed by the person or persons entitled to such notice, whether before or after the time stated herein, shall be deemed the equivalent to the giving of such notice.

ARTICLE XVII

INFORMAL ACTION BY MEMBERS

Any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of the members, may be taken without a meeting or at a meeting where the required quorum is not present in person or by proxy, providing, however, that a consent in writing setting forth the action so taken shall be signed by a sufficient number of members to constitute a quorum as hereinabove defined.

IN WITNESSD WHEREOF, we, being all of the directors of the WOODBRIDGE TOWNHOME OWNERS ASSOCIATION, INC., have hereunto set our hand this 1st day of July, 1981.

Signed by Larry Lawrence
LARRY LAWRENCE

Signed by J. Thomas Schmidt
J. THOMAS SCHMIDT

Signed by Robert Myers
ROBERT MYERS

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the WOODBRIDGE TOWNHOME OWNERS ASSOCIATION, INC., a Colorado Non-Profit Corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 1st day of July, 1981.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 1st day of July, 1981.

Signed by Stephen L Scott
Secretary